

## A business that was built on a cellphone

by Stephen Timm



Ludwick Marishane.

**'Dry Bath' inventor Ludwick Marishane found an innovative way to raise funds for his venture, and it paid off.**

He may be just 22 but companies all over the world are clamouring for orders of his innovative bath-substituting cream, Dry Bath. And with 2,5-billion people without proper access to water, Ludwick Marishane, the son of a Limpopo shop cashier, has already elicited a lot of interest in his product.

Marishane is far from the typical South African high-growth entrepreneur: he's young, black and hails from a rural area. Yet his story is illustrative of how South Africa isn't doing enough to back its brightest minds.

Last year, the third-year BCom student at the University of Cape Town was named the 2011 Global Student Entrepreneur of the Year, beating more than 1600 students from 42 countries and becoming the first sub-Saharan African to win the award.

Already British Airways has placed an order for 200000 units for use on long-haul flights, the Singapore army wants a shipment of 7-million sachets and an Indian group is interested in manufacturing and selling his product on the subcontinent.

He also plans to donate one sachet to charities for every unit he sells to companies.

All this while local companies have taken only a tentative interest in testing his product; both Procter & Gamble and Unilever are still mulling over terms and conditions after expressing interest in testing the product earlier this year.

More important, his export orders are all on ice because, for more than a year now, the Companies and Intellectual Property Commission has not processed his transition papers

to update his company details after he bought out a student colleague, who had taken a minor stake in his business.

"We've got clients who ordered Dry Bath but we can't take the order because our bank account details aren't in order and we can't register for an export licence, and it's just a nightmare right now," he says.

But Marishane isn't letting this get him down and is pushing on with production of 10000 units for local companies to use to conduct consumer research.

After all, this is someone who used his Nokia 6234 cellphone to research his idea and write all 8000 words of his business plan before sending these in batches by MMS to his Gmail e-mail account, where he could then, at internet cafes, condense them into a single document.

"What I find quite ironic now is that the guys I mentor will come and ask, 'How do you write a business plan' and I'll say 'guys, I literally did it with just Google and websites'."

The idea for Dry Bath came to him on a cold winter's day in 2007 in grade 11, when he and some friends were sunbathing and needed to go and run an errand.

"We basically told him (a friend) to go and bath so we could leave and he said 'No guys, why doesn't someone invent something you can just put on your skin and then you don't have to bath'. And I thought, 'wait a minute, that sounds cool, I would buy something like that'."

He then e-mailed his business plan to 80 venture capital funds — local and international — asking for R1m in funding. But he was told he was too young, the idea wouldn't work or the product would be too expensive for poor people.

Still, he pushed on, opting to bootstrap his business instead and setting up Headboy Industries in 2008.

He quickly found a new way to get funding — by entering business competitions. At the Innovation Fund's National Innovation Competition, he won R20000, while at the South African Breweries Foundation's inaugural Innovations Awards, he took a share of the R150000 in prize money.

"That's when it hit me that business competitions were the easiest way to raise funding, without giving up an interest in your business and you get a lot of validation and free exposure."

Some of the competitions he entered even offered free international travel, allowing him to speak to potential clients overseas. When he was chosen as one of the 12 Brightest Young Minds in Google's Zeitgeist Young Minds Competition last year, he used this as an opportunity to network with 400 of Google's biggest clients, including British Airways. In 2010, he won the Audience's Choice and the Most Promising Entrepreneur Award in the Singapore Management University 6th Lee Kuan Yew Global Business Plan Competition.

He used this trip to link up with the Singapore army.

Recently, he came close to being the youngest South African to gain a patent, before deciding it would be more worth his while to protect his product with a trademark and by using non disclosure agreements with those who deal with his product.

Marishane says it was both his father's dabblings in network marketing and living in rural Limpopo, surrounded daily with its various challenges, that inspired him to become an entrepreneur. The entrepreneurial "bug" first bit in grade 9, when he got the idea from Top Gear to make his own bio-diesel. He also came up with an idea for a healthy cigarette, using tea fannings (tea dust), but later abandoned this too.

Next year he wants to launch the world's first entrepreneurial league, which will become "as big as Fifa". The plan is to target grade 11s and 12s with an entrepreneurial game and get them to develop tech-based businesses in an online business simulator. He has already pitched the idea to the creators of Global Entrepreneurship Week, the Kauffman Foundation, which has agreed to assist him with a pilot.

He says lots of people have good ideas for developing an innovative product or service, but that most don't want to fail quickly — "So a lot of guys go with something, but it's the same old thing, it's not really innovative, it's the same old service packaged under a different name and then you ask them to either push it to the limits or let it go."

He says he loves Cape Town — the fresh air and the mountain: "It's chilled, the weather's great when it's not raining, you've got the beach," he says, adding that it's also a great city to network with high-net-worth individuals.

"You ask yourself what is so special about this place and I keep saying it's because you have time to think, it's literally just that, it's not so busy that you are literally worrying about this, that and the next thing. You can put your mind to one thing and have the time to go through it and process it."

He's now looking for offices in Cape Town but says he may move to Kenya, which looks set to become the Silicon Valley of East Africa. The South African government, he believes, is not investing enough in IT. But it's not all he's worried about.

"My biggest fear is getting my first employee, because the labour laws in this country are atrocious."