

Massmart Supplier Development Partner
Secures Walmart Export Deal

Media Release

30 January 2020

Massmart Supplier Development Partner Secures Walmart Export Deal

Massmart is proud to announce that Glenart, a local Christmas cracker manufacturing company and partner on the Massmart Supplier Development Programme, is the first local supplier to be listed with Walmart US on a new export programme.

A landmark agreement that will see the company directly supplying their innovative confetti-popping crackers to 800 Walmart US stores was signed last week, when merchants from Walmart's Global Sourcing team were in South Africa to identify export opportunities for a selection of local suppliers.

According to global retail analytics, in 2018 the U.S. retail market was valued at 3.3 trillion U.S. dollars and is expected to reach a value of 3.6 trillion dollars in 2020. With the U.S. retail market being one of the largest in the world with continued growth expected in the coming years and Walmart being a leading retailer, this deal represents a significant opportunity for Glenart.

Based in Shaka's Head in Kwa-Zulu Natal, Glenart is a family owned business that employs 200 people from neighbouring communities for 5 months - due to the seasonality of Christmas. Through this deal they will be able to hire more employees for an extended period to meet the increased demand.

"We believe in the concept of Shared Value, to develop programmes that not only benefit Walmart and our customers but also benefit our suppliers" says Sean Reber, the Walmart Global Sourcing Director, "Glenart is a good example of this. We will be the first company to bring this innovative product to our customers in the United States. The order benefits Glenart with additional volumes and the potential to access other global Walmart markets."

This export programme stems from discussions that took place at the 2019 World Economic Forum in Davos, between Minister of Trade and Industry Ebrahim Patel and the President and CEO of Walmart International Judith McKenna. The initiative also represents an extension of the Massmart Supplier Development mandate to include assisting local suppliers to access Walmart's global markets. The Walmart Global Sourcing team, supported by the Massmart Supplier Development Programme, initially met with 18 South African suppliers in September 2019. Following these meetings a total of seven suppliers were identified as having export potential to Walmart markets due to their ability to meet particular demand requirements. Supplier products include I&J's abalone and seafood, AVI's Fresh Pack rooibos, Vinimark's wines, Rhodes Foods' tinned fruit, Distell's wines, Green Farms' macadamia nuts and Glenart's Christmas crackers

The Walmart team, accompanied by buyers from China and Japan, recently returned to South Africa to visit the manufacturing facilities of the seven high potential suppliers. The purpose of these visits was to determine if these suppliers are able to adapt their products for the targeted Walmart markets.

The Walmart Global sourcing team was as impressed with the products as they were the facilities in which they are manufactured. Reber commented that "The factories are world class. It's clear these companies are investing in the factories to continually update the production lines to improve efficiencies and add innovation."

It was during these factory visits that Walmart finalised Glenart's Walmart listing. The remaining suppliers will be updated when the Walmart Global Sourcing team return to South Africa for further meetings.

For Media Enquiries

Refilwe Boikanyo

Massmart Communication Manager 011 517 6041/ refilwe.boikanyo@massmart.co.za

About the Massmart Supplier Development Programme

The Supplier Development Programme was established by Massmart to create opportunities for small to medium manufacturing enterprises. The objective for the programme is to improve local procurement linkages for new and existing small businesses to be able to sustainably trade with Massmart.

About Walmart:

Wal-Mart Stores, Inc. operates Wal-Mart discount stores, supercenters, Neighborhood Markets and SAM'S CLUB locations in the United States. The multinational company also has operations in Africa, Asia, Central America, Europe, North America and South America.
011 502 72

Massmart powered by Walmart, comprises four divisions operating 441 stores, across 13 sub-Saharan countries. Through our widely-recognised retail and wholesale formats (including; Cambridge Food, Builders Warehouse, DionWired, Game, Jumbo Cash & Carry, Makro and Shield), we have leading shares in the General Merchandise, Liquor, Home Improvement and Wholesale food markets.

