

Hitting a dead-end in school did not stop this young man from striding on
The Budding Entrepreneur

Nyakaana crafts shoes to foot bills

When Herbert Nyakaana failed to join university, he moved in with his cousin, who owned a craft shoe workshop. Soon, Nyakaana learned how to make shoes. Today, the 28-year-old owns Tweyambe Craft Shoe Makers, a business worth sh7.4m that employs 11 youth in Nsambya, as he tells **Jovita Mirembe**

My mother could not afford to pay my university tuition fees and an uncle promised to help after I was offered a vacancy at Uganda Martyrs University, Nkozi. However, my uncle did not keep his promise. During my S6 vacation in 2011, I moved from Kabarole district to Kampala to join my cousin, Mark Twikirize. He asked me to invest in his craft shoe workshop in Katwe, Kampala so that we become partners. I invested sh500,000 of the sh700,000 that I had saved when I was at school. Unfortunately, in November that same year, Twikirize left the premises where we worked unceremoniously and relocated to an unknown place. I later learnt he had misused the money that I had injected in the business.

What others say...

- **Rose Kirabo, customer:** I have never regretted buying shoes from him because I get value for money.
- **Joshua Musinguzi, employee:** I joined Nyakaana after dropping out of school. He trained me and now I am an expert in making craft shoes.

However, since I had learnt how to make shoes, I started my own craft shoemaking business. I withdrew the money left on my account (sh170,000) and bought materials. Fortunately, my cousin had paid rent for the month he quit. The landlord was kind enough to allow me stay for another two months before clearing the arrears.

Mastering the trade

I consulted people in the same business to arm myself with the basics of how to run the enterprise. Later, I convinced my friend, Robert Amanyire, who knew about shoemaking, to work with me. Together, we would make an average of 20 pairs of craft shoes a day, which we sold to the clientele which Twikirize and I had established. Twikirize had left with both the sewing and finishing machines, therefore, Amanyire and I made our shoes in workshops in Ave Maria, Nsambya and Makindye. A pair of shoes cost us sh300 for sewing and finishing. Our main market



Nyakaana showing how the top part of a craft shoe is fixed. Photos by Jovita Mirembe

was in the new and old taxi parks in downtown Kampala, where we sold shoes at between sh10,000 and sh12,000.

I paid Amanyire an allowance from the daily proceeds. I also provided him with food and accommodation. From the first six consignments of about 120 pairs of shoes, which we made in one week, I made a profit of sh50,000. I paid part of it to Amanyire and reinvested the rest of the money in the business.

Our market grew, calling for increased production. However, we were overwhelmed, prompting me to contact Steven Muhumuza, an old friend from Kabarole, to join us. With him on board, we made up to 100 pairs of craft shoes in three days.

As our business stabilised, I afforded to pay Amanyire and Muhumuza sh50,000 each per month. I also

accommodated and fed them.

In 2013, we shifted to Nsambya to bigger premises. Our establishment attracted several unemployed youth in Nsambya, who wanted to join the business. We opened our doors to them to learn the skill and work with us on a part-time basis.

In 2014, we were introduced to the Kampala Capital City Authority (KCCA)'s Youth and Community Development Programme, which empowers youth with knowledge, skills and resources to enable them become self-reliant.

The following year, we registered Tweyambe Craft Shoe Makers with KCCA. They assessed and appreciated our work and donated to us an industrial sewing machine worth sh1m. Later, they gave us a grant of sh5m. The sewing machine increased our capacity to make shoes. We injected the sh5m into the business.

Today, we sell our shoes to supermarkets

Diamond TIPS

Three things he has learnt along the way

- 1 ■ Consult people who are in the same field to know how they work and how they move forward despite the challenges.
- 2 ■ Selling craft shoes in large numbers is almost impossible without selling on credit, which is risky because it affects cash flow.
- 3 ■ Making craft shoes is impossible without sun or electricity because shoe gum dries either under direct sunlight or a bright electric bulb.

and individual clients in shoe shops in the old and new taxi parks. On average, we sell 250 pairs per month. To wholesale dealers, we sell a pair at sh17,000, making a total of about sh4.2m a month. To individuals, we sell each pair at a retail price of between sh10,000 and sh25,000, depending on the material used. In this case, we can make sh6m a month.

Challenges

Our business has little capital yet our competitors in the same business have a lot of resources. This means they can invest in better quality raw materials and produce more attractive products than ours.

Therefore, we have to undercut our prices relative to those of our competition, which affects our profit margin.

Sometimes, when the business does not do well in a month, paying rent becomes a burden.

However, Nyakaana says every business faces obstacles along the way. And with that in mind, the budding entrepreneur and his team remain focused.

Training other people

We train people under Kyanamugera Child Development Centre in Mubende district and Busunju Child Development Centre in Mityana district. We also train individuals. We train individuals for four months at a fee of between sh500,000 and sh800,000, depending on which package they want to study. We have two packages. One is the introduction to craft shoe making, where we teach elementary skills in shoemaking. In the second package, we train individuals in detailed art of shoemaking.



Nyakaana putting finishing touches on a craft shoe

Costs

I employ 11 workers, two of whom are permanent staff that I pay sh80,000 per month and provide accommodation for. I pay the others according to how much work they have done. I spend sh160,000 on rent per month and sh45,000 on electricity. I pay my workers, myself inclusive, 70% of the day's sales. I re-invest the 30% in the business.

Plans

Our team is planning to start making formal shoes beginning next year, as we now have the required expertise in shoemaking. We are also planning to buy a piece of land and build our own premises in the next five years in order to cut out the expense of rent.

FEEDBACK Do you know an inspiring young entrepreneur? Tell us about them on pakasa@newvision.co.ug