

New look Tourvest to focus on growth

By Muzi Mohale on March 19, 2009

Tourvest's new status as South Africa's largest black-owned tourism group would open new opportunities for development and expansion for the company and give it the ability to lead the transformation of the South African tourism industry, chairman Robert Gumede said today.

Tourvest was acquired last year by a BBBEE consortium led by Guma Tourism in partnership with Old Mutual Private Equity, the IDC and management.

"Over the past two decades, the number of overseas foreign tourist arrivals annually to South Africa has increased by 360%, from around 494 000 in 1991 to almost 2.3 million in 2008. It is because of this growth that the tourism industry has been identified as a priority sector that can help the government achieve its goal of halving unemployment and grow the country's gross domestic product," he said. "Tourism is also not confined to the country's major economic hubs and is therefore in the unique position to help spread wealth to many of our rural and marginalised communities," he said.

Gumede said that the Guma transaction came as Tourvest was consolidating its recent expansion strategy, which has seen the steady growth of its existing businesses as well as the diversification into new international and local market sectors. At the same time, Tourvest has also been putting in place its plans to participate meaningfully in the 2010 World Cup and positioning itself to take full advantage of the double-digit growth in overseas tourist numbers expected after 2010 from traditional source markets including Europe, the United Kingdom, the Americas, Asia and Australasia.

Gumede, who founded Guma Tourism in 1996, said his consortium saw great potential for Tourvest and would be making a substantial contribution towards its success. "Through our impeccable BEE credentials and our entrepreneurial business acumen, we are well positioned to help Tourvest identify new investments within the African continent and to grow these organically," he said. "This in turn would help enhance Tourvest's ability to add value to its offering through its purchasing power, advanced technology, leading-edge product development, size and spread."