

Speech: Petrus Bosman, Director: JC Bosman Boerdery

## Adama Appollo land reform launch

Black Economic Empowerment is part of business in South Africa, and therefore so is land reform. This can be quite a challenge when it comes to old family farming concerns.

The Adama empowerment project turned these challenges into great opportunities, and I would like to share these with you tonight.

260 Permanent farmworkers, represented by a board of trustees, formed the Adama Appollo Trust of which they all are now beneficiaries.

430 hectares of land was included in the project, with Adama Trust acquiring a 50% share in the land.

The transaction includes the farm De Rust that won the VinPro Vineyard block of the year competition for three consecutive years. The farm not only produces excellent quality grapes but now qualifies for Fairtrade accreditation and can therefore enter a differentiated market.

The transaction also includes:

- De Bos farm in the Hemel en Aarde Valley, which will produce its first sought-after cool climate grapes this year. There is plenty of development potential; and this we have included in the budget. The farm holds foundation status and is the home of a clonal garden with a huge spectrum of vitus varieties.
- A 30% share in the Bosman Family Vineyards cellar on Lelienfontein Estate; in its first year and already producing outstanding wines. We are proud that our Adama Shiraz blend won gold last year at the prestigious Juliet Cullinan Connoisseurs Awards, and third best wine in the country overall.
- A 5% share in the operational farming concern, Lelienfontein Vinegrowers, Africa's biggest vine nursery.

While it is clear that the focus of the transaction was on land reform, we wanted to give our people access to the full value chain, from vine to wine, and the economic benefits thereof, hence the combination of farmland, operations, wine cellar and marketing.

Special thanks to:

- The hard-working farm committee; thanks for all of your time and effort. I think a lot of you have forgotten how we started two years ago, working in sessions straight through Sewende Laan.
- Outstanding support and huge financial contribution from the Department of Land Affairs. Jimmy, Lionel, Erica and Zenobia; we received outstanding service.
- laan Olkers from Agri Expert for facilitating the process between Land Affairs and the beneficiaries.
- Frans van Wyk and Tertius Bruwer from PWC for strategic input and financial calculations.
- Marne Bronn and Chemus Taljaart for the huge task of legal work and tax advice.

What differentiates Adama from other projects is that it's not really a project but a partnership! You may ask what the difference is.

After 24 months the project comes to a close tonight but for the Bosman Adama partnership, it's a huge boost to a relationship that started generations ago.

In partnerships it is important to find the right partners. You need to know the partners, trust them and they must be able to make a contribution.

All of the beneficiaries have long and loyal service records, most for many years and some families for generations. Just think about the old families from Lelienfontein who worked with my dad, his grandfather and great grandfather.

Although the business grew over the last few years we still manage it on the basis of trust. Everyone knows his/her own responsibility for contributing.

(The night of my wedding a young man broke into my cottage. It wasn't long before more than ten men were after him. Eventually, after they went through a few farms the police caught up with him. He got away with nothing.)

What makes me most excited is the contribution that our new partners can make. We have a treasure chest full of talent that can make not only a big contribution to this farm, but also to the South African Wine Industry.

That is why I don't think there is a better partner than 260 of our farm workers to exploit the new opportunities that we've got.