



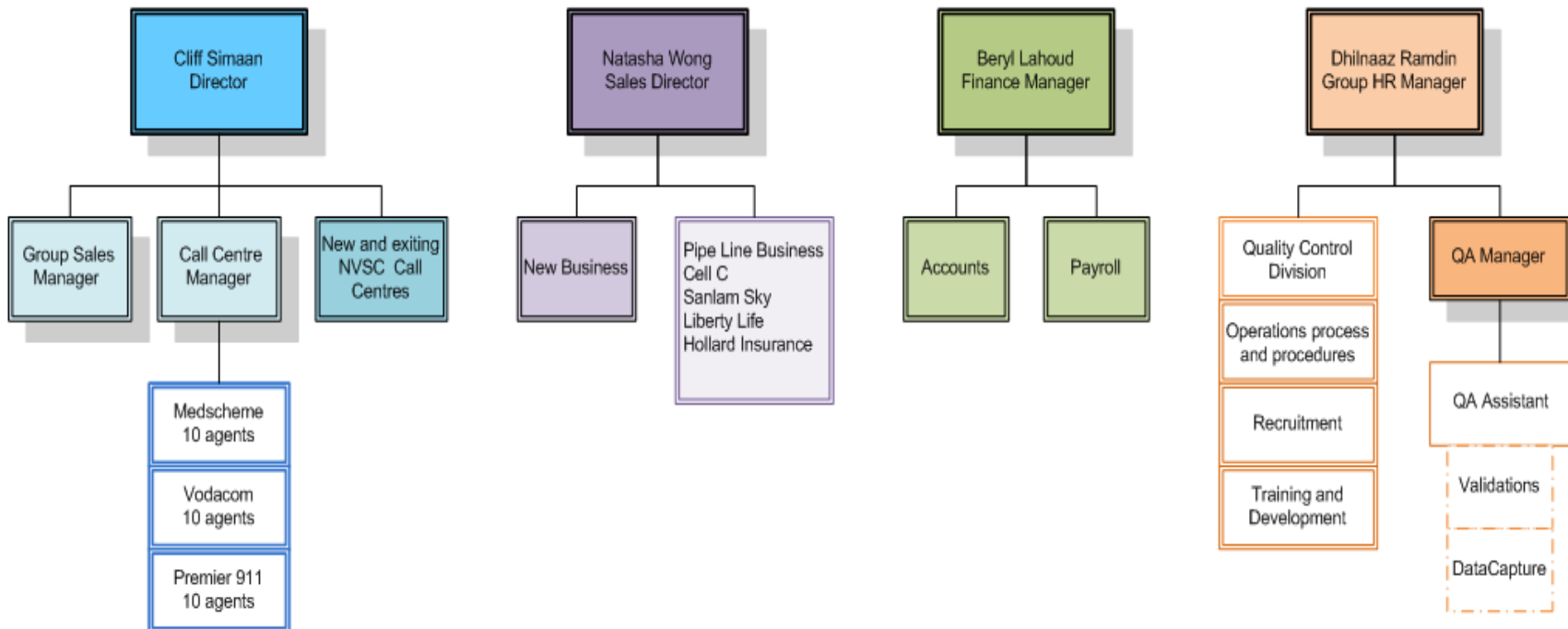
NVSC

call centre solutions





Aden Lahoud
CEO





INTRODUCTION

NVSC is a fully automated Call Centre Franchise Solution Company.

The purpose of the Company is to focus on the development of Call Centre Solutions countrywide, which will include such endeavours as:-

- Design and Implementation of Infrastructure
- Consulting services, Technology Incentive programs
- Quality Training and Marketing
- Contact centre specific projects
- Outsourcing partnerships
- Recruitment solutions

We work hand in hand with our call centres to ensure that they achieve high performance goals and supply them with leading edge technology to identify every new opportunity available on the Market.

NVSC has perfected a practical, business-focused implementation strategy that ensures that every solution is implemented timeously and that the Customer is satisfied that all his business requirements and expectations are met. The Call Centre personnel are highly skilled professionals in all areas of its operations and every project is discussed in detail with the parties concerned to ensure Client satisfaction. Our Benchmark is nothing less than surpassing clients' requirements, based on practical methodology and proven experience in both South Africa and abroad.

NVSC specializes in Call Centre Solutions Planning & Development Marketing and Distribution and we are committed to:

- Trustworthy expert consultancy
- Accountability
- Communication
- Transparency and Submission
- High levels of professionalism and Cost effectiveness
- Practical experience
- Confidentiality
- Fair Value and Leading Edge Technology



At **NVSC** we centre around three key elements, namely:

- 1) The Business; Establishing your business, your clients and your requirements
- 2) The People – We assist in Call centre staffing and Management.
- 3) The Technology – At NVSC we offer the complete Technology which we fully support, because we understand that the Technology is a vital part of the success of your business.

Business Strategy Planning and Development

We align our comprehensive Business Planning expertise and support strategies and ideas within your financial/budgetary constraints to ensure successful implementation of project roll outs, and we help ensure that the Customer gets the best value for money without any compromise of quality.

Marketing and Distribution

With Business opportunities gaining momentum both locally and globally we continually strive to identify Marketing opportunities for increased exposure and enhanced profit, and advise on ways of enabling SMME's and Corporations alike to take full advantage of these opportunities as they present themselves.

To Summarize we offer :-

A workable comprehensive Business Plan tailored according to your specific objectives. Every assistance is given in this area, whether it is financial or other.

Our Contact Details are as follows:-

Physical Address: Ground Floor, East Wing, Standard Bank Building

11 Alice Lane, Sandton

Postal Address: Postnet Suite 350, Pbag X9, Benmore, 2010

Telephone Number: 011 883 0231

Fax: 086 524 1948

E-mail address: enquiries@nvsc.co.za

Web address: www.nvsc.co.za



Financial Advisory Support

All relevant documentation will be supplied and the proper advice is freely available to assist you in obtaining finance for your operation.

Infrastructure

Agents: Every assistance in the recruitment training, monitoring, incentivising and maintenance of agents will be available from the Franchisor .We also have a strategic Partner in the field of recruitment who will assist you in the selection of staff.

Managerial Support

We will provide Managerial support at Call Centre level.

Quality Assurance

All quality assurance processes will be set up to meet Clients' expectations.

Performance Management

From inception, regular performance management will be monitored to ensure optimum progress.



Included In The 18 Seater Call Centre:

18 Seater work station (18 agents)

18 Pc's

18 Headsets

18 Leather chairs

1 Management Server

1 Business Fax/Copier

Ethernet Switches

Networking

UPS back up units

Server Cabinet

Agents Drawer unit

Pastel Accounting package





FAQs

Question 1:

How does one get started in this vibrant Industry?

Answer:

NVSC provides a Turnkey Solution for the interested party by:

- Developing a tailor-made Business plan,
- By Providing sound Financial Advice and Support,
- By sourcing and providing a Contract(Local and or International),
- By assisting you completely in the setting up of your Call Centre. This will include infrastructure, technology, agents Plus one Month start up assistance.

Question 2:

What are the charges for developing the Business Plan?

Answer:

An amount of R4800.00 + VAT is payable for the Business Plan. Our resident Consultant will attend to this as well as your application for finance, if required

Question 3:

What forms are involved?

Answer:

There are forms which must be completed at the time of signing, with the appointed broker, and a deposit of 12% of the purchase price must accompany these forms.

Question 4:

How long will a Business Plan take to prepare if needed?

Answer:

72 hours, provided all the information required has been provided.

Question 5:

What information is required then?

Answer:

Initially we will require the CVs of the Directors and key personnel as well as your Company details, viz

- Company Registration;
- Shareholding;
- Equity participation and
- VAT Registration

Once this information has been received, an e-mail will follow requiring other more detailed information. Our Consultant will liaise with you on these matters.



Question 6:

Is a Business Plan necessary if I have financial resources to fund my Call Centre?

Answer:

Yes, you still need a Business Plan to outline intentions, and focus on where you are going.

Question 7:

Do I need to register a Company or can I trade in my own name?

Answer:

A registered entity (e.g. a cc) will have to be formed as principal to principal agreements will be drawn up.

Question 8:

Can you assist in registering a Company?

Answer:

Yes.

Question 9:

What is the cost of registering a company and how long is the process?

Answer:

The cost is R600-00 for a cc and R3000-00 for a Pty. It takes approximately 10 – 21 working days.

Question 10:

What details are necessary to register these entities?

Answer:

A copy of the Members/Directors ID's. A choice of intended Company Names, Postal and Physical addresses of the Members/Directors and a breakdown of Shareholdings.

Question 11:

Does NVSC have funders?

Answer:

Yes we do have links to funders, and every assistance will be given to you should you need to apply for finance.



Question 12:

What time period will elapse before the Call Centre becomes operational?

Answer:

Once the funders have approved your Business Plan, it will take some 4 weeks to become fully operational.

Question 13:

Where should my Call Centre be situated?

Answer:

In any suitable Business District close to you.

Question 14:

What about securing the Premises? Can NVSC assist in this regard?

Answer:

Whilst it is your responsibility to secure the premises NVSC will advise you on key requirements.

Question 15:

Will I be competing with other Companies in securing the Contract?

Answer:

No, because you service the Contract you have entered into via the different data bases purchased from the companies specialising in various LSM groups.

Question 16:

Which Industries are involved?

Answer:

The Contracts are in the Financial, Health and Telecommunications Sectors.

Question 17:

Is it my responsibility in getting Staff/Management and Agents?

Answer:

You will appoint your own manager and staff; however we will assist you in this regard via our appointed recruitment division if so desired This division is headed up by our Executive HR Manager .



Question 18:

Will NVSC provide Managerial Support for people with no prior knowledge of the Industry?

Answer:

Yes at no charge we will provide Training for one month from inception of your Call Centre. Thereafter a charge will be levied for ongoing support. Ongoing Product knowledge training is conducted on a regular basis as well as refresher courses by the Companies providing the contracts

Question 19:

Do I have a choice when selecting contracts between local and International?

Answer:

Yes. It is mandatory to sign up on at least one contract to get your business started. Further Contracts will be offered to you which you can accept or reject.

Question 20:

Where can I get additional Contracts?

Answer:

NVSC will be continually searching and negotiating new Contracts and they will become available to you when secured. In addition NVSC welcomes all Products brought in by the Franchisee and subsequently approved by the Franchisor. These products will be marketed nationally on a shared revenue basis.

Question 21:

Will Training be given for new Contracts?

Answer:

Yes Training will always be conducted by the product provider.

Question 22:

How am I assured that the Contracts are viable?

Answer:

NVSC will conduct a feasibility study on every contract we source. Note that only contracts from reputable Companies will be considered. Once the contract is approved, it will be offered to you. You will have the right of refusal.



Question 23:

How confident can I be about payment and invoice cycles from international companies?

Answer:

There will be a Service Level Agreement (SLA) between NVSC and the international company. This will provide sufficient cover for all the concerned parties. If a dispute arises NVSC will mediate. Should there be no closure, then the dispute will be resolved according to international laws and agreements.

Question 24:

Do I sign an agreement with NVSC and the Contractor?

Answer:

No. NVSC has contracted with various providers and agreements will be put in place between the Franchisee and Franchisor.

Question 25:

Will NVSC assist me in advice in respect of remuneration?

Answer:

Note that we will advise on incentive schemes and sales target commissions. Basic salary structures ,however must be adhered to by all Franchisees throughout the group.

Question 26:

What are the initial requirements to facilitate installation on my premises?

Answer:

Premises must be obtained and approved as well as Telkom connectivity needs to be applied for and installed.

Question 27:

What kind of technology will be installed in my call centre?

Answer:

Asterisk and Linux as well as Microsoft windows Solutions are used. Asterisk is rated one of the best open source converged telecommunications platforms. It is designed to allow different types of IP telephony hardware, software and middleware to interface with each other while consistently delivering quality services.



Question 28:

Do I need a technician or network administrator on-site all day in case of technical problems?

Answer:

No, the installed technology comes with backup and maintenance service, as supplied by the different product suppliers. The installers will do remote monitoring of the system. In case of downtime every computer will be installed with a UPS system. This recovery device allows the user the opportunity to backup and save all data within a period of 30 minutes, thereby affording you the time to contact the relevant source for repair.

Question 29:

Will I have to apply for Telkom telephone lines?

Answer:

Yes – We will assist you in this regard.

Question 30:

Do I need ADSL?

Answer:

Yes you will need 2 ADSL lines – one for voice and one for Data. The application will be done together with your Telkom application.

Question 31:

Do I need Least Cost Routing (Premicell)?

Answer:

Yes we are in possession of a National Agreement with the necessary Service Providers.

Question 32:

Do I pay a licence fee per seat (agent)?

Answer:

Yes the current rate is R450-00 plus VAT per seat, per month

Question 33:

Is there a Service Level Agreement in place?

Answer:

Yes – This SLA will be entered into at time of signing of Contract. On average the minimum is 3 hours per month at R300 per hour + vat plus mileage per kilometre in excess of 50 kilometers in accordance with AA tariffs.



Question 34:

Do I need an ISP?

Answer:

Yes we have an arrangement with a listed Company to provide bandwidth on a National Basis.

Question 35:

Do I need to install electrical points?

Answer:

Yes. The franchisee will install all electrical and extra networking points at their own expense.

Question 36 :

How do I ensure continuity of operation with all the load shedding taking place

Answer : We will advise you on the correct UPS/Inverter system for your operation.



1. History and Background of Client's Company

- Prior year financial statement (1-2 years)
- Recent Management Accounts
- Company profile
- Empowerment status
- Unique selling proposition
- Accounting systems and control features (debtors, creditors, back acc, etc.)

2. Management Team

- Detailed CV's of Management Team
- Key members of the business and responsibilities
- Complementary skills
- Statement of personal assets & liabilities of Applicant(s)
- Company Bank statements for the past six months
- Staff Organogram
- Employment equity considerations
- Photocopies of Directors' ID Documents and banking details

3. Company Details

- Company registration documents (certificate of incorporation, certificate to commence business CM 29/CM 22, share certificates)
- Close Corporation Founding Statement CK1/CK2
- Company VAT Number
- Company banking details
- Copy of lease agreement

THE CALL CENTRE INDUSTRY



an investors' guide

THE INSTALLED BASE

The South African Call Centre Market is very different to its European equivalents. It has evolved within a very different set of circumstances. However, the population of just over 40 million, has the same essential needs in terms of IT and Finance, as in any other developed countries.

South Africa has a large, mature and sophisticated call centre community. If South Africa was a European Union member country, **it would be the 6th largest installed base of the fifteen member states.**

South Africa has a similar number of call centres to Belgium. It is only 20 % smaller than the Netherlands (Mitial Research Benelux Location Survey 2000). It has more than twice as many call centres as both Northern Ireland and the Republic of Ireland combined (Mitial Research Isle of Ireland Country Report 2002). The South African installed base is also bigger than the Scottish and Welsh bases combined (Mitial Research UK Country Report Dec 2001).

Besides the 20+ seat call centres in this study, there are approximately 125 Pocket Call Centres in South Africa. There are many more units using telephones, but most are not dedicated to taking and making calls.

A key feature of the South African call centre market has been that large local companies have built up their call centre businesses over a 5-7 year period. These include finance houses Old Mutual, First National Bank, Standard Bank, Nedcor and ABSA, as well as Telkom's own call centres of which there are 15.

MOST GROWTH WILL COME FROM OVERSEAS INVESTMENT

To date, Foreign Direct Investment has been increasing in the call centre industry.

Foreign Investors to date include Sykes (outsourcing business), Lufthansa (airline) and Mindpearl (Qualifyer customer call centres).

South African call centres offer state of the art technology and multi-lingual capability. A "follow the sun" approach is utilised, whereby all calls are switched between countries to take advantage of the regular business hours of that country.

There are very few Pocket Call Centres compared with other European countries, which suggests that outside of the main base of full-size operations there is relatively limited local activity. South Africa is without doubt an entrepreneurial society. However, there are relatively few owner-managed pocket call centres operating on the outsourcing agency side. Call centre technologies have only recently become more affordable and it is likely that these types of call centres will grow as corporate call centres provide a training ground for entrepreneurs who leave to start up their own companies. Most of the large local companies in South Africa have already moved to the call centre model.

1999 was a key growth year for call centres in South Africa. Therefore, the opportunity for growth is more likely to come from new ventures - such as the proposed Second Network Operator (SNO) in telecoms, and Foreign Direct Investment.



MONTHLY PROJECTED INCOME OF A 18 SEATER CALL CENTRE

Sales/Agent/Day	2.5	3.0	4.0	6.0
(Sales/Agent/Month) Nett	47	57	75	114
(Sales/Call Centre) Nett	846	1026	1350	2052
Income				
SALES at R300/Sale (excl. VAT)	253,800	307,800	405,000	615,600
Purchases :	146,835	146,835	146,835	146,835
Telepassport/Premicell calls	65,835	65,835	65,835	65,835
Database Leads used	70,000	70,000	70,000	70,000
Telkom call costs & Rental	11,000	11,000	11,000	11,000
Gross Profit (Sales - Purchases)	106,965	160,965	258,165	468,765
Total Income	106,965	160,965	258,165	468,765
Gross Profit %	42.1	52.3	63.7	76.1
Ordinary Expenses				
Vatable Expenses				
Bank Expenses	500	500	500	500
Insurance	1,500	1,500	1,500	1,500
Rent	6,750	6,750	6,750	6,750
Stationery	2,000	2,000	2,000	2,000
Water/Electricity	1,500	1,500	1,500	1,500
Sundries/Refreshments	2,250	2,250	2,250	2,250
Seat Licence @ R450.00 x 18	8,100	8,100	8,100	8,100
Quality Assurance @ R100.00 x 18	1,800	1,800	1,800	1,800
Validation @ R100.00 x 18	1,800	1,800	1,800	1,800
SLA Management	900	900	900	900
ISP (Internet Provider)	4,500	4,500	4,500	4,500
Telkom ADSL 1 Meg @ R450.00 x 2 Lines	900	900	900	900
GVSC Line Rental @ R150.00 x 18 Lines	2,700	2,700	2,700	2,700
ISS Compliance	1,100	1,100	1,100	1,100
ISS Licence	1,100	1,100	1,100	1,100
Accounting Fees	1,000	1,000	1,000	1,000
Total: Vatable Expenses	38,400	38,400	38,400	38,400
Non-Vatable Expenses				
Agents' Salaries 18 x (R3,000.00)(R4,500.00)(R6,000.00)	0	0	54,000	108,000
Agents' Commissions	34,200	51,300	10,800	55,080
QA / Validator	6,000	6,000	6,000	6,000
Supervisor Salary	8,000	12,000	12,000	16,000
Owners Drawings	15,000	25,000	25,000	25,000
Total: Non-Vatable Expenses	63,200	94,300	107,800	210,080
Total Ordinary Expenses	101,600	132,700	146,200	248,480
Net Profit/Loss Before Tax	5,365	28,265	111,965	220,285

ASSUMPTIONS :

Each Agent makes 100 calls/day, during an 8 hour working day, average 22 day month
 Average length of call=1.33 minutes, costing R1.25 per minute (per second billing)
 Sale cancellations due to Debit order etc. = 6% and Downtime due to Absenteeism = 5%
 Downtime due to Power Failure, Hardware & Software problems = 4%
 Cost of 18 Seater is R590,000 +VAT.(The model assumes a Cash Buy & 'write-off' in 1st year)
 Cash Flow uses 2.5 sales/agent/day in 1st month, increasing to 4.5 sales/agent/day in 8th month
 This gives worst case condition in start up year of:
 Bank Balance at year end of R500,000 and Maximum Overdaft of R150,000



MONTHLY PROJECTED INCOME OF A 24 SEATER CALL CENTRE

Sales/Agent/Day	2.5	3.0	4.0	6.0
(Sales/Agent/Month) Nett	47	57	75	114
(Sales/Call Centre) Nett	1128	1368	1800	2736
Income				
SALES at R300/Sale (excl. VAT)	338,400	410,400	540,000	820,800
Purchases :	195,308	195,308	195,308	195,308
Telepassport/Premicell calls	87,768	87,768	87,768	87,768
Database Leads used	95,040	95,040	95,040	95,040
Telkom call costs & Rental	12,500	12,500	12,500	12,500
Gross Profit (Sales - Purchases)	143,092	215,092	344,692	625,492
Total Income	143,092	215,092	344,692	625,492
Gross Profit %	42.3	52.4	63.8	76.2
Ordinary Expenses				
Vatable Expenses				
Bank Expenses	500	500	500	500
Insurance	2,000	2,000	2,000	2,000
Rent	6,750	6,750	6,750	6,750
Stationery	2,500	2,500	2,500	2,500
Water/Electricity	1,800	1,800	1,800	1,800
Sundries/Refreshments	2,750	2,750	2,750	2,750
Seat Licence @ R450.00 x 24	10,800	10,800	10,800	10,800
Quality Assurance @ R100.00 x 24	2,400	2,400	2,400	2,400
Validation @ R100.00 x 24	2,400	2,400	2,400	2,400
SLA Management	900	900	900	900
ISP (Internet Service Provider)	4,500	4,500	4,500	4,500
Telkom ADSL 1 Meg @ R450.00 x 2 Lines	900	900	900	900
GVSC Line Rental @ R150.00 x 24 Lines	3,600	3,600	3,600	3,600
ISS Compliance	1,100	1,100	1,100	1,100
ISS Licence	1,100	1,100	1,100	1,000
Accounting Fees	1,000	1,000	1,000	1,000
Total: Vatable Expenses	45,000	45,000	45,000	44,900
Non-Vatable Expenses				
Agents' Salaries 24 x (R3,000.00)(R4,500.00)(R6,000.00)	0	0	72,000	144,000
Agents' Commissions	56,400	68,400	14,400	73,440
QA / Validator	6,000	6,000	6,000	6,000
Supervisor Salary	8,000	15,000	15,000	20,000
Owners Drawings	18,000	30,000	30,000	30,000
Total: Non-Vatable Expenses	88,400	119,400	137,400	273,440
Total Ordinary Expenses	133,400	164,400	182,400	318,340
Net Profit/Loss Before Tax	9,692	50,692	162,292	307,152

ASSUMPTIONS :

Each Agent makes 100 calls/day, during an 8 hour working day, average 22 day month
Average length of call=1.33 minutes, costing R1.25 per minute (per second billing)
Sale cancellations due to Debit order etc. = 6% and Downtime due to Absenteeism = 5%
Downtime due to Power Failure, Hardware & Software problems = 4%
Cost of 24 Seater is R750,000 +VAT.(The model assumes a Cash Buy & 'write-off' in 1st year)
Cash Flow uses 2.5 sales/agent/day in 1st month, increasing to 4.5 sales/agent/day in 8th month
This gives worst case condition in start up year of:
Bank Balance at year end of R660,000 and Maximum Overdaft of R200,000



CALL CENTRE SELECTION GUIDE

Sales/Agent/Day	2.5	3.0	4.0	6.0
(Sales/Agent/Month) Nett	47	57	75	114
18 SEATER				
Total Sales /Month	253,800	307,800	405,000	615,600
Net Earnings/Month	5,365	28,265	111,965	220,285
Start-Up Cost = R607,400, plus R100,000 Franchise Fee, plus R150,000 Working Capital Facility				
24 SEATER				
Total Sales /month	338,400	410,400	540,000	820,800
Net Earnings/month	9,692	50,692	162,292	307,152
Start-Up Cost = R750,000, plus R100,000 Franchise Fee, plus R200,000 Working Capital Facility				

NOTES

- Included in the Start-Up cost is your tailor-made Business Plan, prepared by our In-house Consultant.
This Business Plan determines your **actual** monthly cash flow and start-up working capital.
It features a user-friendly, step by step, Operational Start-Up Guide complete with relevant documentation.
It is Bank compliant if you require Funding for your Call Centre and also serves as your Operations Budget.
- This projection assumes only 100 calls/agent/day but 150/day is achieved with auto-dialling & voice recognition.
'Net earnings' is calculated on a 22 day working month & takes into account all holidays, leave and downtime.
Working Capital is calculated using 2.5 sales/agent/day in 1st month and increasing to 4.5 sales/agent/day in 8th month.
The projection assumes a 'Cash Buy' with 'write-off' in first year.
'Net Earnings' includes Owners Drawings and Company Net Profit as per the projections.
This projection is based on contracts averaging R300(excl.Vat) per Sale.
All options above are cash positive within 6 months of start-up assuming the projections are achieved.
- Working Capital requirement between R100k & R200k on amount of seats in call centre.
Start-Up costs exclude VAT
Extra Seats can be added to any of the above options at a cost of R45,000 per seat.