

Rare Plastics

in management buyout



New owners intend to further improve the brand recognition in local, international markets

RARE Plastics, Meyerton-based HDPE pipe manufacturer and distributor, recently concluded a management buyout with former CEO, Renier Viljoen, and former sales director, Ashin Tasdhary, taking over the reins.

Having been involved in the managing of the Rare Plastics business for some years, Viljoen and Tasdhary saw an opportunity to make an offer to the previous shareholders of the business. The MBO was concluded during the 4th quarter of 2019. The new shareholders will remain actively involved in the day-to-day operations of the company.

There is no intention of changing the name of the company. Rare Plastics is recognised both locally and internationally as a producer of excellent quality HDPE pipes and the new owners intend to further improve the brand recognition in both local and international markets.

"Due to the executive team being directly involved in the management of the company before the MBO, we plan to simply continue with business as usual," said Viljoen.

Rare Plastics was previously part of a larger group which included a steel pipe division, Rare Trading. The MBO transaction did not include the steel assets, and as such the steel division was closed down by its shareholders in December 2019. Rare Plastics owns a subsidiary in Zambia, Rare Construction Zambia, which will also continue to trade as per usual.

"Locally, there will be some minor operational changes, which our clients will most likely not even be aware of, as we will continue to offer the same service and quality they have become accustomed to," Viljoen added.

Future direction

Viljoen says that Rare Plastics will continue to strive to set the standard for quality in the HDPE markets and



Renier Viljoen and
Ashin Tasdhary

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to focus its processes on delivery of pipes of exceptional quality to both local and international clients.

"We are in the process of completing and commissioning our own inhouse butt welding facility at our premises in Meyerton. For this purpose we have constructed additional factory space of close to 600m². The facility's layout was designed and built specifically with butt welding of HDPE pipes in mind. The facility will increase our welding output due to improved material handling as well as provide a more controlled environment in which to perform welding. This will further increase the quality of our product offering," Viljoen said.

When welding is performed in a controlled environment by appropriately qualified and experienced welding technicians, it drastically reduces the possibility of contamination of the pipe materials, which could lead to inferior connections.

The facility will be fully operational by the end of March 2020.

Rare Plastics has also recently invested in its own fleet of delivery vehicles to ensure improved deliveries to its clients.

"We continue to maintain our memberships of both SAPPMA and IFPA, which affords our clients absolute peace of mind when using our pipes on projects," Viljoen added.

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