

- Computing skills attracting customers from overseas

Bay software firms making their mark

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While the Bay's software developers are still among the city's best-kept secrets to its residents, they have long since proven their worth in several international markets.

With cheaper living and labour costs than other cities around the world, Port Elizabeth has become a popular choice as software supplier – even in more developed countries in Europe and North America.

Bay start-up AvoChoc CEO Cornelius Greyling also attributes this to the quality of developers graduating from the Nelson Mandela University.

The company, which employs 17 developers, relies on business with Canadian companies for 60% of its revenue, while less than 10% of its business is from the metro.

"It's cheaper [for overseas companies] to use South African developers," Greyling said.

"The quality of our software is high – and our culture and language are on par with theirs."

The company has also worked with clients in England, America and Dubai.

"So far, everyone has come to us. The living cost is cheaper in Port Elizabeth, as is renting

office spaces, and there is not a lot of competition."

He believes Bay companies working with blockchain technology will see great growth in the next couple of years.

"With blockchain, we can leapfrog companies in other countries.

"We are on par with America now, and there is only a handful of companies working with blockchain so it will be an advantage for us in the market.

"It is so easy to export software, to be accessed and downloaded elsewhere.

"It's not like building and exporting a car. Software can arrive immediately, without going through customs or being subject to import costs."

Proving the growth of this industry locally, software development and automation company S4 Integration was recently named Exporter of the Year at the annual gala for Exporters Eastern Cape.

Its software division – which exports products to Germany, Belgium and China, among others – accounts for just 20% of its turnover.

S4 software development manager Nico Claassen said winning had seemed like a long shot, because their offering was not a physical export.

"It was a pleasant surprise," he said. "It felt strange to classi-

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Cornelius Greyling
AVOCHOC CEO

fy our software as exports, but here we are."

Their entry into the international market had been an organic one, he said.

"One of our international suppliers approached us for assistance on a long-term project for one of the largest luxury sports car manufacturers.

"The successful implementation of this project led to the expansion of our software division from an initial eight in 2008 to 60 developers today.

"We are looking to expand our software division by around 40 developers over the next two years."

Claassen believes the industry at large will see growth in the next few years.

"SA has some software houses that have been operating for a number of years, but we are not yet known as a destination for software development, like some other countries. We are seeing more and more international companies

starting to realise South Africa's potential, and we feel we will see more growth in the market in the near future.

"Port Elizabeth remains an attractive prospect due to the surrounding industry, which is dominated by international concerns investing in the Eastern Cape's automotive manufacturing sector."

S4 also leverages the skills that are being built at Nelson Mandela University.

"We are in the privileged position to have a very strong [computing sciences] faculty [here]. This means that we are able to source developers of a fairly high skill level."

Professor Jean Greyling, of the university's department of computing sciences, said the S4 award served to recognise the value of locally developed software as an export commodity.

"The vast amount of software being developed for foreign clients is also a confirmation of the quality of computing education institutions in the country," Greyling said.

"Our top-quality developers, combined with an excellent infrastructure and very reasonable production costs compared with Europe and North America, [bring the] potential for the software industry to play an even bigger role in our export economy."