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AFFINITY AGREEMENT: BMW LYNDHURST BRINGS GREAT VALUE TO CGF MEMBERS

Article by CGF Research

In 2004, CGF Research Institute (Pty) Ltd (CGF) opened its doors to assist boards of directors and their executive management to understand the broad impacts of corporate governance, and the likely impacts they could expect if they failed to embrace its various disciplines. Nowadays, the business areas that are affected by corporate governance goes well beyond a mere 'tick-box' exercise; and complying with good governance and being seen to be a 'decent corporate citizen' takes a lot more thought and application.

Regrettably there are many companies who still believe that 'good governance' is only a five-minute discussion and that it should simply be mentioned somewhere in the company's reporting to appease the stakeholders. To exacerbate matters, the same class of people believes governance is an "unnecessary burden to business" and its operations; that there is no tangible value attached to its practices and that any governance efforts are a "liability to the company's bottom line". This naïve thinking could not be further from the truth. As compared to the new-generation's thinking, those with the outdated belief that a company exists solely for profit making -- and such where there is disregard for human and environmental balances -- are certainly destined for massive change which many companies may not be able to withstand.

However, forward thinking companies and their executive leaders understand the need for a *balanced approach* to business, furthermore the critical need to measure themselves against the *profit, people and environmental components* of their businesses. To the extent that many countries have begun to introduce stringent business governance requirements -- including consumer rights and protection -
- South African consumers are fast becoming one of the most empowered in the world and are increasingly expecting better governance from companies.



The new BMW 3 Series Gran Turismo

And so it is with immense pride to announce that CGF has signed an Affinity Partnership Agreement with **BMW Lyndhurst**, who not only understand the importance of good governance and balanced reporting, but also believe in going beyond the call of duty for their customers. It goes without saying how excited we are to be partnering with BMW Lyndhurst, who are renowned for their customer service excellence. Through this affinity partnership, all CGF's clients and members will be entitled to receive preferential rates on any of BMW Lyndhurst's products for which they are interested to purchase (subject to the usual Terms & Conditions).

Throughout all the negotiations with CGF, BMW Lyndhurst was most accommodating and it was clearly evident that both parties wanted the very best for CGF's clients and members. Most encouraging was the speed of their due diligence processes, including their immediate understanding and support of CGF's affinity partnership applications. Understandably, CGF is elated with BMW Lyndhurst's support and we fully expect this relationship to bring great value to all our clients and members.

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As CGF carefully selects more affinity partners, it is envisaged through CGF's mobile cellphone application – **Governance Connect®** – that a growing number of people who are connected with CGF across the country will begin to benefit from the preferential rates being afforded to them.

In addition to the up-to-date news our clients and members receive on the affinity products and services through Governance Connect®, they also get relevant articles on important governance, risk and compliance topics, newsworthy business articles, including daily tweet snippets.

The CGF strategy is clearly one which satisfies many aspects of a busy executive's lifestyle. Whether it has anything to do with keeping them updated on important matters relating to the boardroom, or evaluating their board, or providing them an opinion on governance-related matters right through to arranging pre-negotiated discounts on various products and services; none of these tasks are too much to expect from CGF. We believe in delighting our clients and going the extra mile.

Of course, our ethos and business standpoint is completely shared by BMW Lyndhurst, which cemented our Affinity Partnership Agreement. Their known commitment to the underlying principles of good governance was essential for entering and concluding this agreement.

CGF maintains that more companies need to become 'educated' about how good governance can work for the benefit of the company, its clients and the environment, especially when it is applied correctly.



The BMW GS 1200

There is no doubt as more companies embrace ethical business practices and service excellence, that more people will start showing greater interest and support for those companies who pro-actively demonstrate these qualities. For many years consumers in South Africa have had to bear the brunt of arrogant retailers and the like, where they have simply 'called the shots', leaving consumers disgruntled with little choice to respond against poor service and product delivery. As consumers in South Africa are provided greater protection rights through – amongst other – legislation such as the National Credit Act 2005, Consumer Protection Act 2008, Financial Advisory and Intermediary Services Act 2002 (FAIS), Financial Intelligence Center Act 2001 (FICA) and the Protection of Personal Information Bill (POPI); so companies will need to re-consider the manner in which they govern their business and customer relationships. Considering the increase of consumer-related protective legislation, there will be a great price to pay when an *informed consumer* is presented with inferior service and or products.

Since the launch of *Governance Connect®*, which is a free application for anybody to download on their smart cell phone devices, **Aon South Africa**, **Budget Car and Van Rental** and **BMW Lyndhurst** now also support this initiative. Gauging from the rapid interest, the growth of this mobile application is undoubtedly going to increase exponentially as more people become aware of its immense benefits.

CGF's affinity applications can be accessed from any smart cell phone by simply typing www.governanceconnect.mobi on the smart cell phone's internet browser. In order for people to benefit from these affinity applications, they simply need to register their personal details on the CGF database at www.cgf.co.za

Contact Terry Booysen at CGF Research Institute on (011) 476 8264 or email tbooysen@cgf.co.za for further information. **ENDS** (Words: 1002)