

# SA youth keeping you online during load-shedding

Issued by The Innovator Trust 22 Dec 2021

How does any entrepreneur respond to an environment of flux, restrictions, and challenges? Well, for the young minds at the fore of Arion Power, the answer is with excitement and tenacity. The can-do spirit of the youth and determination to penetrate the business world cannot be restricted. The *find a job or start your own business* motto, though bold and admirable, is much easier said than done. For the team at Arion Power however, the decision was unanimous when they chose to embrace the opportunity created by South Africa's energy crisis, starting a business, creating jobs and preventing the loss of thousands of man hours to our online world. Whether you're a **student**, **parent or business owner in the online economy**, **these guys have the answer to keeping you connected no matter what the outage. Here is their story...** 



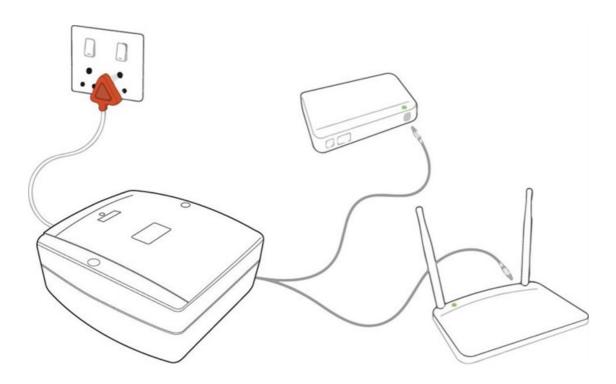
Founded back in 2020 as part of the Postgraduate Diploma in Entrepreneurship course at the University of Cape Town, Arion Power is the brainchild of a group of postgraduate students, Brian Gadisi, Alan Gie and Thembalethu Hadebe who noticed a significant gap in the market.

Regardless of race, gender, financial standing or location, nationwide power outages or <u>load-shedding</u> as it is more commonly known, continues to affect all South Africans. Over the past 14 years of living with the phenomenon of load-shedding, locals have been left scrambling and forced to locate alternative sources of energy to keep the lights on. In fact, 2021 is also on track to be one of the country's worst years for load-shedding. Not only does this impact the day-to-day operations of

businesses but the livelihoods of thousands of households too.

The lack of network connectivity is another aspect which is severely affected by load-shedding. Depending on your location and the configuration of nearby towers, power outages have led to intermittent internet service or an entire network blackout once power has been restored.

"Load-shedding created the perfect storm by sabotaging the lifeline we put in place to cope with the Covid restricted movement namely our digital world of online schooling, virtual offices, the mass adoption of communication platforms and online entertainment... [Our business model] seemed perfect as it showed a pressure point that we as South Africans had felt time and time again," says co-founder, Brian Gadisi.



## A South African solution to a unique South African problem

The team started with a group of five classmates, who wanted to make the most of their experiential learning opportunity, while also creating a sustainable business that was built by South Africans to solve a great South African problem.

"The <u>WiBox</u> idea came about during the first return of load-shedding in 2019. I was frustrated that during load-shedding it was impossible to access the internet through cellular data, and the products on the market were all unaffordable with inverters being pretty much the only solution," says Alan Gie, co-founder of Arion Power.

During a power outage, the box will automatically switch from Eskom power to battery power, providing you with an uninterrupted connection. When the power switches back on the device will automatically switch from battery mode to wall power mode — charging the WiBox and powering the router and fibre box.

While WiBoxes are a clear necessity and an in-demand product, the young minds of Arion Power realised that they were onto something revolutionary following the first round of load-shedding and the response of the product from the public.

"We always knew the product had potential but it was not until our first meeting with a major corporate CIO, and the numbers he was talking about with regards to potentially providing our solution to all of his employees, that we realised what it could become. Furthermore, the first round of load-shedding and the incredible response to the product from the public was a clear sign," says Thembalethu Hadebe, co-founder of Arion Power.

These devices are not only transforming several industries but simultaneously collecting significant awards along the way too, including their winning of the 2020 Genesis award and holding the record for highest revenue by any member of the cohort class since the inception of the Genesis programme. More recently, Arion Power were also awarded the Youth Owned Business Award by the Western Cape Entrepreneurship Recognition Awards.



### **Funding**

The launch of the company is a true bootstrapper's tale, built on the funding provided by a bake sale that was hosted on the UCT campus back in March of 2020. Since then, the business has been self-funded through the assistance of family and friends. Arion Power also acquired its first expansionary round of funding from SEFA (Small Enterprise Financing Agency), which will help in the expansion of this company. The selling point of Arion Power is rather simplistic in nature but easily able to address a rather complex issue. Arion Power has since grown from manufacturing their devices in a garage in Muizenberg, Cape Town to moving into a full production facility as well as creating and maintaining six permanent jobs!

#### Innovator Trust and the role of incubation

So, if everything seems on track, why join an incubator? The journey of a business owner and more so, a young entrepreneur, is lonely and daunting even when there a few founders. As a learning organization, this business will be keeping learning and so seeks every opportunity to learn from others in a formal and informal setting. As a fresh graduate team your networks are lean, understanding of mature business dynamics nonexistent as you are still building, and having access to experienced and qualified support to navigate through contracts, supply chain and negotiation skills are crucial during the start-up phase. Through joining the <a href="Innovator Trust's">Innovator Trust's</a> incubation programme, Arion Power have been able to receive the much-needed support including hands-on mentorship, an executive coach, relevant and responsive support, and key skills training; all necessary components to ensure small-businesses like this one, grow to a point of sustainability. In many ways, the Innovator Trust has become a marketing partner, client and provides a national runway to Arion Power as a startup.

What makes Arion Power a standout brand is that the launch of this product is a much-needed reminder of black talent and their ability to recognise and remedy gaps in the market. In a matter of months, Arion Power has proven itself to not only be a luxury but an absolute necessity as the country continues to navigate its way through loadshedding – with no current end in sight.

The future is without a doubt Arion Power, and they are ready to prove it to you.

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The Innovator Trust was created to support the growth of small black-owned Information and Communications Technology (ICT) businesses in South Africa. Our programmes facilitate training that develops their skills as business owners.

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