

Tribute to Neil and Cecil Jowell



Neil and Cecil Jowell

TO OUR SHAREHOLDERS

Our forthcoming annual general meeting will bring to an end a memorable chapter in the history of Trencor – and indeed in South African business. It is at this meeting that Neil and Cecil Jowell will retire as executive directors of Trencor after service spanning nearly six decades.

When the company announced their imminent retirement and other changes on the Stock Exchange News Service on 25 February 2016, the board expressed its immense appreciation to Neil and Cecil for their wisdom, dedication and hard work over these decades.

Many more deserving tributes will be paid to them, but there is no more appropriate platform for us as fellow directors to do so than this annual report, and in particular to remind shareholders of their contribution to creating shareholder value. That is reflected in the fact that during their tenure Trencor was twice named Sunday Times top company and Neil and Cecil were each named Sunday Times businessman of the year. But that is only part of the story...

Our last annual report noted two milestones in Trencor's history – 60 years of being listed on the JSE and 85 years since the business was started in the small town of Springbok in Namaqualand by the legendary Joe Jowell, the father of Neil and Cecil. They joined the business in Springbok while in their

20s – Neil in 1956 and Cecil in 1958. As Cecil likes to put it, they cycled through the divisions of the group as it grew over the years from a small transport business into a nationwide carrier and then through a number of changes to adjust to changing circumstances including building the country's leading manufacturer of truck trailers and subsequently also shipping containers. On the road they have travelled, Neil and Cecil have earned wide-ranging support and benefited from wise counsel; in reflecting on earlier years, they would certainly acknowledge the roles of their colleague, the late Ray Hasson, and advisers to them and their father in Harold Gorvy and the late Arnold Galombik.

To quote the Financial Mail: *"What a journey – from a small town in the Northern Cape to the bright lights of New York."*

In his Market Watch column, the Financial Mail's Marc Hasenfuss, captured the thoughts of many. He wrote: *"I don't think one can really give enough credit to the Jowells for keeping Trencor relevant for over six decades as the business environment changed, and for calmly overcoming the odd setback. The JSE is, unfortunately, littered with examples of the stubbornness of executives or controlling shareholders in the face of fast-changing trading conditions costing shareholders dearly. The Jowells were smart enough to ensure Trencor exited its manufacturing business before incurring dents on the balance sheet – especially the well-timed exit from container manufacturing when the Chinese producers came on stream."*

Credit must also be given for a pragmatic approach to shareholder concerns, bearing in mind that the Jowell family's artificial control of Trencor was ended when the N-share structure was removed and the Mobile pyramid dismantled.

If Neil and Cecil were the decent guys in a cut-throat corporate world, it's also reassuring to know that over the decades they created enormous long-term value for shareholders. Put it this way: investors paying as little as R15 for Trencor shares as recently as 2009 would have already earned back most of that in dividends (including 2013's 360c/share special payout)."

We know that in the days ahead of their formal retirement Neil and Cecil will express their deep respect, admiration and appreciation for the people of Trencor and the stakeholders who have helped make it such a meaningful business over the years. And in turn Trencor people and stakeholders will salute them for their role in the growth of the business, for the opportunities they helped create, for their contribution to business and community life – and most importantly for the admirable qualities they showed in doing all of that. It is that legacy that will live with all of us who were honoured to know and to work with Neil and Cecil Jowell.

On behalf of the board

DM Nurek
Chairman designate