

## Company History

Mr George Stott was born in 1868 to a modest family in the small village of Fetterangus, Scotland.

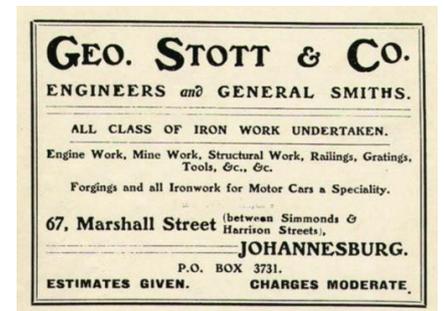
On completion of his schooling he was sent to be trained as a blacksmith at the famous engineering firm Hall Russell in nearby Aberdeen. After his initial apprenticeship he continued to hone his craft in Glasgow at the Parkhead Forge Works.



Mr Stott, as many adventurous Scots of that age, soon heard the rumours of riches to be found on the gold fields of the Zuid Afrikaansche Republiek and he accordingly made his way to Johannesburg in 1890. Upon arrival he found himself immediate employment as the Foreman Blacksmith at Meyer & Carlton Gold Mine and plied his trade peacefully up until eruption of the Anglo-Boer War in 1899.

After the war Mr Stott was re-united with his wife, who was sent to the Eastern Cape for safety, and shortly thereafter George Stott

Jnr was born in 1903. It was during these tough post war years preceding the formation of the Union of South Africa in 1910 that Mr Stott plied his trade wherever possible. It would not be long thereafter when the first reference to his blacksmith operation is found in the "Transvaal and Rhodesia Directory" of 1909. The oldest surviving advertisement dates from 1911, as seen on the right.



Mr Stott registered the Company in 1917 with an initial capital deposit of 5000 Pounds together with his childhood friend, Mr D.E. Rennie, a mechanical engineer, contributing a further 1000 Pounds.

Ever since, the company has faced a business atmosphere as tough as the African sun itself and have continued to survived several political regime changes and wars with the most recent challenge being faced, that of the complete political turnaround from a minority white regime into a majority lead multi-party democracy.

## 1903-1916

During this time George Stott established a private blacksmith concern in Johannesburg and expanded rapidly to supply the ever growing need of the mining and heavy engineering industries developing around Johannesburg's gold fields.



Mr George Stott Second from right



The original anvil

## 1917-1927

Towards the end of the First World War, Mr Stott officially registered as a private company with himself and Mr Rennie as main shareholders with a capital sum of 6000 Pounds.

After advice given by the renowned Dr. Alexander Aiken the company was granted a loan by the National Industrial Development Company of South Africa. The funds were used for the acquisition of its first proper industrial premises in Wemmer. This was followed in 1919 by the capital purchase of an Ajax rolling mill from America.

Dr. Alexander Aiken is well known as founding one of the two companies which eventually merged to become KPMG. KPMG is one of South Africa's largest tax, audit and advisor corporates and operates in over 140 countries with 135,000 people.

Dr. Aiken remained a vital part of the board and guided the company through the various challenges of that era until he also retired towards the end of the 20's.

It was during the latter part of this era that Mr. Stott's health began to fail and he appointed his son, Mr George Stott Jnr to the board of directors. Mr Stott died in 1927.



**Ajax rolling mill in action**



**The original Village Iron signs**

## 1928-1954

After the passing of Mr Stott and the retirement of Dr. Aiken in 1927, Mr Ian Stott and J Cooper Rennie joined the board. Pricing of the rolling mill product had become an issue and they subsequently spent time in Europe seeking methods to improve the productivity of the Ajax rolling mill.

If not for this foresight the company might have closed down during the next couple of years in which the Gold Standard was relinquished and a series of price wars ensued which outmoded the traditional methods of production.

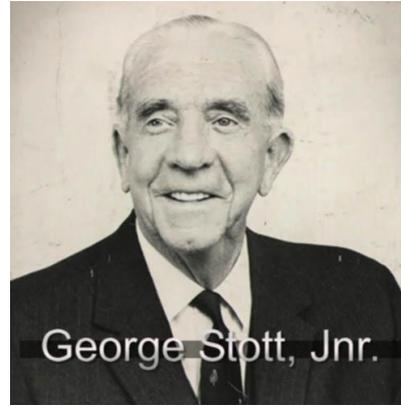
This additional cash flow was put to good use and several invaluable pieces of machinery were bought out which resulted in production increase to a point where the rolling mill was delivering in the region of 600 tons per month.

During the course of the WW2 the company continued manufacturing and supplying products on an ever increasing scale and eventually manufactured a variety of products used in the war efforts.

George Stott junior became chairman of the board in 1942 and a period of relative prosperity ensued. Scrap was no longer used for the production of sections with blooms, being sourced rather from Iscor.



**The Eloff Street Factory**



**George Stott Jnr**

## **1955-2000**

Mr George Stott Jnr continued to manage the operations of the company during a prosperous period in which several major strategic developments took place.

During the late 1950's the company once again found itself surrounded by the ever expanding Johannesburg CBD and complaints due to the noise and impact of the forging and shingling hammers became a common occurrence. It was however the planned M2 motorway which was destined to cut straight through the Eloff street premises that led the company to move to its current location roughly 20km west of the current Johannesburg CBD.

The new premises provided a fresh start and the factory buildings were erected specifically with the rolling mill in mind. Several technical upgrades were made to the Ajax rolling mill during this time with induction heating of the blooms being the most significant.

With the additional space available, a modern press shop was erected on the site with the initial purpose of supplying the engineering industry with specialised washers. The washer shop manufactured specialised washers by the ton and literally millions of these washers are to be seen throughout South Africa. As time passed the technical ability and machinery improved radically and as a result an in-house tool and die making shop was erected to supply the never ending stream of tooling to the growing number clients across a variety of industries such as mining, heavy engineering, electrification, telecommunication, automotive and agriculture.

After a successful tenure at the helm of the company Mr George Stott Jnr handed over the reins to Mr. Malcolm Stott who continued to manage the company over the 60's, 70' and 80's. Towards the end of the late 1970's a very trying time of international boycotts and mass industrial action started to affect South Africa as a whole and rolling strikes by the militant labour unions in the early 1980's produced one of the most challenging business environments that the company faced since the days of the Great Depression and the departure from the gold standard in the 1930s.

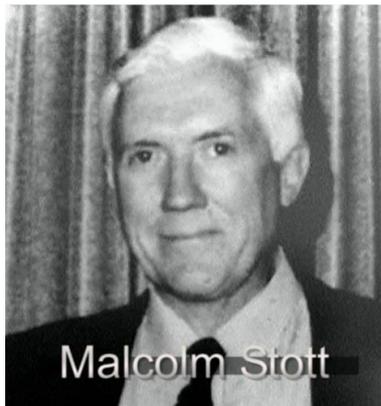
Having successfully managed the company through these tribulations Mr Malcolm Stott appointed Mr Brian Stott as MD of the company in the late 1980's. Mr Brian Stott continued to lead the company through the political uncertainty of the late 1980's and early 1990's which eventually saw the end of white minority rule in South Africa.

Indeed all things eventually comes to and end and so after nearly 80 years of production, the overpowering volumes produced by the state-owned steel manufacturing company Iscor (today

ArcelorMittal) led to the inevitable decline and discontinuation of the Village Iron sections produced by the company. This was initially a major blow to the company which had come to rely on the steady stream of revenue generated over the decades by the Ajax.

Fortunately, the continued strong performance of both the Forge and Press shop meant that the acquisition of a company by the name of Overhead Line Supplies (PTY) Ltd was easily managed. Overhead Line Supplies (PTY) Ltd at that stage was a large supplier of manufactured product to Telkom and Eskom and significantly added to the abilities of the company. OLS steadily continued to grow both in terms of technical capacity and product range.

Mr Brian Stott continued to run the company until his untimely passing on the 24th of March 2000. Mr Brian Stott and two of his friends were stuck by lightning at the Johannesburg Country Club on the 4th of March 2000 after seeking shelter from a thunderstorm.



**Mr Malcolm Stott**



**Industria Premesis 1970's**

## **2000-Present**

Mr Dennis Dedwith was appointed as MD at the company following the passing of the late Mr Brian Stott. Mr Brian Stott was the last of the Stott relatives who were actively involved in the management of the company at that time although the shareholding was still mostly in the hands of the Stott and Rennie families.

It was not long after the appointment of Mr Dedwith that the realities of a changing political and business environment once again necessitated significant change. Mr Dedwith convinced the board that an empowerment deal was of most benefit to the future success of the company and thus began a new era in the history of "Stotts" as the company is casually referred to today.

The empowerment deal took place in which Mr Rufus Maruma and Mr Dennis Dedwith entered into full partnership. It was one of the very first empowerment deals to take place in South Africa and definitely one of a handful that has taken place in the steel manufacturing industry to date.

What followed during the coming years is a tribute to what can be achieved with extraordinary vision and entrepreneurship. The company has grown in leaps and bounds with several acquisitions in various manufacturing disciplines.

Crescom Manufacturing (Pty) Ltd, a well know overhead line hardware manufacturer, was acquired in 2001. The company was a stalwart supplier to the South African electrification industry with its main client being Eskom. The additional machinery was incorporated within Overhead Line Supplies and added significant capacity to supply thousands of tons of manufactured product to the electrification industries.

During 2005, MM&G Mining and Engineering (PTY) Ltd were acquired by the company. MM&G is a structural steel manufacturer which has grown into an all inclusive manufacturing and project

management company which in 2012 won the coveted SAISC steel awards for their sterling management of the Medupi Flue Can project. The company today runs from premises based in Boksburg with 5 manufacturing bays under-roof housing the latest in structural steel manufacturing machinery and techniques.

A further development during 2005 was the introduction of a temporary mine roof support prop manufacturing plant. The plant continues to produce anywhere between 10,000 to 15,000 mining props per month.

Having identified suitable machinery during 2006/2007 a streetlight/traffic signal pole division was established which focuses on large scale infrastructure projects conducted by municipalities and other government agencies. The pole plant has been a great success and in 2013 an additional factory bay of +-5000m<sup>2</sup> was erected on the Industria site to make accommodation for the ever increasing need for GeoPoles.

Around June 2013 a new speciality steel wholesaler, Odyssey Steel, was established by the company to stock and on sell value added speciality steel and forgings to the wider engineering industry in South Africa, although still a fairly new feature, Odyssey is finding its wings and have successfully weathered the downturn in the economy providing excellent returns on a monthly basis.