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noseweek

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issue

68

JUNE 2005



R21
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HORROR



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HOT PROPERTY



Picture: William McIntosh/Die Burger

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Mr Nose, I presume

I was shocked and horrified at the undemocratic decision taken by you to dispense with Mr Nose. I am sure the majority of your readers will insist that he be retained as is. However, I just might change my mind if he persists in not revealing the identities of various parties referred to in "Mr Nose puts it about"; e.g. who is the person in "An oligarch's appetites"? Or the

years, up to October 2003, I had been deputy editor of the *Financial Mail*. Could Mr Nose (if he's still around) enlighten me: during what period was I unwittingly ousted by the estimable William Mervin Gumede?

Michael Coulson
Johannesburg

Thanks for the correction regarding Mr Nose's sloppy inflation of William Gumede's career at the Financial Mail.

on the deeper mysteries of business, intelligence and power", and, "The unfortunate reality is that if we cannot distinguish between truth and untruth, we will be cast into a moral universe that lacks any kind of anchor" bring to mind *Unfinished Business*, Terry Bell and Dumisa Buhle Ntsebeza's book on South Africa: Apartheid & Truth.

The book tells of the unfinished business that

the person who wrote the article "Mandela Fakes: no end in sight for the hard cell", (*nose67*), wasn't kind enough to print his name: I'd like to invite the writer & co for a glass of wine and a chat.

Claudelle ("a pushy blonde"),
Touch of Mandela Gallery, Nelson Mandela Square, Sandton City

We forwarded your invitation to our Gauteng art correspondent, only to have it returned marked "left/no forwarding address". I'll be happy to stand in, provided the blonde and the wine are guaranteed genuine. – Ed.

I have never quite seen the point of Ronald Suresh Roberts

famous politician in "blast from the past (3)"? You just cannot do this to us!

Alan Tauroug
Johannesburg

The point of Roberts

Two items arising from *nose67*:

Firstly, I have never quite seen the point of Ronald Suresh Roberts, but I shall always be grateful to him for explaining that Mo Shaik was not being compared to a sleazy stud who appeared in many inferior US porno movies. Clearly, a cocaine-riddled gangster is far more appropriate.

Secondly, I have always laboured under the delusion that for something like 15

Mr Gumede was merely a senior editor at the FM. He was deputy-editor of The Sowetan.

We couldn't hope to compete with your expertise in inferior US porn movies, but let's just say we don't understand how it comes into this picture.

The point of Ronald Roberts? Why, he adds to the gaiety of nations and contributes to the rich tapestry of South African discourse – as you, of course, do too. – Ed.

A truth well told

James Sander's concerns re the state of the SA media in "Telling Tales" (*nose67*) caught my attention. His statements that "South Africa is still in a fragile state: the doors have not yet been locked

stands in the way of healing the nation's soul: those perpetrators who did not receive their just deserts for their crimes (some are in positions of power even today); the victims, who still grieve over the unknown fate of their loved ones.

As James Sanders concluded: "There are fabulous stories out there waiting to be told".

A pity Bell's book is to be found in so few bookshops.

Rev. Herbert Syre
Constantia

What Times, what mores!

The RSA public must be eternally grateful to *noseweek* and its publishers. It is the only section of the media that is fearless – and does its homework properly. It is the only publication that confirms what many privately suspect.

Your account of how the *Sunday Times* dealt with their journalist Bonny Schoonakker's report on the Mandela art fraud tells it all. I look forward to your next edition.

W M Pitt Fennell
East London

Nosing around

We are sitting at the bar at Kampala Backpackers Hostel and found amongst the magazines a copy of *nose57*. You do get around!

Sonja & Jorgen Dahl
on our way by car from Cape Town to Copenhagen

Here's to a pushy blonde

Unfortunately, I don't know who to address this to, as

Thanks for the ad We at African Scholars Fund continue to be profoundly grateful to our unknown benefactor for the regular ad in your Smalls section, and hope that *noseweek's* discerning readership pays as much attention to that feature and its worthy objectives as to your tantalizing editorial offerings.

We endorse almost all the admirable sentiments in the advertisement but must reassure readers that, contrary to the "no-bull" description, the eponymous undersigned is visible and real, and does attempt to wield a little more than negligible influence as Chair of the Board of Trustees.

Margaret Bull
by email

Prawn in distress

Re: the prawn recipe that's causing a shtink at the shul (*nose67*). Come on!!! What's this all about?! What are you trying to say?!

OK – you've told us a story, infantile at best. BUT what lessons do you wish us to learn from this story? What action do you suggest we take against this "horror-of-horrors"? Be brave – give us some recommendations.

Dave Lasker
Crown Mines

Recommendations? Think – then take a Disprin and call us in the morning. – Ed.

Taxing matter

You've printed much commentary recently regarding income tax evaders, and I wondered if you realised:

GUS



Of South Africa's population of 44 million, only four million are registered tax payers – representing only 9% of the population and contributing R110.7bn annually – this is 32% of gross revenue to the receiver's office.

Government statistics state that the "expanded" unemployment rate (the figure that includes those who have "given up" seeking employment) is 41%, therefore 59% of the population are supposedly working and able to contribute to income tax. Yet only 9% are taxpayers. What happened to the other "employed" 50%?

Corporate tax, which is the income tax paid by all businesses, amounts to R70,6bn. This is only 20% of the total – far less than the 32% paid by individuals (at R110.7bn), suggesting that all the mining, energy, manufacturing and production industries in South Africa are either under-productive or short-changing the receiver's office.

It's absolutely staggering: honest tax-paying citizens (9% of the population) actually keep SA afloat, and do better at generating income than SA businesses and industries!

Mark Wade
Durban

It's fewer than 9% who are keeping the boat afloat: remember Brett Kebble? He's officially a "registered taxpayer", but his friends in the revenue service simply can't get themselves to collect any tax off him, or from a few other extremely wealthy and well-connected "registered taxpayers" – that we know of! – Ed.

Can't keep Goodman down

In your report, "Lager Loot" (nose67), about all that

cheap Castle washing up on the Seychelles you found it necessary to mention that Pete Clarke was educated at Hilton. Quite correct and well done!

Somehow, however, despite your strenuous efforts at fair and balanced reporting you failed to record the fact that James Goodman, who features in "Race rat" (nose67) went to Michaelhouse!

Peter Cook
Benmore

Goodman is an exception to the pantheon of distinguished MHouse old boys, whereas Clarke is a typical Hilton reprobate – Ed.

In a lather over Rather

In Greg Palast's piece "Dan Rather Conks Out" (nose67), he expounds in depth on a subject of which he has only superficial knowledge.

Rather was pretty much ignored, until 9/11, when his true colours began to show with statements such as: "Like him or not, [Bush] is the President". The audacity of that comment accelerated the CBS news anchor's inevitable demise.

After 9/11 Rather became so obsessively anti-Bush that he carried his bile too far with his report on the President's service in the Air National Guard.

Perhaps his greatest error was his timing. With the US attacked on its own soil, it was not the time to delve into petty issues that were little more than a vicious political weapon. Rather's selection of material was so juvenile as to be grounds for dismissal. Many of his colleagues, Palast excepted, agreed.

Palast says that Rather refused to accept the "evil gag orders of the media moguls" and that he died as a journalist. Wrong. He killed himself as a

Stupid Mr Nose

Having been an avid *noseweek* groupie for years, I would like to forgive my favourite dirt-diggers the odd lapse of their usually impeccable judgement, but two? ... in one edition? I found your petty, personal, and just plain pointless attack on my friend Nick Clelland-Stokes (Mr Nose, nose66) a bit offensive and, well, just stupid. So Nick (who stepped down from public office [as a DP MP] in April 2004) and Sasha changed the departure date of their long-planned, round the world time-out together, so Sasha could finish off some projects she was working on. Skande!

So Nick was gainfully employed in Cape Town for a few months before they finally left in January 2005. Shock and horror! So Nick bought a book at Cape Town Airport in that time. Off with his head!

Come on, *noseweek*, whatever was that about? Meanwhile, being the good *noseweek* reader that I am, I'm voting with my feet, or better still my wallet, so I've iced my planned contribution to Martin's Cellphone Records Subpoena Appeal Fund, good cause though it undoubtedly is.

Lyn Ploos van Amstel
Westville, Durban

Your account of Nick Clelland-Stokes's movements

journalist, because he refused to act with any grasp of duty or sense of honour.

He lacked the reserve and dignity to avoid using his platform as his personal soap box.

On the road: *noseweek* hits Bologna (with Nick Clelland-Stokes)

over the past year is undoubtedly correct and, as surely, Mr Nose's account had a (typically) shitty spin. But, let's face it, his was the more entertaining one. Now that we know from other sources what Nick was actually buying at the airport branch of Exclusive Books (on his way to Bologna: see picture), we have no hesitation in wishing him – and Sasha – a very happy journey!

*OK, so you didn't find it funny. But you love *noseweek* – and we love you. For what that's worth. (How much were you going to send us?) – Ed.*

Contrary to Palast's lament, the passing of Rather, has not signalled the death of American journalism. It is now far better off.

Travis Honeycutt
by email



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SA's avoidable holocaust

THIS MONTH'S cover story has no *skinner* to take your breath away, no celebrity names to drop in the dirt at your next dinner party. I make no apology for that. Over the past year South Africa has seen more than its usually horrifying number of children burned to death, more than the usual tens of thousands of people lose all their possessions in shack fires. Much of it can be attributed to the lethally dangerous paraffin stoves that unscrupulous manufacturers have been allowed for years to sell to the country's poorest citizens. Like no other, the humble paraffin stove issue raises the question: does the government really care about the poor?

Our story reveals there has been a breakthrough: an enterprising local inventor has developed a safer stove that could save lives and limit the devastation. High safety standards can now be set. But will they?

The poor by definition have no financial clout and, because they have no financial clout, they tend to have very little political clout. There's no money to be had or profit to be made from solving their problems. Surely this is an opportunity for the government to step in and buy George Long's patents and offer them to all the country's manufacturers, free of charge? Then ruthlessly enforce the high safety standards necessary to help bring an end to the annual holocaust.

Hello and goodbye

AT NOSEWEEK, it seems, there's no time to say hello, and scarcely time to say a belated goodbye and thank you. Goodbye James Sanders, and thank you for having done such a splendid job of stirring during your three-month stint as editor!

Hear the rumble of all the media big guns now ranged on the Mandela art front – prompted by two pistol shots from Sanders in *noseweek*. (We'll be firing one or two more, in due course.)

And then there's the long and bitter letter of complaint I've received from James Selfe MP about Sanders' criticism of Tony Leon in *nose66*.

I haven't published Selfe's letter because of its length and because it says so little that's new. I know the DA does a splendid job on many fronts.

But, as a gesture of goodwill, let me quote the odd paragraph from Selfe's letter:

"Sanders' statement that 'the DA leader has never managed to connect with black voters' arrogantly presumes to know what 'black voters' think," he says in his letter. "The truth is that the DA's progress under Leon among all voters has been very significant – and even among black voters, much higher than supposedly African opposition parties including the PAC and Azapo."

A dollop of truth with a dash of wishful thinking for flavour?

Selfe's bit about Leon's support of the death penalty we'll give a skip. Just the following for the record: "Leon's position is by no means exceptional for a liberal. Many classical liberals, like John Stuart Mill supported the death penalty, and contemporary

liberals such as Bill Clinton do as well. The DA as a party has a perfectly liberal approach to this subject, which is to allow our public representatives a free vote on the death penalty and other issues of conscience such as abortion."

Finally there's the matter of Ronald Suresh Roberts. If Roberts hadn't arrived in South Africa, we'd have had to invent him, for all the life he's brought to the DA. What is it about Roberts – and still more curious, what is it about the boys in the DA that sets it all off? Sanders definitely put his finger on something worth investigating there. Leon's youthful "war career" as propagandist on the SADF's *Paratus* magazine – unearthed by Roberts – is history worth noting, we would have thought. In the tradition of truth and reconciliation, why not admit it and talk about it? But while Selfe, like his colleagues, remains touchy about any mention of it, he does not hesitate to spread the dirt around: in his letter to *noseweek* he reveals that "such luminaries as Shaun Johnson (recently appointed by Mandela to head the Mandela/Rhodes foundation); Alan Dunn (editor of the *Sunday Tribune*) and Hugo Cassirer (son of the more famous Nadine Gordimer) also spent their compulsory military service at *Paratus*."

Also for the record: the DA won two million votes in the 2004 election and grew more than any other party in the country, including the ANC. Under Leon's leadership the DA is now the second biggest party in the country, by some distance.

Now can we call it a day?

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Mr Nose puts it about



Geyser blows it

Mr Nose notes that Andries Geyser, who pleaded guilty in April to serious criminal offences arising from his period as chairman of two JSE-listed companies, is a former president of the Natal Law Society – and of the South African Law Society.

The companies in question are Tigon and Shawcell, both at the centre of the scam by which Gary Porritt misappropriated some R250 million from the public (with a little help from Jack Milne). Geyser will now turn state witness against Porritt.

Geyser was chairman of the Natal Law Society from 1985-1987. He was chairman of Tigon from 1995 to 2000, and of Shawcell from 1999 to 2000.

Geyser pleaded guilty to reckless trading, and to allowing Porritt to conduct the affairs of the companies recklessly and fraudulently. The charge sheet also states that Geyser had had strong reason to believe that Porritt was manipulating the share prices of Tigon and Shawcell, but had failed to take any action. (Mr Nose wonders why ...)

According to the current president of the KwaZulu-Natal Law Society, David Gush, the society has initiated an investigation that may result in an application to have Geyser struck off the roll of practising attorneys. "It is a matter of interest" Gush told Mr Nose, "and we want to deal with it as quickly as possible."

Pickled Zuma

Much to Mrs Nose's annoyance, Mr Nose makes frequent visits to the Gauteng fleshpots – purely in the interests of research of course. Mr Nose must admit, though, that on these business trips he is always unsettled by the levels of degradation, corruption and recidivism he finds in our northern cities – so uncomfortably close to the seat of government!

So, it was with a distinct sense of unease, that on a recent sojourn in the Big Naartjie, Mr Nose was confronted by the two posters below....

Telkom customer service awards

Mr Nose was in need of a telephone attachment to increase the volume for a deaf user – an occupational hazard – so he thought it might be a good idea to consult his nearest Telkom shop. By phone. He dialled 1023...

Telkom voice: Your enquiry and area please.

Mr N: Telkom branch office in Tokai, Cape Town, please.

Telkom Voice: You said where?

Mr N: Telkom branch office in Tokai.

Telkom Voice: [After a pause]... There is no number listed for that.

Mr N: OK, give us the Claremont number and we'll call them for the Tokai number.

Telkom Voice: We don't

have any numbers listed for any Telkom branches in the country.

Mr N: But it's a Telkom office ... what do you mean there's no number?! Is this Telkom 1023?

Telkom Voice: Yes sir, but there are no numbers listed.

Mr N: Are you telling me that the only way to get hold of the branch is to get in a car and drive there?

Telkom Voice: Yes sir, or you can try 10210 for help.

Mr N: I'm looking for a particular attachment for a telephone instrument, can they help?

Telkom Voice: Maybe.

They can't, since 10210, it transpires, is the billing enquiry service; they can't tell what's in stock at the Tokai branch, or any branch.



Art society antics

Mr Nose understands that there was great consternation and discord behind the scenes at the opening earlier this year of an exhibition in Simon's Town of works by members of the Simon's Town Art Society.

Proceedings were to be attended and opened by no less a luminary of the art world than Brett Kebble – an occasional resident of the town. The dilemma for the Simon's Town Art Society committee: what to give Kebble as an expression of thanks.

For some reason the society's chairman, known to Mr Nose only as Klaus, decided that the perfect solution to the problem would be a 2nd World War German infantryman's helmet, which he happened to have to hand. Chairman Klaus's proposal was to present the helmet with a bottle of champagne inside it.

This curious idea caused great distress to the ladies of the committee who thought it generally incongruous, but especially so because they thought that Brett might be Jewish.

Chairman Klaus refused to budge, but, shortly before kick-off, he was trumped by the disappearance of the helmet – which has not been seen since.

The unhappy chairman was forced to present Kebble with nothing more exciting than a solitary bottle of champagne.

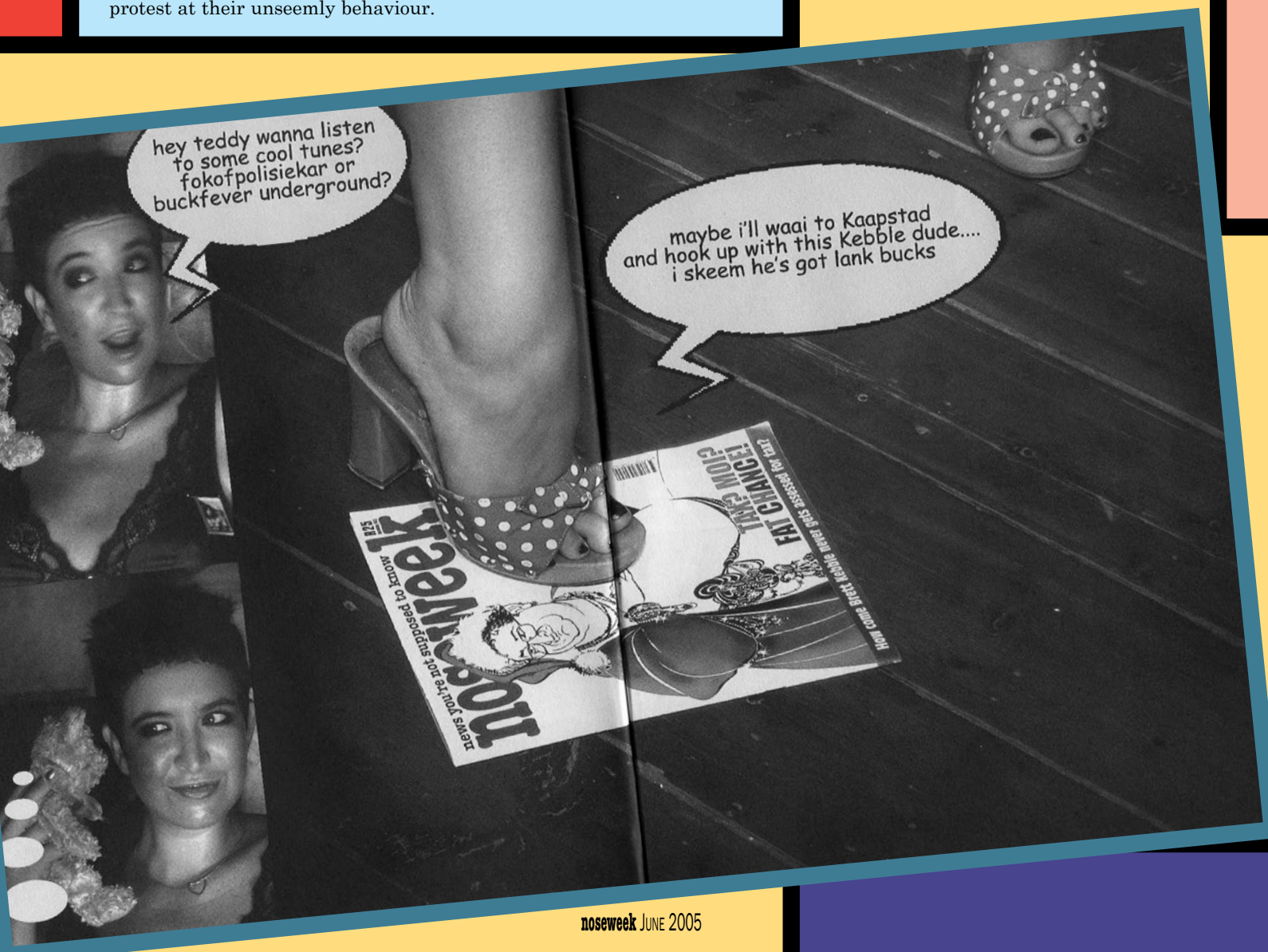
Our Klaus, apparently convinced that it was the committee ladies who were to blame for the helmet's mysterious disappearance, has resigned in protest at their unseemly behaviour.

Local aesthetic

On the subject of unseemly behaviour, Mr Nose was quite taken aback to find his esteemed organ and the flavour-some Mr Kebble featuring together in the launch issue of a bimonthly comic book *White Rat Picture Stories* (see picture below).

Starring in its pages are characters called Daddy's Girl, Puppy Bitch and Sad Bastard. Mr Nose could barely bring himself to turn the sordid pages of *White Rat*, but a blurb did catch his eye in which the authors purport to examine "dysfunctional white trash" and "serious issues like Aids and screwed up, greedy arts politicians". [Who can they possibly mean? – Ed]

Mr Nose finds it totally unacceptable that someone of Mr Kebble's elevated social standing should make an appearance in a publication called *White Rat*.



Long Walk to Fortune

Can it be true that Nelson Mandela's former lawyer, the charming Mr "Call me Ismail" Ayob is claiming control of the rights to Madiba's multi-million-seller, *Long Walk To Freedom*? That certainly is one of the implications of the devastating statement recently filed at court by Mr Mandela's lawyers.

One of the weirder artefacts being flogged by the Belgravia Gallery in London is a £3,000 limited edition leather-bound print of the Mandela autobiography; each volume has, so it is claimed, been personally signed by him. The sales pitch notes that the book has been "bound by monastically trained bookbinders".

As everybody appears to be talking about the art scams, we must pray the bookbinders were trained by a silent order. All the while Mr Nose had thought the publishing company, Little, Brown, and the author, Nelson Mandela, controlled the rights to the book!

And what of the production of Anant Singh's motion picture of *Long Walk*? Ever since the later 1990s, *Long Walk* (to Hollywood) has lived up to its name. It took an age to find a suitable actor to play the young Mandela, then there were problems over the creative vision for the film. As Madiba's personal lawyer, Ismail Ayob would have handled the contracts for the film version of *Long Walk* but is it possible that he offered Anant Singh additional incentives?

Mr Nose has learned that as recently as 2003, Anant Singh informed friends that he controlled the rights to the coverage of Nelson Mandela's funeral. This will come as something of a shock to the SABC, e.tv, the BBC and every other person in the world with a camcorder.

Mopping up after Mr Ayob is beginning to resemble one of the labours of Hercules: cleaning the Augean stables.



Signs of the times

A friend of Mr Nose has a mentally disabled son in a sheltered home on a state pension. For many years the small pension has been paid into an account with Absa bank. Some years ago Absa agreed to reduce the bank charges which would otherwise have been prohibitively expensive relative to the pension. (The bank offered a similar deal to old age pensioners.)

In April the son received a letter from his Absa branch manager. Mr Nose finds it chilling not only for the message, but also for the robotic language. "It has become necessary that we standardise the payment of charges across our services ... Please be advised that from 15 May 2005 you will be paying in full for services ... we apologise for any inconvenience due to the alignment of fees on your account."

The incident reminded Mr Nose of something that Noam Chomsky said: "A goal of the corporation is to drive out of people's heads natural sentiments like care about others, or sympathy, or solidarity ..."

North Korean salutations

Mr Nose has learned that an extraordinary edict was issued from the Presidency to the diplomats at Foreign Affairs before the visit of the North Koreans in March. The order addressed the fashionable trend in ANC circles to shower ironic greetings on friend and foe alike.

The craze originated in the standard salutation of "Chief", which mutated into "Big Chief" (although not "The Big Chief" who is of course Thabo Mbeki), "Biggest Chief", "Huge Chief" and "Gigantic Chief". Some years ago amongst those with a peculiarly high "hip" quotient, "Leader" began to be substituted for "Chief". [Horrors! Could this have been inspired by quaint practice in the DA's

head office? – Ed.] This rapidly led to North Korean-style greetings such as "Dear Leader", "Dearest Leader" and in extreme cases, "Divine Leader".

As a strange but amusing in-joke, none of this particularly mattered until someone in the Presidency grew anxious at the thought that the North Koreans would believe that the South Africans were "taking the piss out of them".

Bearing in mind that the North Koreans have one of the biggest armies in the world and nuclear weapons, it seemed inadvisable to irritate them. Thus, the edict was issued stating that ironic salutations were to be dropped for the duration of the Korean visit.

Blast from the past (4)

The Rosebank hotel in Johannesburg is a funny old cove with its 1970s decor and its otherworldly quality. Mr Nose has always found it a useful location for meeting people because it is normally possible to find a quiet nook where one can gossip. Perhaps

not so strange then to discover that in the early 1990s it was one of the key meeting-places for Mac Maharaj and the Operation Vula boys. What is somewhat peculiar is that, at the same time, CCB bigwigs were also using the Rosebank to host their secret get-

togethers. To add a comic touch, while Mac and his gang and the CCB "Rum & Cokers" were dodging around the hotel, so were representatives of the BBC who had regularly been guests at the Rosebank since the 1970s. And they missed the story.



The R21 solution to SA's R100,000,000,000 HORROR

EVERY day some 20 million South Africans – 40% of the population – use dangerous, sub-standard paraffin stoves to cook their meals and warm their shacks.

Every year tens of thousands of poor people are rendered homeless by the devastating fires these stoves cause.

Every inhabitant of an informal settlement in South Africa must be prepared to see all his possessions burned as often as three times in his lifetime.

Add to that the shocking number of children who are burned to death each year – in South Africa, burns are the leading cause of death amongst young children – and keep in mind that for every child who burns to death, ten live on hideously maimed and scarred.

There is also the astonishing cost to the economy of these fires: a report commissioned by the national treasury estimates that paraffin-related incidents cost the country R104-billion – twice the cost of our controversial arms purchases – every year! That, surely, is enough incentive to do something about the problem?

But now that a possible solution has been found to a major part of the problem, there are some who would rather it was ignored.

Paraffin is not only a dangerous fuel – it's a hot political issue.

the problem would provide a better return for the South African taxpayer, coupled with a vast improvement in the quality of life for the poor," Teri Kruger, spokesperson for the Paraffin Safety Association (Pasasa) stated when announcing a stove design competition in 2003.

Pasasa is an association formed by the six major petroleum companies active in South Africa. Besides petrol, paraffin is one of their most profitable products.

Now, thanks to one man, those terrible stoves can be made absolutely fire-safe at little or no cost to the consumer. But instead of the man being welcomed on the scene as a hero, vested interests may have hoped to ensure that no one got to hear about George Long.

Paraffin stoves need never again cause shack fires if they contain just a few simple but clever features that Long has devised and provisionally patented. Initial indications are that this South African's invention, if implemented worldwide, could save tens, if not hundreds of thousands, of lives and billions of dollars in damage to property each year.

But more about that later in our story.

Currently all of the most commonly

Panda stove, the most popular brand by far with more than one million sold in South Africa each year – immediately burst into flames when knocked over. Five, including the Panda, leaked paraffin when lying on their sides, creating optimum conditions for an uncontrolled blaze. The Panda stove even leaked paraffin during normal use. Left on for an hour, the temperature of the fuel in most stove's tanks – again including the Panda – far exceeded the 43 degrees celsius flash-point of paraffin, turning them into potential firebombs.

The problem is exacerbated by the fact that the poor who use them live in informal structures built on rough ground and made of highly combustible and toxic materials such as treated or painted wood and plastic.

"The deadly consequences of combining a dangerous fuel and sub-standard appliances are frighteningly familiar in most informal settlements," says Kruger, senior projects manager for Pasasa. "But households with unpredictable incomes – 40% of South Africa's population – tend to purchase energy for cooking, heating and lighting when cash resources are available, and thus a low cost, accessible fuel like paraffin which can be sold by the Coke bottle or cupful, is very popular,

Paraffin stoves need never again cause shack fires if they contain just a few simple but clever features

Paraffin poisoning and pollution are big factors in the cost calculation, but fire is by far the biggest. And the most frequent cause of runaway fires in informal settlements is the humble paraffin stove. Experts in the field have known for years that key to reducing the negative consequences of paraffin usage is the setting of new, enforceable safety standards for the cheap stoves used by the poor.

"Regulation and enforcement of such standards would prevent untold human suffering and save the country billions of rands. Instead of pouring money into disaster relief each year, investing in addressing the cause of

used paraffin stoves sold in South Africa – up to two million such stoves are sold each year – fall horribly short of even the minimal (voluntary) safety standards set by the SA Bureau of Standards (SABS) some years ago.

In 2003 Pasasa commissioned the SABS to do a series of tests on the nine most popular stoves on the local market. The SABS found that none of them met basic safety standards. Every wick-based stove – including the

Cooking: George Long with his prototype leak-proof paraffin stove that could save thousands of lives and billions of rands



even if it is potentially dangerous, unhealthy and harmful.”

Because paraffin is likely to remain the most affordable, convenient and practical energy source for many South African households, the Association decided in 2003 to make the problem of unsafe stoves a priority.

IT DECIDED to adopt a carrot-and-stick approach: the association put up half-a-million rand (way too little, as we shall see) in prize money for a competition to encourage designers to come up with safe, functional and cost-effective solutions. At the same time it launched a campaign to persuade the SABS to introduce more stringent safety standards and for the government to declare them mandatory. (Manufacturers had simply ignored the voluntary standards set by the SABS.)

The association's own experts had

already determined what the standards and design criteria ought logically to be. These were set out in the list of design criteria that competition entrants were supposed to try and meet. They included:

- The appliance should be stable;
- It must not burst into flame if knocked over;
- It must not leak paraffin either during normal use or if knocked over;
- The toxic emissions during use or at shut-down must be limited;
- The temperature of the fuel in the reservoir or of the controls must not exceed 40 degrees celsius during use.

The question was whether these standards could be practically achieved – at a price affordable by the poor.

George Long, 64, a retired engineer who had spent most of his working career in the motor industry, got to hear of the competition a bit late, but

By the end of the year Long's prototype had won the Design Institute's prototype award for 2004.

But he decided against entering Pasasa's competition. Entrants were required to submit a working prototype, to be subjected to a professional engineering evaluation. George had applied for a provisional patent over his invention, and feared that those charged with examining his prototype would get access to his patent secrets, nullifying his patent application. When he had asked Pasasa for a written secrecy undertaking, they had refused. “We could not guarantee secrecy,” Kruger explained when approached by *noseweek* for comment.

Long did, however, commission the SABS to test his tank. An SABS report dated 14 January 2005 (Report No 7222/2493371/YG001) confirms that George's tank is leak proof, even if held upside down.

Tao Ying Metal Industries sells more than a million Panda stoves on the South African market each year



was intrigued by the problem. With time on his hands, he bought a Panda stove for R21 and took it home to test and take apart.

Within a surprisingly short time he had come up with an improved stove design that met all the important competition criteria. His redesigned tank could be turned upside down without leaking. His stove was so restructured that the tank – and its fuel contents – remained cool, even after burning for hours. He redesigned the burner so that the flame was extinguished the instant the stove fell over.

THE FIRST two improvements were achieved without increasing the manufacturing cost of the stove. It might even now be cheaper: because the tank would remain cool, it could be made from moulded plastic rather than metal. The instantly extinguishing burner might add a rand or two to the cost – but Long regards it as optional; it could be dispensed with, since the leak-proof fuel tank by itself obviates most fire hazards.

As this seemed the obvious way to go, George approached the manufacturer of the Panda stove, Tao Ying Metal Industries in Botshabelo near Bloemfontein, with his improved design. The company sells more than a million Panda stoves on the South African market each year.

“The owner, Mr Henson was aware of the proposed new safety standards and offered me R5-million for my patents. Since I reckon the product has a huge market in Africa, India and China, I told him that was too little,” George told *noseweek*. He calculated that the world patent was worth more than R60-million and says he was prepared to negotiate for a figure about half that.

Meanwhile George kept a keen watch on progress at the SABS's working group charged with coming up with a revised safety standard for paraffin stoves. Since he now knew – and they knew – that Pasasa's criteria could be met, there was, as far as he was concerned, no reason why the new safety standard should not be set at the same high level.

“I remained in touch with Mr Henson.

One day he called me up to tell me he was no longer interested in my patent, as he had learned that the new standards would not require a leakproof tank."

SPEAKING to the people at Pasasa, who were facilitating the process, George learned that Tao Ying Metal Industries had been an active participant in the SABS's paraffin standards task team. And that the SABS was now proposing standards way below those suggested by Pasasa's competition criteria.

The new draft Standard allows the flame to extinguish within 30 seconds of the stove toppling over. (In other words it need not extinguish instantly as George's does) The draft Standard also specifies that the tank must not leak paraffin at a tilt of up to only 10 degrees. Effectively, if the new stove is knocked over, paraffin can still flow from the tank and ignite during the 30-second period allowed to extinguish the flame or ignite from the red-hot air diffuser mounted above the flame.

Panda's stove has a wick that takes up to 30 seconds to withdraw when the stove tilts beyond 45 degrees. And, as the previous SABS tests have shown, its tank leaks and it bursts into flame if it is knocked over.

The standard required is quite simply stated, says George: the stove should not burst into flames when knocked over and it should not leak paraffin if knocked over. "Has the SABS team abandoned its high safety criteria to accommodate Panda's disastrously low standards?" he asks.

Tao Ying director Denise Hedson



Picture: William Mchotsho/Die Burger

confirms that her company had offered to buy George's patent. "We were prepared to pay R5-million for the South African patent, but were not prepared to pay the R25-million he wanted for the international patent."

Asked about the anticipated lowering of standards, Ms Henson says: "George is pushing for a higher standard. I would too, if I were George."

"As things stand at the moment, the proposed regulations say the flame should shut off when the stove falls over, it does not say that the tank should not leak."

"My father started the business 30 years ago, locally manufacturing paraffin stoves to an eastern design. People only started talking about safety standards about two years ago. Fire is a concern, but it is largely due to user negligence. We are looking at different ways of changing our design, but if it is too difficult and expensive, we'll just call it a day."

"In the meantime we are also trying to help Pasasa to educate the end-user, particularly in the far rural areas," she said.

Meanwhile, the deadline for entries to the Pasasa competition was 5 November last year. Winning entries were to have been announced in March 2005, but the evaluation process proved more complicated than anticipated, as a result of which the winners were only to be announced at the end of May, as *noseweek* went to press.

Asked to comment on George's contention that the revised safety standards now being proposed by the SABS were no improvement on the previous standards – and that they were not safe at all, Pasasa spokesperson Kruger said her association was not responsible for setting the standards but had merely attempted to facilitate the process. "The association has only 16 employees. The best we can do is try and get the process going. To really succeed we need bigger partners."

"More people die in fires than in wars. We've thought of Denel: they can do the job and raise the capital." ■

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ASSET MANAGEMENT – THE WAY IT OUGHT TO BE.

Death in a bottle

A mix-up at a pathology lab led to a 42-year-old mother of four being given the wrong powder – a simple and deadly, but totally avoidable, mistake...

THIS is the story of a tragic death by poisoning in a leading pathologists' rooms – and how it has been covered up for the past two years. It involves a global pharmaceutical corporation, a pathology laboratory in Pretoria and a 48-year-old Absa executive named Dennis Farrell.

The tragedy took place on 28 August 2003, shortly after Thalassa Farrell, a 42-year-old housewife known to everyone as Lassie, arrived at the Arcadia, Pretoria main laboratory of pathologists Niehaus & Ungerer for a xylose absorption test.

This is a test for investigating abnormalities in the digestive system and is a comparatively rare procedure: five grams of xylose powder is placed in a beaker, mixed with water and drunk – followed by blood and urine tests. But on this occasion there was a terrible mistake. Instead of xylose, five grams of a deadly poison called sodium azide, was given to Lassie to drink.

The mother of four collapsed and was rushed to Pretoria Heart Hospital, where she died after going into cardiac arrest.

Sodium azide is a rapid-acting, potentially lethal explosive chemical used in the automobile industry to produce the inflation of airbags on impact. Like cyanide, it interferes with cellular respiration and aerobic metabolism, preventing cells from absorbing oxygen and causing collapse of the central nervous and cardiovascular systems.

In pathology, sodium azide can (controversially) be used as a preservative. At Niehaus & Ungerer it was regularly used to preserve 24-hour urine samples. Mixed with water, it is converted to hydrazoic acid vapour that is as deadly when breathed as it is when drunk.

The laboratory where Lassie was poisoned started life in the 1980s as Niehaus & Botha. Its founding part-

ner, chemical pathologist Dr Charles Niehaus, made a bundle when he sold the practice for more than R50m in 1999 to Quintiles Transnational Corp. Based in the USA, Quintiles is the largest provider of pharmaceutical services in the world (2004 net revenue \$1.78 billion). Niehaus stayed on the payroll to run the Pretoria business, which was turning over some R80m a year.

At the beginning of 2001 a rival pathology firm called Ungerer Laboratories was absorbed into the practice, which was re-named Niehaus & Ungerer. It was not a happy union. Dr Kobus Ungerer arrived with staff from his old lab and they didn't all approve of the way things were done in Arcadia.

Nursing staff manager Kathy Smith, who had previously worked for Ungerer, recalls a discussion on operating procedures held some months before the tragedy, when she strongly criticised the Niehaus practice of keeping sodium azide in the same place as xylose. At Ungerer Laboratories the chemical had been considered so dangerous that it wasn't used at all.

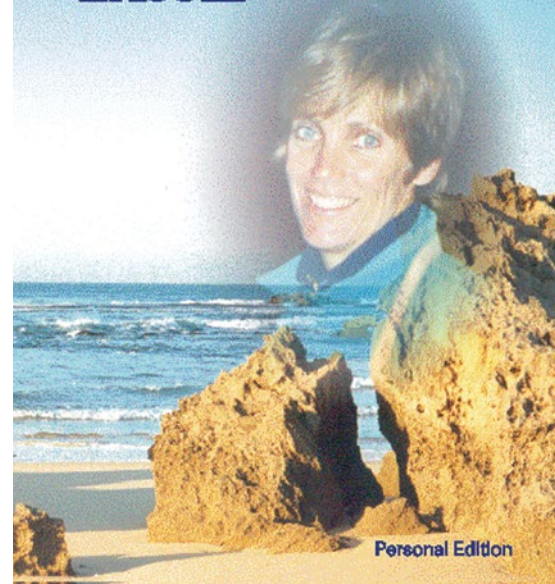
Smith said the protocol must be changed: if the use of sodium azide was to continue at Niehaus & Ungerer, the white powder must be stored far away from look-alike xylose and glucose.

This recommendation was clearly not taken to heart. When Lassie Farrell turned up for her xylose absorption test she was directed to the phlebotomy department, which is in part of the laboratory's large reception area. Two nursing sisters were on duty.

The xylose was kept in dark brown plastic containers in the department's own store room. Similar dark brown bottles of the deadly sodium azide were in the same store room – despite nursing staff manager Smith's objections the previous year. It was a female stores

"A butterfly flits beside us, like a sunbeam, and for a brief moment, its glory and beauty belong to our world. But then it flies on again, and though we wish it would have stayed, we feel so lucky to have seen it"

THOSE WHO LOVED LASSIE



Mourned: Cover of a 96-page booklet printed in memory of Lassie Farrell

clerk – not even a qualified nurse – who went to the wrong bottle in the store, weighed out five grams of sodium azide and took it to one of the nursing sisters to mix with water and administer.

Charles Niehaus himself had been the pathologist in the practice responsible for the phlebotomy department, assisted by nursing sister Nikki Hepton.

Only one pathologist was on duty when Lassie Farrell collapsed – the highly-competent Dr Marieta du Plessis. Du Plessis called for an ambulance and arranged to have a cardiac specialist standing by at Pretoria Heart Hospital. But Lassie died there before she reached the operating table.

ON THE previous day Lassie had had an iodine scan at the lab, and a distressed Du Plessis speculated whether there had been an adverse cross reaction between the iodine and the xylose that Lassie had (supposedly) been given that morning.

Then the head of the biochemistry department, Gail Murray recalled a case years ago in Cape Town, when there had been a similar mix-up between xylose and sodium azide. She asked Du Plessis: "Are you sure they gave the patient xylose?"

Du Plessis raced to the phlebotomy department, retrieved from a rub-

bish bin the small plastic container in which the stores clerk had delivered the powder and drove it to a laboratory at Modderfontein on the East Rand for analysis. Several days later the results came back: it had contained the dreaded sodium azide.

Lassie, her husband Dennis Farrell and their four children – aged 16 to 22 at the time – lived in the exclusive Pretoria suburb of Waterkloof. Dennis senior did the daily commuter drive to downtown Johannesburg and his job as a general manager with Absa. Lassie had a part-time job at home, acting as South Africa manager for her brother Howard, who runs a yacht charter and guesthouse business on the shores of Lake Malawi.

Dennis Farrell reported his wife's death to Pretoria's Sunnyside police and a manslaughter docket was opened. But although Dr Du Plessis had managed to confirm within days that Lassie had been poisoned by sodium azide, police say that after 21 months they have yet to receive a toxicology report and their investigation has ground to a halt.

The report is being prepared by the department of health's forensic chemistry laboratory in Johannesburg's Braamfontein. No-one at the lab was able to assist our enquiries. Lassie's post-mortem was conducted by Professor Gert Simon, chief forensic pathologist at the University of Pretoria. A spokesman for the department told *noseweek* it is "not at all unusual" to have to wait two years for a toxicology report.

If and when the toxicology report emerges, the police docket will be completed and the inquest court magistrate will deliver a verdict on the cause of death.

If the magistrate finds negligence, the nurse who administered the poison could be one of those to face a charge of culpable homicide. So could the stores clerk and the pathologist responsible for the phlebotomy department, who allowed the stores clerk to do dispensing.

Dennis Farrell also reported the tragedy to the Health Professions Council, which investigates complaints against the medical fraternity. The HPC's legal department referred the matter to the committee of preliminary inquiry to determine whether there was prima facie evidence that a medical practitioner had acted unprofessionally.

The committee found there was and elevated the matter to a full inquiry, with charges against doctors Charles

Niehaus and Kobus Ungerer. "If whatever happened was the result of negligence of their staff they are still held responsible," the HPC's legal department tells *noseweek*. (Curious, since a disenchanted Kobus Ungerer had left the practice in October 2002 and Charles Niehaus was supposedly retired).

The case was assigned for hearing, but legal assistant Gershon Mosiane tells us he has referred the case back to the preliminary committee recommending that the case against Niehaus and Ungerer be closed. Instead, a charge should be brought against the doctor on duty.

"Dr Niehaus and Dr Ungerer are directors, they don't deal with clients on a day to day basis," says Mosiane,

R30m? "Quintiles came to the table and made a settlement, an agreement with us," says Farrell. "We are not prepared to engage in any discussion re the settlement."

No details of the Lassie Farrell Trust's finances are available at the Master's office. But there's no R30m in the kitty, assures trustee Martie Prinsloo. "Knock a couple of zeros off," she suggests. Which would bring Quintiles grand settlement – to the trust at least – down to under a million.

Unless some multi millions went somewhere else, that's not much of a deal, for the settlement included a confidentiality clause that has now gagged Dennis Farrell from his once-ardent desire to tell the world what had hap-

Suddenly Farrell told Evans to hold off all press involvement. No story must appear!

in contrast to what we were told by his colleague in the legal department.

In the months following Lassie's death Dennis Farrell was determined to expose what had happened. He asked Pretoria media consultant Bern Evans to help him get the story splashed in the media.

FARRELL also wanted to sue Quintiles. Says Evans: "I know that Dennis wanted quite a lot of money from Quintiles. He kept emailing me with stories of massive payouts in medical claim cases in America – \$25m, \$27m. And he was very gung-ho to go to the press."

Suddenly Farrell told Evans to hold off all press involvement. No story must appear! "There was talk of a settlement with Quintiles," recalls Evans. "Dennis rang and mentioned the figure of R30m. He said he was starting a trust in his wife's name to help people with medical and health problems. I remember the amount of R30m, it stuck in my brain."

The Lassie Farrell Trust was registered with the Master of the Pretoria High Court on 18 March last year. Farrell and his daughter Andrea are trustees, along with the Absa Trust's Martha Prinsloo.

So did Dennis Farrell and/or the Lassie Farrell Trust ever get that

pened to Lassie "to stop it happening to anyone else".

In March last year, the same month that the Lassie Farrell Trust was registered, Quintiles walked away from it all when it sold Niehaus & Ungerer to Lancet Laboratories for more than R50m.

Lancet's Dr Roelof Loxton is running things at Arcadia now – the new entity is called Niehaus Dyson & Lancet. "I haven't got a clue what happened with the Farrell case," says Loxton.

Are you still using sodium azide in the lab? "I'm not sure." (*noseweek* has established that after the tragedy all the sodium azide was removed for destruction. Today it is not used there at all.)

Is the nurse who administered the fatal dose still with you? "I haven't got a clue." (Both nursing sisters on duty in the phlebotomy department that day no longer work there. However, the stores clerk is still in place.)

The doctor concludes: "Lancet is clean, Quintiles takes full responsibility for what happened. I haven't got a clue how much they settled for; we try and focus forward."

From corporate HQ in Atlanta, Quintiles vice president (corporate communications) Pat Grebe snaps: "I do not have a comment for you regarding your query." ■

White mischief

When Glenrand sold off a division in a massive deal it seemed they were doing their bit for black economic empowerment. Today their empowerment partners are left with nothing but the realisation it was very fitting that they took over the new company on April Fool's day.

GLENRAND MIB, one of the largest insurance brokers in the country, and a respected adviser to government and blue chip corporations on the subject of risk, faces a tarnishing of its illustrious name over its part in the ripping off of a fledgling black empowerment company.

In November 2003 JSE-listed Glenrand, which makes much of its political correctness – Kunene Bros is its own empowerment partner – announced it was selling its controlling stake in the Protector health care group to a small empowerment consortium called Tradeworx.

But by a sleight of hand worthy of a member of the Magic Circle ownership of the New Protector Group ended up not with Messrs Mini, Manana and Wotshela but in the hands of two white gentlemen named Leon van Rensburg and Marc Seelenbinder.

Glenrand's role, and how the Industrial Development Corporation came to be duped – if it was actually duped – into stumping up R130m to bankroll the deal in the name of empowerment, are matters that the Competition Commission will no doubt consider when Tradeworx's dossier lands on its complaints desk shortly.

Glenrand decided to shed its 65% stake in Protector after the latter's contribution to group trading profits plummeted from 21.7% in fiscal 2002 to 1.5% the following year, thanks to government actions to restrict profits in the health industry.

Tradeworx (Clarence Mini, Pat Manana and Kevin Wotshela) was to hold 51% of a fresh entity which would acquire the business of the old Protector group – four hospitals, 34 pharmacies and a lucrative contract to administer a medical aid scheme with 34,000 members.

Mini is a medical doctor who was co-author of the ANC Health Care policy document that was forerunner to the famous Green Book that guides health policy in South Africa. He was co-organiser of the Durban International Aids Conference. Manana previously ran a labour brokerage firm, and Wotshela has worked in clinical and financial risk management.

The remaining 49% stake in New Protector Group Holdings was to be held by a company called Freefall Trading 65, whose shareholders included two directors from the old Protector – Leon van Rensburg (who had been chief executive officer) and Marc Seelenbinder (group financial director).

The much-trumpeted BEE transaction was valued at R130m – all generously funded by the IDC. Of this, R60m went to pay off Glenrand bank guarantees (which the IDC took over from Nedbank); R20m was to pay management for their 35% stake in the old Protector – and R50m in cash was to go to pay Glenrand for its 65% shareholding.

On 5 March 2004, in keeping with the terms of the loan agreement, the IDC deposited two cheques totalling R69,188,647 (R70m less raising and commitment fees) into New Protector's account with Nedbank.

Six months later, after everything had gone horribly wrong, a forensic investigation commissioned by the IDC would reveal that, on 8 March, just three days after the money was deposited, R63,392,254 was transferred from New Protector's account with Nedbank to an account with Standard Bank. The Standard Bank account was in the name of the old Protector group, with cheque signing facilities allocated to Van Rensburg and Seelenbinder.

The money didn't stay at Standard for



Raw deal: Clarence Mini

long, either. Two days later, on 10 March, the entire R63m was wafted to an unknown destination via telegraphic transfer – which suggests foreign climes. The empowerment partners suspect Namibia.

Most of that money subsequently found its way into the account of Freefall – controlled by Van Rensburg

and Seelenbinder – from where it was paid to its intended recipients, R50m to Glenrand for its 65% stake, and R4.26m as an interim payout to Glenrand management for their 35% holding. Mini claims that some R9m of the R70m has not been properly accounted for by Van Rensburg and Seelenbinder.

The result of the R70m's whirlwind tour of the various bank accounts was that Glenrand's 65% stake in Protector wound up being owned by Freefall Trading 65, and not in the hands of empowerment partners New Protector as the IDC had intended!

Paying out the R4.26m to management also brought that 35% of old Protector shares into Freefall's hands – giving it 100% ownership of New Protector! A very white empowerment deal!

All this only came out last September in a report compiled by SAB&T

Protector had been a monthly income of R5.4m received by subsidiary PG Fund Managers for the administration of the Protector Health Medical Scheme. Like the other assets, this contract was now in the hands of New Protector.

On 2 April, executive chairman Mini's second day in the job, he received a bombshell letter from the medical scheme's principal officer, Gerhard van Emmenis, informing him that they were taking the administration contract away from New Protector.

"This was the welcome we got!" says Mini. "We tried to persuade them to stay, but it didn't work."

A couple of months later the medical scheme's lawyers obtained an "Anton Pillar" court order and sent the sheriff in to recover their records from the New Protector offices.

"That was the beginning of trouble," says Mini. "The revenue of R5.4m

of pharmacies that Van Rensburg and Seelenbinder had persuaded the old Protector board to buy for R1 in May 2003. It now emerged that the pharmacies owed R18m to creditors, and had bank overdrafts with Absa of around R24m. These unwelcome facts had been missed when the IDC did its due diligence check of the pharmacies.

Total group debt stood at R280m.

"After the medical scheme left there was a huge cash flow shortage," says Mini. "At a crisis meeting with the IDC the corporation agreed to put in another R27m if we agreed to put New Protector into provisional liquidation.

"We didn't have any other choice. We had staff to pay and the wage bill was R7.2m a month."

Approving the additional R27m funding, the IDC's Milton Hunkin (departmental head, workout and restructuring) wrote to Mini on 22 September

The entire **R63 million** was wafted to an unknown destination via telegraphic transfer

Forensics, which concludes dryly: "This apparent round tripping of funds, the ultimate destination and the purpose thereof, requires further investigation."

But back in March last year the black guys from Tradeworx were excitedly celebrating their imminent "empowerment" as controlling shareholders of New Protector Group Holdings.

Pat Manana was already installed at New Protector's head office in Pretoria's Kingsley Medical Centre. Clarence Mini and Kevin Wotshela joined him there on 1 April – April Fool's Day, as they ruefully remind each other now. Mini was executive chairman of New Protector, and Manana and Wotshela business development directors.

The jewel in the crown of old

that we were getting from the medical scheme every month was our lifeblood. It very quickly became clear to us, the new guys, that the company had been dependant on that revenue – it was being used to patch up a lot of other holes."

Mini and his partners were left with little choice but to take the matter to arbitration. Judge Lionel Melunsky ruled in the Pretoria High Court in August last year that the Protector Health scheme had cancelled its contract unlawfully. However, the judge also ruled it was in the best interests of the 34,000 members to remain with their new administrator, Medscheme.

The next unpleasant discovery was the state of the bankrupt TMC group

2004: "It has been approved that IDC should place New Protector Group Holdings in provisional liquidation in order to protect it from action from other creditors, whilst working on a rescue plan.

"Our continued support has been demonstrated by our willingness to approve additional funding and we continue to believe that all parties involved will benefit from this."

Hunkin added that forensic investigators would be appointed to investigate the affairs of New Protector.

Says Mini: "We agreed to provisional liquidation on the understanding that this was a rescue plan and that the assets would come back to us."

Liquidator Theo van der Heever

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of D&T Trust was appointed by the Master of the High Court to run the New Protector businesses.

But while Mini, Manana and Wotshela anxiously awaited news of the promised rescue plan, the IDC had other intentions. In a letter to the liquidators dated 7 December 2004 the corporation gave them a mandate to negotiate any offers of purchase "of at least R120m" for the hospitals.

This plan to sell off the remains of New Protector, notably the hospitals that were valued at R80m, was not passed on to Mini and his colleagues. Chairman Mini only learnt of it at the New Protector Christmas party on 10 December when Van den Heever came up to him in the middle of the festivities and said: "By the way, I haven't seen your offer."

Mini was thunderstruck. "You don't have a right to sell the hospitals, your mandate is to turn them around," he told the liquidator. "No," replied Van den Heever, "we've moved on".

Then and there Van den Heever phoned his office and dictated a letter to Mini, which was faxed to the chairman at the party. It gave Mini just four days to put in a bid to buy the hospitals.

On 20 December the IDC's executive vice president and general counsel Tony Tshivhase wrote to Van den Heever confirming that an offer of R120m received from Medi-Clinic was acceptable "subject to an appropriate structure of the transaction being agreed to by Medi-Clinic and IDC". Van den Heever faxed Medi-Clinic's Gert Hattingh the following day accepting the offer, subject to Competition Board approval.

But again no one told the guys at New Protector. Indeed as late as 4 February this year the IDC's chief risk officer Gerrit van Wyk wrote to Mini giving him a deadline extended to 25 February to submit a purchase plan!

The empowerment trio, having left New Protector's offices and relocated to Midrand, finally found a strategic equity partner, Netcare, and put in an offer, also of R120m, for the hospitals.

In April this year this offer was rejected, and the liquidators announced that they had accepted an offer from Medi-Clinic.

Says Mini: "We put an offer together, but we see now the IDC only asked us to do so to legitimize what they had already done the previous December – when they sold the hospitals to Medi-Clinic."

Mini, Manana and Wotshela say

they are filing a complaint with the Competition Commission. Summing up the charade Mini says: "Glenrand knew that with the old Protector group they were sitting on a pile of debt. They told Leon van Rensburg and Marc Seelenbinder they were selling out to Netcare, unless those two could bed down a deal with us."

"The incentive for Marc and Leon was that with us they were getting paid a proportion of the transaction. Using the IDC's money, they took Glenrand's 65% stake into their own company, Freefall. Why did Glenrand sell to Freefall? – that's where the scam is."

"This was presented as a groundbreaking BEE transaction. But it was the BEE deal that never was; it had nothing to do with empowerment. It had to do with the benefit to two white individuals – Marc and Leon. They also put up R1m, but for the rest they were going to get 49% of New Protector for nothing!"

"Glenrand, Freefall and the IDC should explain to the Competition Commission why they misled everybody."

■ The board of the old debt-ridden Protector Group Holdings included a top-level contingent of directors from Glenrand: David Harpur (CEO), Allan Mansfield (non-executive chairman) and Dr Mduduzi Kunene (Glenrand executive director responsible for "diversity and empowerment").

Harpur, 56, is also a member of the Policy Board for Financial Services and Regulation appointed by the Minister of Finance, and is a former president of the Insurance Institute of South Africa. Mansfield, 62, is also managing director of the Attorneys Insurance Indemnity Fund. Kunene, 55, formerly an anaesthetist, is also CEO of Kunene Bros and chairman of Kunene Finance Co.

■ Other worthies on the Glenrand board who might, in due course, wish to comment are Richard Cottrell and Michael Leeming. Cottrell, long-time chairman of Coopers and Lybrand was once president of the Institute of Chartered Accountants and South African representative on the International Accounting Standards Committee. After retiring from accountancy practice, he became executive officer of the Financial Services Board. He now serves on the boards of many companies including Afrox Healthcare, Nedcor and Munich Re. Leeming is a past president of the Institute of Bankers and chairman of the Banking Council of SA. ■

WAR

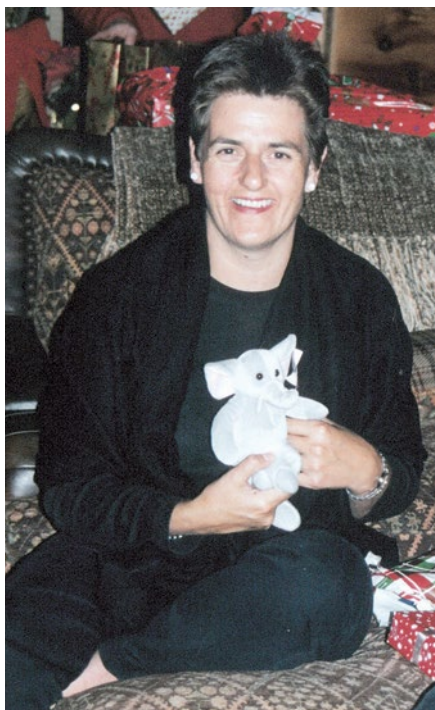
at The Pink Palace: Second front opens

THE SPAT between Lorraine (Surgeon & Safari) Melvill and her eccentric American uncle Gerald Mahoney (nose65) is hotting up, as the courts grapple with claim and counter-claim between the warring duo.

Our yarn in nose65 was pretty much a one-sided affair, an Uncle Gerald-generated version of the dramas surrounding the cottage he built in the garden of Lorraine's Bryanston home. Then already matters had reached fever pitch between them: to provoke her, so she believes, he painted the cottage in stripes of lurid pink and lime green, ensuring it immediately became a local landmark dubbed "the Pink Palace".

Lorraine declined to comment in the first round – but since that story appeared the 45-year-old mother and divorcee has changed her mind and swung to with gusto.

So has Capetonian Chris, 37-year-old paramedic, former policeman and one-time bodyguard to President de Klerk. Chris, dark-haired and trendily-dressed,



was until recently driver and travel companion to Uncle Gerald and he sheds intriguing light on to the persona of the wealthy 64-year-old.

Lorraine's uncle, Gerald Mahoney was born in Graaf-Reinet but was shipped to the US as a child when his widowed mother married an American shipping magnate, and is now a US citizen.

In the legal war currently being waged, Lorraine has lost one high court application in which she had wanted the court to order Gerald to sell the Pink Palace to her. (Gerald won his counter application: Lorraine was ordered to stop interfering with his peaceful enjoyment of the cottage, which includes his choice of colour scheme.)

On his lawyers' advice, Uncle Gerald has withdrawn another high court application in which he had wanted the court to order Lorraine to produce accounts showing how much she had received for renting his cottage to her international clients - without his permission. Under American law he would have been able to claim rent she had earned from his property from her – but not in terms of South African law, he learned only after he had issued his court papers.

There's a third case pending at Randburg magistrates court, in which Uncle Gerald is seeking R100,000 in damages for items he says Lorraine



All in the family: (pictured from bottom left to right) Lorraine with well-hung fluffy companion; The Pink Palace; and Uncle Gerald with fine feathered friend

(or her tenants) removed or broke while occupying the Pink Palace in his absence. Just 19 items are listed in court papers, starting with an electric iron, string mop and an ironing board, and moving on to some dinner plates belonging to a smart dinner service and a set of Ralph Lauren bed linen. The items listed hardly look worth a tenth of the amount claimed, but who knows?

Conspicuous by its absence from the list is the famous 24-carat gold toothbrush, whose disappearance Uncle Gerald recorded in nose65.

Perhaps the biggest issue between them has been Uncle Gerald's painting of his Cape Dutch-gabled cottage in startling shades called African Dawn and lime zinger. Lorraine considered this provocative and distasteful and the minute his back was turned, she repainted it white; on his return Uncle Gerald slapped on pink and green again. This happened three times and the cottage is that stop-and-stare multi-hue today.

Lorraine lists 17 inaccuracies in her uncle's version of events in nose65. Such as his claim that he had lent her money to start Surgeon & Safari and spent

more renovating her "dilapidated" house.

"No seed money was given to me by Gerald Mahoney to start my business," declares no-holds-barred Lorraine, "and my home was and is not dilapidated; my ex husband was never bankrupt; nobody used his condoms." [*That's enough. - Ed.*]

Gerald counters with his own list of 15 new complaints against his least-favourite niece: "Took my bird feeder and dumped it in the trash; changed the code on the electric gate and refused to replace my remote; threw squash peels against my second storey bedroom window." [*OK, that's enough, too. - Ed.*]

Their assessments of each other:

Lorraine on Gerald:

I did not know this uncle. He came to South Africa for a full facelift, upper and lower eyelids and a nose job. I innocently invited him in here; he arrived like a fairy godfather. He would say things like: "Lorraine, would you like new carpets in your bedroom?" And I'd say "gosh, how kind of you, yes, thank you".

Gerald lives with this illusion of grandeur. He's very plausible; you meet him and he's absolutely charming. Yeah, he has a lot of money and he uses it to wield power, but he does nothing with his life. He's had many jobs, held them for a couple of years and flitted on.

He got his money when he won a lottery in America and his mother [who died in 1998] left him money in her will. Before that he was about to be on the bones of his arse.



Gerald on Lorraine:

Am disgusted and disappointed with Lorraine's behaviour, blatant dishonesty and deception...not the attributes to make any uncle proud of his niece. Can only say that in every family there are recessive genes.

I have no quarrel with Rick (Lorraine's former husband, now remarried). Can fully see why he upgraded in his second marriage. The current Mrs (Rick) Melvill is/has been nothing but gracious at all occasions we have been together...in sharp contrast to Lorraine, whose behaviour would embarrass any fishwife. She's a niece from hell.

Chris on Gerald:

I worked for Gerald for about 17 months, until late last year. We met some years ago in Cape Town, when I was a paramedic. He asked me then if I wanted a job. A few years later we bumped into each other and he said are you available? I said yes.

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Gerald on Gerald:

I inherited money from my mother. I did indeed win the fabulous sum of \$100 in the US Power Ball lottery. I had five of the six numbers, but NOT the Power Ball number. That particular drawing awarded \$163m to the winners, a group of 12 mechanics in Ohio. [Lorraine believes that Uncle Gerald was one of the 12].

That same month I did purchase a Rolls-Royce - after a long search I found the vehicle, colour and finish I was looking for. I've also won on the South African lotto - three times. My greatest win was R27. How these items make me wealthy is only a figment of Lorraine's overly fertile imagination.

For 14 years I owned and operated an international consulting company. I retired on 19 July 1998.

My lifestyle is very pleasant. I do not like cold weather so spend the northern summer in the northern hemisphere and the northern winter in the southern hemisphere. The ducks have it all figured out. I love the bush and usually go on safari several times a year.

I have seven homes: three in SA, four in the US and four units of time-share, but I usually stay in three or four star hotels. I have six vehicles in different locations. In SA I drive a nondescript bakkie - Isuzu diesel. The only distinguishing part of that custom-made vehicle is that it has a bullet-proof engine and bullet-resistant glass.

I am today a passive venture capital investor. I have invested in a mattress retail company in Atlanta. I am divorced and have 17 children and 18 grandchildren. Before you jump to the conclusion that I'm a roving stud, only three of the children are mine.

Over a period of years 14 exchange students from eight countries came and lived with us for a year. The majority have kept up a relationship with me and my family. They call me dad and their children call me granddad.

Before winning a lot of money on the American lotto, Gerald was in South Africa, flat broke. He was able to employ me because he'd won the lotto. He never gave me a figure, but he said "multi-millions of dollars". He said exactly that on two occasions.

Gerald used me as a body-guard, professional driver and travel companion. He has houses in Florida, Atlanta and Connecticut. He has an apartment here in Cape Town and the cottage on Lorraine's property.

We toured a lot of countries, including Austria, Russia, New Zealand and the Caribbean. Gerald always had a positive attitude, but just prior to my resignation he had bad mood swings and became a very unpleasant person.

I was mainly in Florida. Gerald paid me R5000/month into my Cape Town account and I had board and lodging and free travel. I helped him out in the mattress factory. I had to establish whether or not the person working for him there was corrupt. He did indeed turn out to be corrupt - he was using Gerald's funds to pay off his own house.

Gerald gave me one of these so-called gold toothbrushes. It's gold-plated plastic. They sell them for \$10 in Mickey

Mouse shops. He never had a shortage of money, but subsequent to this investment in the mattress store, I think he's lost a bundle.

He had a friend in Atlanta who he mistreated in a very bad way, in my opinion. Two or three days later I decided: this is enough, I'm getting out of here.



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Orders from above: Cape Town mayor secretly bins report critical of harbour plans

WHAT may very well come to be considered one of the most regrettable decisions made in Cape Town's history, the Department of Environmental Affairs and Tourism (DEAT) has given the National Ports Authority the go-ahead to reclaim 42ha of seabed alongside Cape Town's docks in order to expand the container terminal stacking area. To do this, six million cubic metres of sand will be dredged from the seabed adjoining Robben Island – changing tides and currents in Table Bay and causing widespread erosion along the coastline from Woodstock to Melkbosstrand, which in turn could lead to flooding of shoreline properties. (See *nose57*.)

So why has the Cape Town City Council not stepped in and demanded an end to the lunacy? Most of the city's sub-councils did support a comprehensive report drawn up by the city's plan-

ning and environmental management experts that advised the city to oppose the project. The report was supported all through the council's hierarchy until it reached City mayor Nomaindia Mfeketo, who abruptly tossed it out, ensuring that it will not be made public.

Insiders say the mayor was instructed by provincial government to toe the line because the port expansion is seen as an economic necessity. "They (the Mayoral Committee) would not entertain any criticism of the project, even though they know it will have a significant and irreversible impact on the environment," says one council source. This explains why the mayor booted the report. It points out huge inconsistencies in the environmental impact assessment (EIA) done by Environmentek, a division of the Council for Scientific and Industrial Research.

Opponents agree that the EIA lacks

credibility and say the environmental risks negate any economic benefits. Sand impedes the speed and force of waves, therefore dredging the seabed will allow powerful and fast moving waves to crash against the shoreline, resulting in rapid shoreline erosion. The Environmentek report concedes that beaches and dunes may be eroded by as much as 11 metres in some areas.

The DEAT has accepted Environmentek's somewhat ironic solution, which suggests that the resulting erosion can be counteracted by dumping more sand onto the beaches – even though this sand would be sourced from the same dredging area, causing an endless cycle of erosion – and an endless cost cycle for the city! In addition, getting the sand onto the beach would require large trucks moving over dune areas – the same dunes that 4x4 enthusiasts are prohibited from ramping over so as not to destroy the fragile dune eco-system in order to prevent beach erosion.

The CSIR's report does not provide any active solutions for preventing damage to the marine eco-system. Similarly, the effect on tourism has not been adequately addressed. The plume from sand sediments awash in currents will make Table Bay somewhat murky, but National Ports promises to monitor this and suspend dredging from time to time when the ocean starts looking too dirty.

Other factors that the CSIR experts did not see fit to consider in their EIA: aside from the huge amounts of sand,

600,000 cubic metres of rock will be sourced from a quarry in Durbanville to construct the mammoth container storage area. This will require 20 trucks each making 10 return trips daily for 242 days, contributing to traffic congestion and that delightful brown haze hanging over Cape Town.

The DEAT supports the EIA's conclusion that the project is necessary and therefore subsequent environmental damage is "acceptable".

National Ports Manager Fezile Ndema, obviously agrees and doesn't understand what all the fuss is about. In any case, he says, we should be

damage remains a puzzle.

Ndema also dismisses claims that coastal developments may be jeopardised. But residents of Woodbridge Island – one of the housing developments that may be a lot closer to the ocean than residents ever intended thanks to the project – are not convinced.

Richard Rundle, Woodbridge Island's environmental and planning trustee, claims that the EIA process was nothing more than a charade to support the National Ports' Authority's objectives. He says the EIA does not realistically deal with potential damage to coastal developments, nor did the required public participation process extend beyond "amateurish and superficial interaction".

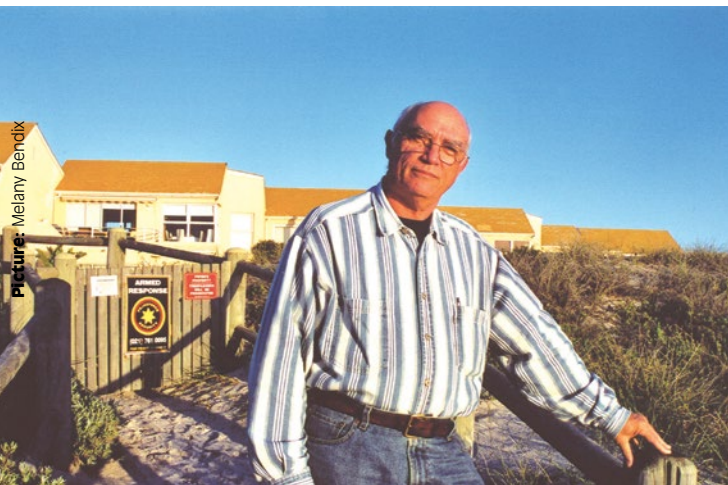
Rundle suspects the Department of the Environment never even read Woodbridge Island's initial objection to the EIA before approval was given: after the DEAT issued Rundle with notification of its decision last November, he repeatedly contacted the department to request an extension for public responses.

"The fact that they did not seem to know about our appeal convinces me that our

objection was not even viewed before the decision was made," he says. (This wouldn't be the first time the DEAT has approved a controversial project without reviewing objections. In January this year, the DEAT's then director general, Chippy Olver, admitted that he had not read any of the 70 objections against the proposed pebble bed nuclear reactor Eskom intends to build at Koeberg before giving his approval.)

Perhaps the most perplexing part of the entire port extension debacle is that

Picture: Melany Bendix



Shifting sands: Woodbridge Island's Richard Rundle says the environmental impact assessment was nothing more than a charade

comforted that all the processes will be monitored to "control" environmental damage. National Ports is obligated to appoint a "competent person" to oversee the process. But unfortunately the competent somebody will be on the their payroll, leading us to expect reports similar to the National Ports-sponsored EIA that reads more like a public relations review than an unbiased scientific analysis.

In any event, how "monitoring" amounts to control of environmental

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it may not be necessary. Available statistics reveal that the existing facilities are inefficiently and not nearly fully utilised.

In Woodbridge Island's appeal they also claim the data on which National Ports based its growth projections is faulty and contradictory. As an example, National Ports estimated an 8% growth in container traffic from 2003 to 2004, but in reality there was a slump of 22% during this period. Using detailed supporting data, Woodbridge Island's appeal clearly shows that National Ports has severely understated the capacity of the current container area. Provided equipment is correctly utilised and upgraded, and space is properly managed, Rundle says the existing container terminal is adequate for the next 28 years!

So why spend money on a redundant new facility? "It's a money-making scheme. There is no other reason why they would do this unless they are profiting hugely along the line," Rundle

surmises. It's not clear who would be raking in the cash, but the mayor's interference certainly raises some suspicions as to why this project is considered so lucrative.

Even if the extension were warranted, why has National Ports ignored all other viable options and insisted on the most environmentally damaging solution?

The seabed dredging option is supposedly cheaper than the alternatives, costing an estimated R400-million. However, one opponent estimates the loss of coastal property over the next 20 years could total R50-billion, and that's excluding the cost of monitoring and controlling erosion – which is sure to be for the city taxpayers' account.

National Ports is ostensibly responsible for any damages resulting from the extensive erosion, but that would make the project the most expensive option. The insinuation is that the ports authority has no intention of coughing

up for damage claims.

National Ports has a history of dodging the bill for damages caused by port extensions. The previous Blaauberg Municipality tried to hold them liable for the coastal erosion resulting from port extensions carried out in the 1970s, but failed miserably because National Ports argued that natural processes also caused the erosion and it was impossible to distinguish precisely which areas had been eroded as a result of the port extensions.

Rundle wants confirmation that National Ports will accept responsibility for any damage to property, but unsurprisingly they have been somewhat reluctant to leap forward with official contracts. Woodbridge Island residents have submitted their appeal against DEAT's approval for the EIA to Environment Minister Marthinus van Schalkwyk, who must "apply his mind" to any appeals before giving final authorisation. ■

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Herr Hoster taken hostage by Nedbank

Early last year Joachim Hoster, a wealthy German businessman who spends the European winters at his Erinvale home near Somerset West, decided to help finance the expansion of his local tailor, Jerome Rothmann's

Augulus didn't zap the cash from Hoster's account – Nedbank did! Hoster refuses to sign such a document, he will not be held to ransom by anyone, let alone the likes of Nedbank. He has employed an attorney to deal

their rights in such matters. A rather aggravated Coetzee said, "Yes, such a waiver is normal, standard practice", and smartly passed us on to his media liaison officer. Within an hour of our phoning Coetzee, Hoster received a call from the ombudsman's office, advising him not to talk to the press until the matter had been settled.

Official comment from Nedbank's head of legal services, Willem Kruger is that an offer has been made to Hoster but he has not accepted it: "The contents of Nedbank's proposed settlement letter include standard clauses that the bank uses in response to claims of a legal nature. Any objections to the clauses contained in the letter can always be negotiated as part of the settlement negotiations."

Watch this space. **W**

Nedbank promptly turned to Hoster to recover the debt, lifting the money from his personal account without his permission

business, Line Clothing. He instructed his bankers, Nedbank, to open an account in Rothmann's name and to transfer R20,000 from his own account into it.

Hoster insisted to Nedbank's representative, Ms Viola du Plooy, that Rothmann was to be the only signatory on the debit card that came with the account. Ms du Plooy assured her client that she would personally oversee the running of the account.

However, in August 2004, four months after the account was opened, the debit card was stolen from Rothmann by his (now ex-) friend, Byron Augulus. Augulus promptly used the card to go on a R27,364.61 shopping spree. Whereupon Nedbank, just as promptly, turned to Hoster to recover the debt, lifting the money from his personal account without his permission.

Hoster maintains the bank had no right to do this and has insisted they return his money. But before they agree to anything, Marius Coetzee of Nedbank's legal division wants Hoster to sign a waiver absolving the bank of any wrongdoing. The waiver requests Hoster "not to disclose, publish, utilise, employ, exploit or in any other manner whatsoever use the information in the negotiation or in this agreement in any manner, for any reason or for any purposes whatsoever", and "not to give and/or cause to give any negative publicity whatsoever to the bank or any of its officials resulting from this matter".

Furthermore, the last clause states "you hereby cede to the Bank all of your rights to and interest in any action". Which makes no sense, since

with the matter, and has laid a complaint with the banking ombudsman, Neville Melville.

noseweek asked Marius Coetzee if it was normal for the bank to insist its clients unburden themselves of all

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Village & Life

Third-term presidents

SHOULD President Thabo Mbeki yet be considering that prohibited third term in office, he could take a lesson from Dawn Nates, de facto third-term president of the Federation of Synagogues' Women's Guild in Johannesburg. Like that of the Republic of South Africa, the constitution of this guild of worthies prohibits a third-term president – presumably for the same very good reasons. But clearly Mrs Nates has a fine understanding of the political arts – manipulation of minions, expediency and the art of the white lie being but some of them.

In order to attend the Lubavitch

community's annual New York gathering in January 2002, Mrs Nates, then the duly elected president of the Federation of Synagogues Women's Guild, had to apply to the US consulate in Pretoria for a visitor's visa. In order to qualify for the desired 10-year visa, she had to satisfy the consulate staff that her circumstances were such that she was likely to return to South Africa, and unlikely to overstay her welcome in the US as an illegal immigrant.

With this in mind, Nates declared in her visa application that she was employed as the "secretary" of the guild at a monthly salary of R5000,

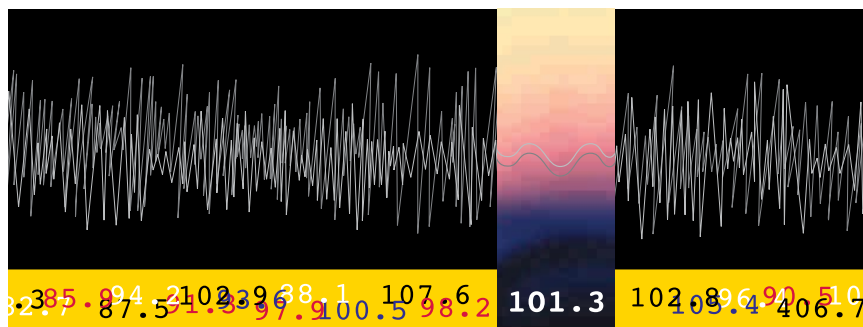
and that she was also employed as librarian at the Torah Academy, the centre of learning for South Africa's Lubavitch children. Two letters were attached to the application in support of these claims: one from the principal of the academy, Stuart Shillinglaw, and one from Hannah Sachs, who was in fact the paid secretary of the guild, but who for the occasion had reversed roles, as it were, and signed as president! ('I've only ever done this once in my life, and would never do it again,' Sachs told *noseweek*.)

Dawn Nates's position as president was, in fact, a voluntary one, with no remuneration. Her job was to promote orthodox Jewish values, organise gatherings for Jewish women, visit the elderly, and assist abused Jewish women. Her work as librarian at the Torah Academy was also voluntary – and, in any case, she'd abandoned it the year before she applied for the visa. Were such petty lies necessary from a person in her position, and do they not tarnish the institution she represents? One would have thought that the presence of a husband would have been enough motivation to come home. (But then again, knowing the state of her marriage at the time, maybe not.)

The consulate and all the leading ladies of the guild know of the "little embarrassment", but Dawn has managed to hang on to her visa – and still has her *tochis* firmly ensconced on the guild's throne. At a meeting on March 22 this year she was re-elected for a third term, even though Article 5 of the guild's constitution prevents the president standing a third time. With victory assured, Nates flew to Australia to visit her children. In her absence the *bobbes* in the guild, all old friends, realised the slip-up and asked Nates to step down from her position – to take up the vice-presidency instead.

The guild currently has no president. According to the constitution, until such time as one is elected, the vice president – Dawn Nates – is acting president. The ladies have yet to decide whether to call a new election – or change the constitution. They're clearly in no rush. **W**

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SARS sniffs around Wits

UNWELCOME news for lecturers at Wits Business School who hauled in small fortunes from moonlighting for the school's secret in-house company InCo (nose66). The SA Revenue Service is to conduct an audit of the secretive Section 21 company.

InCo's managing director John Ford – whose official title at the business school was director of executive education – has been contacted by SARS asking him where they can fax an audit notification.

Ford, 56, who took early retirement from the business school after a disciplinary inquiry into InCo's goings-on a year ago, has referred SARS to Wits University's legal department.

InCo – full name In-Company Management Education – was set up in 1990. For 10 years no PAYE tax was deducted from payments to business school lecturers. In recent times

business school staff have received up to R7000 a day from InCo for conducting executive training courses to top corporates. Payments were usually by cash cheques, which may prove a

headache for SARS. It is also believed that many of the payment records have been shredded.

Mark Peters, who replaced Ford as director of executive education, has suggested to Pat Dixon (acting head of Wits Business School) and Patrick Fitzgerald (new dean of the Faculty of Commerce, Law and Management) that they should "get the files in order" in anticipation of SARS' arrival, and ensure that all returns are up to date.

Since his retirement, Ford, a specialist in gov-

ernance in accounting, has returned to the business school to lecture on a freelance basis. He recently ran an executive programme for school headmasters on Leadership. **W**



John Ford

Picture: Sunday Times



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Congo parties struggle to agree

South Africa's role in the DRC, which began in 1999, doesn't look likely to end soon with 800 SANDF troops committed to peacekeeping in the volatile eastern region of former-Zaire, as the country's fractious political parties haggle over the meaning of federalism

THE POLITICAL rows over the Democratic Republic of the Congo's (DRC) constitution and the consequent delays are threatening the electoral timetable and the transitional government's stability. In theory, elections are to be held this month, but they will have to be postponed until the constitutional arguments are settled, which could take several months. Delaying the vote is such an incendiary issue that the Chairman of the Commission Electorale Indépendante (CEI), Abbé Apollinaire Malu-Malu, is reluctant to announce it.

Malu-Malu also fears the politicians will further slow down the process of approving the constitution and preparing for elections; electoral registra-

tion could take six months, given the country's appalling communications. Meanwhile, the leader of the Union pour la Démocratie et le Progrès Social, Etienne Tshisekedi wa Malumba, whose party has boycotted the transitional government, is calling for mass protests on 30 June, when he claims the government's legal mandate will end.

Then there must be a referendum, in time for elections in the first half of 2006. "The patience of the international community is not unlimited", says EU Development Commissioner Louis Michel, who as a Belgian minister has followed Congolese affairs for years. Javier Solana, the EU High Representative for External and Security Common Policy, has urged Congo to get moving. The problem now is that the latest draft skirts around the central question, the allocation of powers between the central government and the provinces.

Practically all the political movements agree that power must be to some extent shared between centre and provinces. Kinshasa is over 2000km

Central rule is also resented in the diamond provinces of Kasai, north and south, and in Lower Congo, which has the massive Inga Dam and is the only province producing oil (around 30,000 barrels a day). All over the country there are diverse federalist movements: the Bundu dia Kongo in Lower Congo; UDPS in Kasai, unrepresented in parliament; Union Nationale des Fédéralistes Congolais (Unafec) in Katanga; and the ex-rebels of the Rassemblement Congolais pour la Démocratie (RCD), based on the Tutsi people of Kivu.

Some senators wanted a strong central government to discourage the local xenophobia which, in 1992, led to pogroms against Kasaian in Katanga. Tens of thousands of non-local people were chased out of the province and those who organised the persecution are still politically active, including the former provincial governor, Gabriel Kyungu wa Kumwanza, who called the Kasaian "insects", and is now a leader of Unafec. Assembly President Olivier Kamitatu of Jean-Pierre Bemba's Mouvement pour la Libération du Congo thinks federalism is a long-term objective. Whatever political formula is chosen, the key question will still be how to share revenue between central government and the provinces.

Like the present French constitution, the draft would provide for a national president elected for a maximum of two five-year terms, with two rounds of voting. A majority in the House of Representatives would choose a powerful prime minister and the president would be bound to appoint him. This formula can favour broad coalitions, which would be useful since no free vote in Congo has ever produced a single-party majority. It can also lead to "cohabitation": one party holds the presidency while another provides the prime minister. Given the fragmented nature of Congolese politics, the result could be chaos. ■

Some senators wanted a strong central government to discourage the local xenophobia which, in 1992, led to pogroms

The transitional government's foreign sponsors – including the European Union, Belgium, Canada and South Africa – who are to put up 95% of the estimated US\$285m cost of the elections, are getting increasingly frustrated with the footdragging. On 4 April, the National Assembly started debating the latest draft of the new constitution which the Senate adopted last month.

Their timetable foresaw that by early April, a draft constitution should have been drawn up, amended by the Senate and voted into law by the Assembly.

from some borders of a country which has no proper road system and some 450 language groups. Decentralisers, known as "federalists", say good governance can come only when elected representatives are close to the citizens to whom they are accountable.

Previous attempts to give Congo a workable constitution have proposed different degrees of decentralisation but the current draft leans towards centralism. It was drawn up by a committee whose members could not agree among themselves and speaks ambiguously of "a decentralised unitary state". Congo's keenest federalists are in the richer regions, which would raise more in taxes than they contribute to national expenditure. Feeling is particularly strong in Katanga, where a separatist war was fought after independence in 1960 and which has rich deposits of cobalt and copper.

Russian oligarchs bed down with South African mining houses

RUSSIAN businessman and director of prestigious British banking consultancy Fleming Family & Partners (FF&P), Mark Garber, is developing a reputation as a key marriage broker between Moscow-based oligarchs and South African mining houses.

In 2003, Garber introduced Viktor Vekselberg, who readers may remember as a buyer of Fabergé eggs (*nose64*), to some of the major mining houses in Johannesburg. Vekselberg's SUAL Holding subsequently bought into Renova Investments and planned to take a position in Gold Fields. We hear Garber also introduced Norilsk Nickel's finance director, Leonid Rozhetskin, to the chief executive of Harmony Gold, Bernard Swanepoel, whose bid to take over Gold Fields has hit serious problems.

But Norilsk Nickel chairman Vladimir Potanin, a Russian former deputy prime-minister, subsequently quarrelled with Rozhetskin about the handling of the Gold Fields bid. None of this appears to have damaged Garber, who remains extremely close to one of the leading family investors in FF&P, Roddie Fleming. Garber was representing FF&P at the Russian Economic Forum in London in April. Before he joined FF&P, Garber was a director of the Moscow-based Sintez oil company along with a Ukrainian, Dimitri

Streshinskji, and two other Russians, Leonid Lebedev and Alexander Zhukov.

In 2001, Garber was the subject of an international arrest warrant by Italian police investigating the seizure of 30,000 AK-47s, 400 guided missiles, 10,000 antitank missiles and 32 million rounds of ammunition seized on a ship called the Jadran Express just off Venice in 1994. Italian police claimed the arms were en route to Bosnian Serb militias fighting in Yugoslavia's civil war. Streshinskji was arrested in Germany in connection with the Jadran Express seizure and extradited to Italy. He admitted his involvement but said fellow Sintez directors Garber, Lebedev and Zhukov had allowed Sintez's Jersey companies to be used in the arms transaction.

The Italian prosecutors dropped the case against Garber and Lebedev for "jurisdictional reasons" and absolved them of all guilt. The Italian police had no right to search the Jadran Express because it had been in international waters at the time. Asked about the affair, the chief executive of FF&P, Gavin Rochussen, told *Africa Confidential* that he was confident of Garber's "complete innocence" in the matter. **■**

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Death in Djibouti

THE MYSTERIOUS non-appearance of a promised report on the state-run Radio France Internationale on the investigation into the death of French Judge Bernard Borel has caused anger among journalists at the Maison de la Radio in Paris. It is not clear whether the report was pulled from the airwaves as a result of direct pressure from President Jacques Chirac's government, which finds the Borel dossier increasingly embarrassing diplomatically, or self-censorship by a senior manager at the radio station.

Judge Borel's half-burned body was found in Djibouti in 1995 after he had been investigating claims of unlawful killings by the government security services. Somewhat unconvincingly, the government claimed Borel had committed suicide and then presumably caught fire.

RFI's report was due to be aired a few days before Djibouti's presidential election on 8 April. The elections were unexciting as President Ismaël Omar Guelleh, standing for the ruling Union pour la Majorité Présidentielle (UMP) was the only candidate after the opposition coalition, the Union pour l'Alternance Démocratique (UAD), decided to boycott the vote because of what it called gross electoral irregularities. Both Ismaël Omar and the French government – which pays 30 million euros (US\$38.7m) a year for its military base in Djibouti – publicly play down concern about Borel's fate. **■**

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Franken**flora**

That which we call ‘indigenous’ may not smell as sweet as we thought. It now turns out that politically correct gardening – not the same thing as ecologically sound horticulture – can be more damaging than planting alien species

OPEN up any lifestyle, home or gardening magazine nowadays and you’re likely to see articles and advertisements promoting indigenous plants. Planting indigenous means earning karma points by saving water, being proudly South African, propagating local species, providing a haven for local wildlife, caring.

Most of us are also by now familiar with the evils of planting “alien” species, and the need to destroy “invasive aliens” before they crowd out our native flora. In many parts of the country Australian wattles, in the absence of the bugs and diseases that keep them under control in their native land, have clogged up our river courses and invaded fynbos flats and bushlands. South America has given us waterweeds that choke up our rivers and dams, as well as an evil pink ornamental flower called Pompom Weed that is rapidly smothering our grasslands.

In short, indigenous is good, alien is, well, alien.

With such clear-cut battle lines, surely it’s simple enough to stay firmly



within the Gardening Moral Majority? No, not quite that simple.

The problem starts with the meaning of the word “indigenous”. *The Penguin Dictionary of Botany* speaks of “indigenous” as “Describing an organism that is native to an area, i.e. that has not been introduced from another area”. It’s area-specific. To call a plant “indigenous” without defining the area that it is indigenous to is utterly meaningless.

Assume that a label reading “indigenous” on a plant in a South African nursery means that it occurs naturally in this country. If the label is accurate (which it sometimes isn’t – but that’s another story), what useful information does it give us, presuming we want to plant “indigenous” in order to promote local wildlife, save water and do all the other good stuff? Sadly, very little.

South Africa is enormously varied in terms of landscape and climate: summer rainfall areas, winter rainfall areas; very high highlands and very low lowlands; dry desertlike interior flats, warm, wet coastal areas; tropical zones and temperate zones. Each has evolved its own community of plants and animals, specific to that area or habitat. Although some species occur widely across different habitats, most are found only in a specific type of habitat or narrowly-defined climatic zone. Some species occur over only a few square metres.

Until people start moving them around, organisms that have evolved in specific habitats tend naturally to be confined there. Take them out of their native area, for example from the Mpumalanga lowveld to a patch of Eastern Cape valley thicket, and exactly the same problems might arise as when we plant something from another continent. Lacking natural predators, they might run out of control. We can call such species “indigenous aliens” – indigenous to South Africa, but alien to a specific habitat. The idiocy of defining a plant’s appropriateness to your garden in terms of the political boundaries of South Africa quickly becomes appar-

Proteas in the Table Mountain National Park near Silvermine that have hybridized with Proteas indigenous to other areas that have been planted in nearby suburban gardens: (from top to bottom) 1. *Protea lepidocarpodendron* x *P. neriifolia*; 2. Another version of the same hybridization; 3. *P. burcellii* hybrid with unidentified *P.* species; 4. *P. neriifolia* hybrid with unidentified *P.* species

ent; if you plant something that isn't natural to your local area, in ecological terms you might as well be planting something from Australia, or Brazil, or Japan. It could even be worse.

Not only can a plant or animal moved outside its natural area of distribution become invasive, it can also threaten wild species via hybridisation.

Say you're a gardener in the southern suburbs of Cape Town, nestling up against Table Mountain. You innocently toddle off to the local "indigenous nursery" and buy yourself a beautiful "indigenous" Protea. Years later, you get a nice warm feeling inside as you watch pretty little sunbirds flitting around its open flowers, enjoying their nectar.

It should bring a chill to your heart. What you are watching is about to cause the extinction of the wild Proteas of the Table Mountain National Park.

What the nursery didn't tell you is that your Protea comes from a species that is naturally found on the other side



Never mind the aliens: Dr Tony Rebelo, who has discovered a number of grotesque Protea hybrids

flowers, and (thankfully) can't reproduce. Most, though, are producing viable pollen and cutting a genetic swathe through the local plants.

Yup, good little indigenous gardeners could be wreaking havoc in one of our most famous National Parks. In some sense, it would have been better for them to have stuck to the traditional "English" garden of roses and azaleas – plant types more distantly related to those indigenous to the Peninsula and therefore less likely to hybridise with them.

The evidence from Table Mountain

Peninsula. This is extinction, plain and simple, not by eradication, but by being overwhelmed by foreign genes.

Dr Tony Rebelo of the South African National Biodiversity Institute at Kirstenbosch and Chumisa Jackson, a National Parks field ranger, have over the past year documented 13 different Protea hybrids in the Table Mountain National Park. Some have grotesquely deformed

Yup, good little indigenous gardeners could be **wreaking havoc** in one of our most famous National Parks

of the Cape Flats, perhaps in the southern Cape lowlands. After the sunbirds visit your spectacular plant, they fly off carrying "your" pollen to the flower of a naturally-growing Protea plant on the fynbos slopes of the Mountain. Because the two species are relatively closely related, the wild plant goes on to make viable hybrid seed. The next generation of little Proteas from the wild plant are thus hybrids. In time they, too, grow up, and spread their mongrel pollen around.

It doesn't take a brain surgeon or a halfwit botanist to figure out that within a few generations there might be no pure wild Proteas of types vulnerable to hybridisation left on the Cape

is most likely the tip of the iceberg. Indigenous gardeners could be damaging the genetic integrity of hundreds of wild species all over the country. It's a danger that we've largely chosen to ignore – until now.

The lesson: plant indigenous, but don't define something's indigenousness on the basis of political boundaries (Make an ecological statement with your garden, not a political one). Plant species indigenous to your local area, and get the seed stock from the nearest possible natural source. Mindless promotion of "indigenous" plants can be a potent danger to our fantastic wild species. **W**

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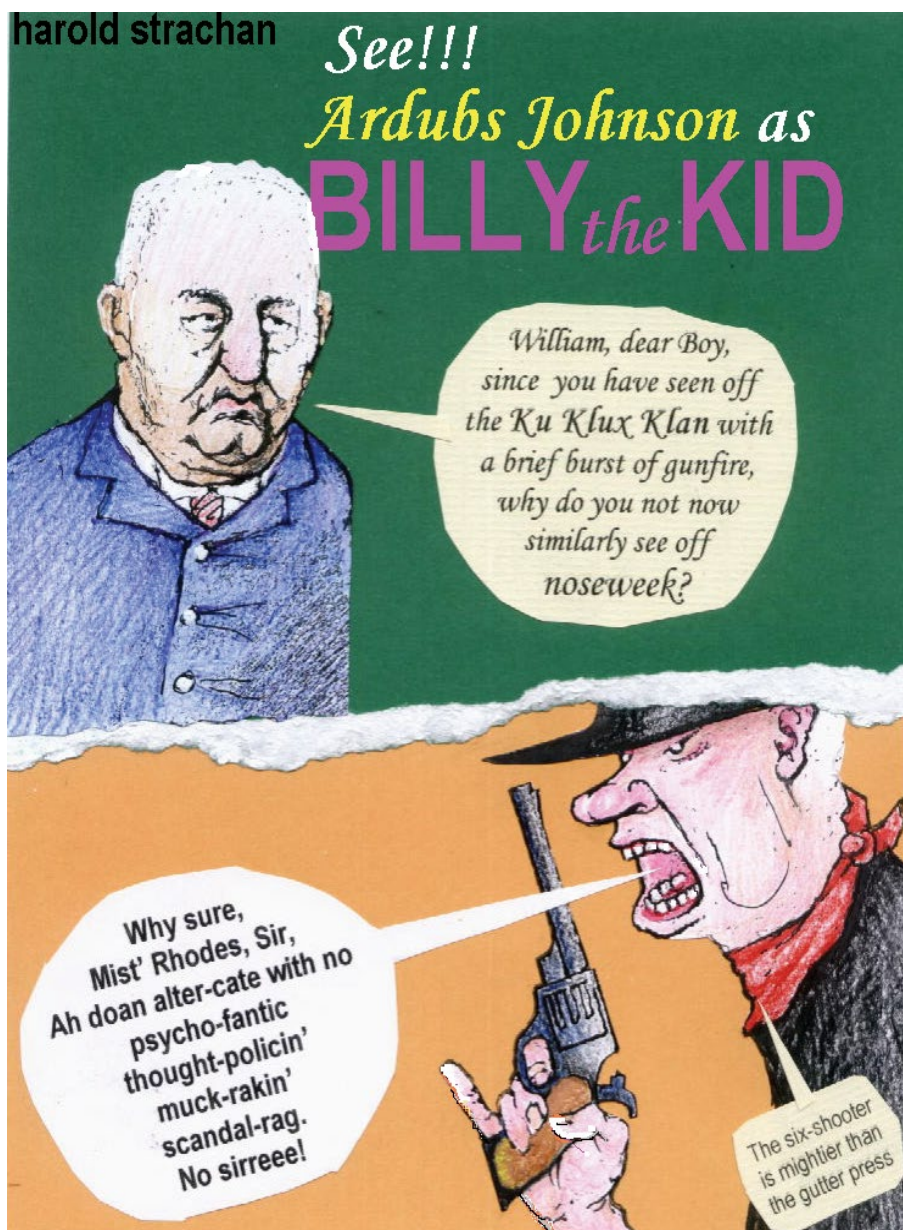
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Gullible gluggers

A cynic, suggested Oscar Wilde, is someone who knows the price of everything and the value of nothing. An innocent or a fool, one might add, is someone who shows little comprehension of either price or value, and marketers are those who try to confuse us about their relationship. These types (the last of them not indisputably the most attractive) were all well represented at the recent Nederburg Wine Auction – of which more later.

The nexus of price and value (or reputation) is particularly well established and significant in the world of wine, as it well might be, given the lack of objective criteria for measuring a wine's worth. This year is the 150th anniversary of the famous classification of the top wines of Bordeaux, which still plays a vital role in the market. The ranking was made, rather casually, for Paris's Universal Exposition of 1855, largely on the basis of current market prices. As a conjuncture of price and hierarchy it has proved pretty reasonable, as well as compelling – though certainly not unimpeachable in all its inclusion and exclusions.

The fortunate drinkers of the best wines in those days did not, however, have marketers who had learnt in business school the lessons of cynically manipulative trickery.

If there is ever anything remotely "natural" about pricing (relationship to costs, etc), it does not much apply to the top level of wines these days, as producers scramble for prestige as well as profit. Perception is half the battle and, so well established is our craven response to self-assertion, a high price often equates for gullible buyers to proof of quality – justly so, on occasion.

We've seen plenty of this aspirational pricing in South Africa in recent years, of course: wines coming expensively onto the market with no track record, and only sometimes with shreds of

Tim James hits the bottle



credentials in the form of a well-reputed winemaker or property, for example. I get depressed to think how many local wines are now priced above R150 and how many are far from worth the money, judged on an international scale – though there is a malicious pleasure in speculating on the regret of some of the producers about the prices they decided on a few years back, when the export market and Madiba effect were stronger and the rand lower than now.

Well-publicised auctions like Nederburg give producers a great opportunity to attract attention and prestige without definitive commitment to maintaining a high price, should the regular market not support what might represent just a rush of blood to a bidder's head. The point is to get an exalted price and the resultant publicity.

We've come to expect good auction results for producers like Vergelegen and Kanonkop, particularly for red wines, and for a few others, particularly when their wines are in short supply. But surely it's impossible for a moderate quality sauvignon blanc less than a year

old to outprice even many well-reputed reds, and get the day's highest price for a dry white? Well, no, not if you allow for those cynics, innocents and fools – and marketers.

You work out who fits one or more of the categories when Mike Ratcliffe, MD of Warwick Estate, arranges for his local agent, NMK Schultz, to make outrageous bids for the wine, and for Rosebank's Park Hyatt Hotel (promised recompense) to play along, and the auctioneer allows the farce to proceed. The result: a price of over R720 per bottle for one bundle (the other lots of the wine achieved vastly less) – so absurdly high for what was on offer that sharp practice was not hard to suspect.

The prices for many wines at this year's auction were simply silly. There are surely a few buyers now wondering how the hell they're going to on-sell the stuff they bought at ridiculous prices (find some more wine-loving innocents and fools is the obvious answer). After the results were made public, and blandly passed on by wine journalists, at least one retailer (amazedly observing from the sidelines) announced that he could offer many of the wines at a fraction of the auction prices. The Warwick, for example, was available for R83 per bottle ...

I would bet that other producers also massage prices at the auction – though generally with a touch more finesse. The lessons are surely these if the Nederburg Auction is to retain what prestige and meaning it has: its organisers must be alert to the event being hijacked by cheats, who could even render the whole thing nonsense if they all become excessive. Heavy-handed marketers should (oh please!) realise that crass manipulation is fine in the short term but, especially if it's prestige you're after as well as sales, it's better to become known for quality than for your more or less skilful deployment of smoke and mirrors. **W**

New broom

BY HAROLD STRACHAN

NICE to be back in Africa, says cousin Drusilla. So how's Toronto, then? say I. Oh just great, says she, getting the Canadian accent a bit wrong, but then Junebe that's the way she talks these days. She reels off the present advantages of the place as she reeled off the same advantages of the place three decades ago before leaving.

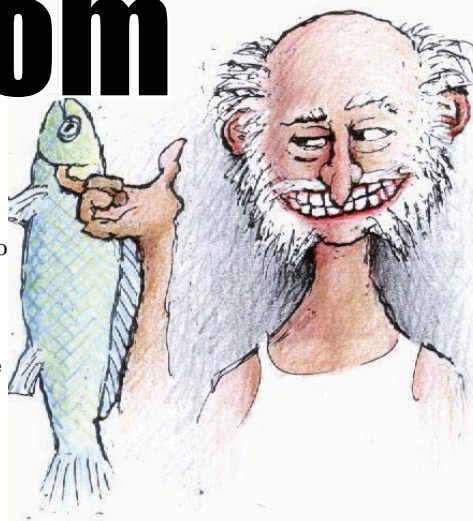
Nice to meet new people, says she. Ja, say I, this is Don't-delay Pillay, my neighbour and fishing comrade. DD smiles, ear to ear like a Dobermann; he looks like a caricature of a shad-sammy. He is one of the community of anglers who gave the caricature its meaning. Drusilla blinks. DD speaks; Drusilla doesn't know whether to laugh or not, he sounds so like the Indians on the dreadful comic radio programmes of yesteryear. We stand at the front gate, sorting each other out.

One of those great big Zulu broom-sellers comes by, constructed of igneous rock like the top part of Isandlwana, looming like that too. He yodels the Zulu word for brooms and whistles in that earsplitting way that herdsmen do. He stops before us; I remember you from Overport six years ago, says he, you used to buy my brooms there before you disappeared and now I've got this one for you, selecting one with a straightish shaft. It is one of those witch-type brooms, made from the Ilala palm, coarse and brittle, okay for sweeping up old leaves and fag-packets, Junebe, but not domestic dust from one's flat.

Hey no thanks brother, I live in a flat now, say I, pointing heavenwards at our building, where would I use such a yard broom? He examines the ground around our feet; it is covered in fallen leaves and old fag packets. He lays a level gaze on me. No-o-o, says he reproachfully, Indians and women tell lies. We don't lie to each other. We, of course, being Brit and Zulu men, we do each other to death with stabbing spears and Martini-Henrys, but we DON'T LIE. He clearly hasn't heard of Sir Bartle Frere, but this is no time for history.

Look, say I, I live upstairs, I'm not responsible for the grounds here! He studies my face unblinking, and silently pushes the broom through the bars of the gate. I take it, and give him R30.

Why you gave that fellow R30? says DD. One



very terrible rascal, that fellow. Pusillanimity, say I, I have no words against such circumstantial argument. I'm afraid to open the gate, says Drusilla, they told me the crime here is too bad for walking in the street. No-o-o, explains DD, we will go inside and get a couple of rods and take the bus to the Snake Park and walk along the beach a bit to a nice shad hole he knows about and have a nice time. With sandwiches.

So things get relaxed and happy and where we cross the road at the robot for the bus stop opposite I

go to press the yellow button for the green man walking. There's a shaven-headed black youth leaning against the pole; the button place is right at his hip pocket. As I go to click the thing I touch him and he leaps back hissing like a rinkals and reaches for a dreadful knife from his belt. Drusilla emits a piercing squeak, DD grabs her and I point to the hole where vandals have picked the yellow button out. The youth grins sheepishly and leans on the other side of the pole. It is all part of street life.

Drusilla digs her feet in the yellow sand. It's a surfers' surf today, all right. Thunderous. We don't have breakers in Toronto, says Drusilla, just ripples. What kind fish you got that side, you? says DD. No fish, says she, the lake's too polluted. After a bit she says They say Toronto is New York designed by the Swiss. But too dirty for fish? says DD. All this as he rigs up his tackle and buffs up with steel wool a neat white-metal spinner, one of a dozen we cast from a hand-made mould on an old Primus in the back yard, in preparation for the shad season. Catch you one large-size shad, says DD.

But soon enough he comes back from his shad-hole with a medium-size Simon, alias salmon, aka kabeljou. 3 kgs, toothsome. Come, says DD, and we follow him back to the bus and home again, where he curries his Simon mild for Drusilla and chops up sambals and hauls sweetmeats from a great big biscuit tin. She and I sit and contemplate his modest pop-up view of central Durbs and get progressively pissed on Dick King cane spirit.

I think I'm getting inebriated, says Drusilla. Never mind, says DD. Nobody driving. You at home now. ■

The shaven-headed black youth leaps back hissing like a rinkals and reaches for a dreadful knife

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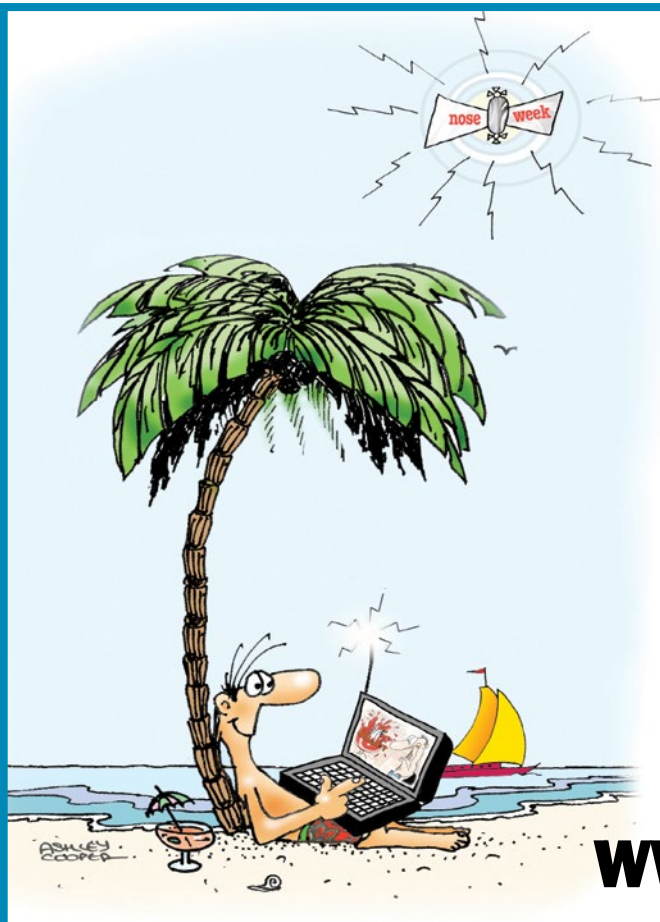
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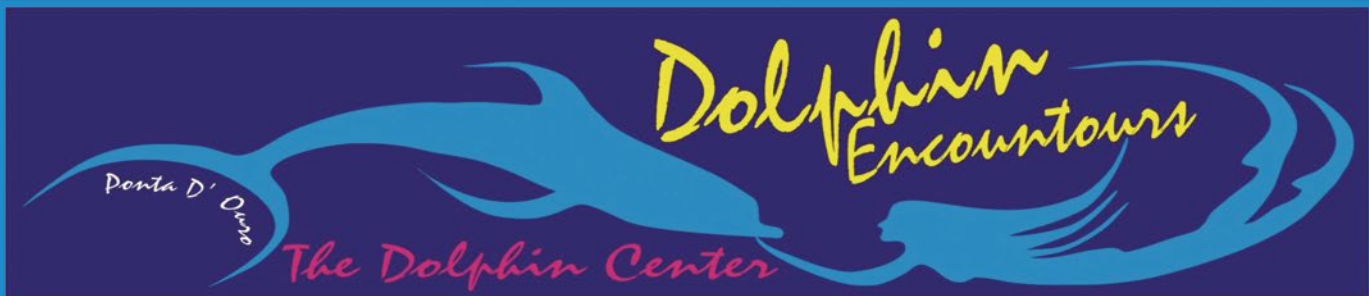
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