OPEN LETTER TO PREMIER GROUP LIMITED: KEEP THE TULBAGH FRUIT CANNING FACTORY OPEN

CEO: Mr Kobus Gertenbach
Chairperson: Iaan van Heerden
Shareholder: Dr Christo Wiese
Shareholder: Brait PLC
Shareholder: Allan Gray
Shareholder: PIC
Other Shareholders: Nedbank, Old Mutual, Momentum, Coronation, Alex Forbes, banks, and the funds of Organs of State and universities (UCT, Stellenbosch, Pretoria, UNISA, Wits, UJ), amongst others.

19 August 2026

Dear Mr Gertenbach and Shareholders,

We write to you as a united front of stakeholders affected by your intention to close the Tulbagh canning factory, Fruit Products Western Cape (FPWC).

As COSATU and its affiliate unions SACTWU and AFADWU, as well as Solidarity and NUFAS, we write on behalf of the 424 factory workers and the thousands of farm workers who supply the factory.

As the canning association CFPA, we write on behalf of the producers.

We write for the benefit of their families, and the farmers, contractors, transport operators, service providers, local businesses and thousands of workers and other people whose livelihoods depend on the economic ecosystem this factory sustains.

We write in defence of Tulbagh, Saron, Gouda, Wolseley, Ceres and Hermon and surrounding communities.

We write in the public interest.

We are asking you to suspend the retrenchment consultations for 12 - 24 months.

Sixty days - the time which the law allocates for the current S189A retrenchment consultation – is far too little to avert a disaster of this scale.

A two-year pause is not an unreasonable request in the circumstances. It would give all stakeholders real time and space, free of the threat of imminent closure, to properly determine how the factory can be saved, sold, recapitalised, repurposed or operated under a different business model.

The Competition Tribunal conditions must be respected.

Premier's merger with RFG was approved by the Competition Tribunal in March 2026, subject to explicit conditions.

First, there should be no merger-related retrenchments for three years.

Second, any retrenchments that do occur must be presumed to be merger-related, unless Premier proves otherwise to the Competition Commission.

Premier has not yet discharged the burden of proving that these retrenchments are unrelated to the merger. Nevertheless it has triggered a retrenchment process. On the facts as they stand, Premier should not be proceeding with this process at all.

Whatever else the Competition Commission may decide in its current investigations, we believe it was reckless to signal the desire for closure and retrenchment to workers, farmers and the market before the getting the approval of the Commission. This risks creating a self-fulfilling cycle that erodes the business case for this factory, potentially making it harder to save.

This is much more than a retrenchment process.

Closure of the factory will devastate the lives of the factory workers. But its consequences reach far beyond them.

Approximately 200 – 220 fruit producers supply the Tulbagh facility. Many have invested years of capital, labour and resources in orchards producing varieties specifically suited to the canning industry. If the factory closes, they face removing orchards, sourcing alternative crops, and investing in entirely new production, packing and distribution arrangements. For many, your closure of the factory threatens the viability of their businesses and the livelihoods of everyone they employ.

The factory is part of an ecosystem. Remove the factory, and that ecosystem collapses. Damage will cascade through the broader agricultural and regional economy.

It will strike farms, transporters, contractors, input suppliers, machinery suppliers, engineering firms, service providers, retailers and other businesses across Tulbagh and all their employees and surrounding communities.

It will strike local communities who survive because the workers, farmers and contractors in this factory's supply chains spend money in the local economy: on groceries, rent, transport, fuel, clothing, airtime, school fees, hair salons, spaza shops, electricity and rates.

You view this closure as an accounting issue. You will not calculate the human costs on your balance sheets. But we will measure those costs as a society.

Households will face growing chronic anxiety, debt, food insecurity, relationship breakdown under financial strain, and probably even soaring rates of gender-based violence.

A generation of children will face greater hunger, impairing their long-term development and their prospects at school and beyond.

Social ills will grow, like gang recruitment, substance abuse, and crime. These will hollow out families, communities and towns.

Municipal rates income may fall. Public services may deteriorate.

Even the social contract may be weakened in those areas - as locals lose faith that powerful institutions actually care about their wellbeing.

These changes are likely to be permanent. If this factory closes, it is highly unlikely to reopen. Industrial capacity like this cannot easily or cheaply be rebuilt. Equipment will be stripped and sold, likely offshore. Workers will disperse, and institutional knowledge will be lost. The same is true of the orchards. Deciduous fruit trees have a life cycle of 20-30 years. Once removed, they are gone for a generation.

Your decision to close strikes at the heart of the social wellbeing of an entire region.

Premier, change direction.

Mr Gertenbach, Dr Wiese and other shareholders, you have an opportunity to change course.

You have the chance to take the counsel of Dr Wiese, who recently advised President Ramaphosa to view his leadership decisions through whether they will create jobs or destroy jobs.

What lens are you using when you think about the wellbeing of the people you employ in Tulbagh, their families, communities?

Regardless of what the Competition Commission says, suspend the proposed closure and the Section 189A process.

Then use that time to work with all stakeholders to find a solution:

Let potential investors examine the business. Let producers explore an ownership or investment solution. Let government investigate trade, tariff and financial-support measures. Let communities and municipalities participate in finding solutions. Let organised labour bring its expertise to the table.

Closing the factory now, before these possibilities and others have been properly explored for 12 - 24 months, risks an economic and social catastrophe that may never be reversed.

That stain will be on Premiers brand.

We stand united in this call.

Sincerely,

COSATU, SACTWU, Solidarity, AFADWU, NUFAS
Canning Fruit Producers' Association (CFPA)