

## MEDIA RELEASE

May 2011

### CLAYBRICK BUILDS STRONG FOUNDATIONS ~ FOR GOOD

ClayBrick 1 of 4

'Long term prospects are on the horizon for the clay brickmaking industry in South Africa', was the key message that came out of discussions at ClayBrick.org's 48<sup>th</sup> Annual General Meeting, held at the Bloemfontein Conference Centre recently.

This follows almost 18 months of the Association going through a strategic realignment process to improve its operational efficiencies and market presence. More recently, the findings of independent research that reinforces the superior sustainable value afforded by clay brick construction has added positive impetus to the future prospects for Clay Brick.

In his review of the current status of the industry, Dirk Meyer, President of ClayBrick.org noted that, the Clay Brick industry is operating under some of the toughest conditions ever, with construction activity being at an all time low.

"While the repercussions of the global economic meltdown continue to affect everyone in the building and construction industry in this country, the world economy remains entangled in the USA recession. Europe is battling its own woes with spiralling debt and several fragile economies that have thus far, resisted all efforts to move them into positive growth. Further, political turmoil in Northern Africa and the Middle East have impacted on crude oil prices, driving inflation higher," highlights Meyer.

Pointing to the 4<sup>th</sup> quarter GDP for 2010, which at 4.4% was much higher than expected, Meyer is confident that the South African construction industry will see signs of recovery in the near future. "Consumer spending is on the rise again and car sales are on the up, the latter typically being a precursor to a recovery in the residential sector. The main question is: When will this impact occur?"

"Fortunately," says Meyer, "Our members are survivors. We have survived the collapse of the building boom following the implementation of the National Credit Act and Eskom's moratorium on new building plans passed.

/2...

"The industry has survived the repercussions of the global economic meltdown, which literally brought the construction of office and commercial buildings to a standstill.

"While the first half of 2010 appeared to be more promising, thanks to the completion of projects in the build up to the world cup, construction activity tailed off in the second half of the year with reported brick sales dropping by as much as 60% in some regions."

It is in this climate that the ClayBrick industry has been forced to address other pressing concerns, like the debut of alternate building materials vying for the same slice of market share, as well as conformance to new stringent environmental and legislative criteria, like the Air Qualities Act, among others that have cost the Clay Brick manufacturers, collectively, millions of Rands - just to comply.

"As the industry body that represents all Clay Brick manufacturers in this country, we chose to use these 'challenges' as 'opportunities' by revisiting our operations through a strategic and operational realignment process. This included the development of a vision and mission statement, the rollout of the new 'ClayBrick for Good' corporate identity and the implementation of formal policies, procedures and practices process, which defines all functions and portfolios within the organisation.

"Today, ClayBrick.org is one of the most progressive Associations in the industry with a strong membership base. The leadership, guidance, information and training provided by ClayBrick.org have made a substantial and beneficial contribution to our members, says Meyer."

- **ClayBrick Leadership**

As President of Claybrick.org, Meyer is supported by vice-president, Pelelani Ngcuka, as well as team of board members. Each member assumes a particular portfolio, within their respective areas of expertise to ensure the seamless management and day to day operations of the Association.

Meyer took the opportunity to announce Pelelani Ngcuka as his successor in 2012. This follows the completion of his statutory two year term as President of the Association. He also welcomed Nico Stolp of Nylstene to the board. Stolp took over the role of regional chairperson for the Limpopo / Mpumalanga region from Hendrik van Dyk of Malelane Stene, who fulfilled this position for the past four years.

**ClayBrick Board of Directors 2011:**

President	:	Dirk Meyer, Corobrik
Vice President	:	Pelelani Ngcuka, Stutt Brick
Treasurer	:	Mark Hunter-Smith, Algoa Brick
Executive Director	:	At Coetzee
Directors	:	Nico Mienie, Algoa Brick Peter du Trevou, Corobrik KE Mathebula, Kopano Brick David Matlou, Corobrik Musa Shangase, African Brick
Regional Chairpersons	:	John Martin, E.P Brick (Eastern/Southern Cape) Wayne Burton, Crammix Bricks (Western Cape) Philip Spies, Westend Clay Brick (Gauteng/N.West/KZN)) Nico Stolp, (Nylstene) (Limpopo/Mpumalanga) Gert vd Merwe, Pika Brick (FreeState/N.Cape/Lesotho)

The pending retirement of At Coetzee, Executive Director of ClayBrick.org was also officially announced. Coetzee will continue to fulfil this role until such time that a suitable replacement can be found.

In a moving tribute to Coetzee, Meyer said, "It is virtually unbelievable that one man could have made such a difference! In the past four years, Coetzee has pulled the industry together and given Claybrick.org new direction and energy. In so doing he has been an inspirational leader, a visionary and pillar of strength to every stakeholder of this Association!"

- **GroundBreaking Research Positions 'ClayBrick for Good'**

ClayBrick.org has also put its money where its mouth is with regard to 'green building' issues. "In the past year or two, the building and construction industry has been inundated with claims from entry level material suppliers, like the lightweight steel framing systems, making comparative claims about the performance of their product and why it is 'greener' than the rest," notes Meyer, adding that "To date, they have no track record or factual evidence relating to the performance of their systems under South African harsh environmental conditions to back up the general validity of these claims."



ClayBrick 4 of 4

To avoid falling into the 'greenwashing' trap, ClayBrick.org took the plunge and invested in independent research to evaluate the thermal performance of the different walling types across the six major climatic zones of South Africa. "Obviously we took a risk investing in such comparative research, but given the everlasting history of Clay Brick, we had every confidence in the outcome," says Meyer.

"This is the first research of its kind ever to be undertaken in this country, the findings of which correlate with 8 years of empirical research at the University of Newcastle in Australia. Today, I am proud to report that for the first time in the history of ClayBrick, we have well founded scientific evidence that proves Clay Brick as a significantly energy efficient walling material that provides for optimal thermal comfort and lowest heating and cooling energy usage in both a 40m<sup>2</sup> and 130m<sup>2</sup> house here in South Africa.

"Now, more than ever, we can confidently proclaim that Clay Brick walling achieves lowest life cycle energy costs, lowest life cycle costs and superior investment outcomes ~ for Good!"

Armed with this knowledge, ClayBrick.org is set to leverage the findings of this research through a strategic and tactical marketing campaign. Last year saw the introduction of the new ClayBrick corporate identity and the release of the new 'ClayBrick for Good' logo and positioning statement.

Meyer concludes, "Going forward and without giving too much away, our new approach will ensure that Clay Brick remains aligned with sustainable building design in the interest of long term value and best practice in both the eyes of consumers and building professionals. Ultimately, ClayBrick is for good".

ENDS.