



Vice-Chancellor and Principal

State of the University Address 2012



4p's

*Plan
People
Product
Pennies*



VISION 2020



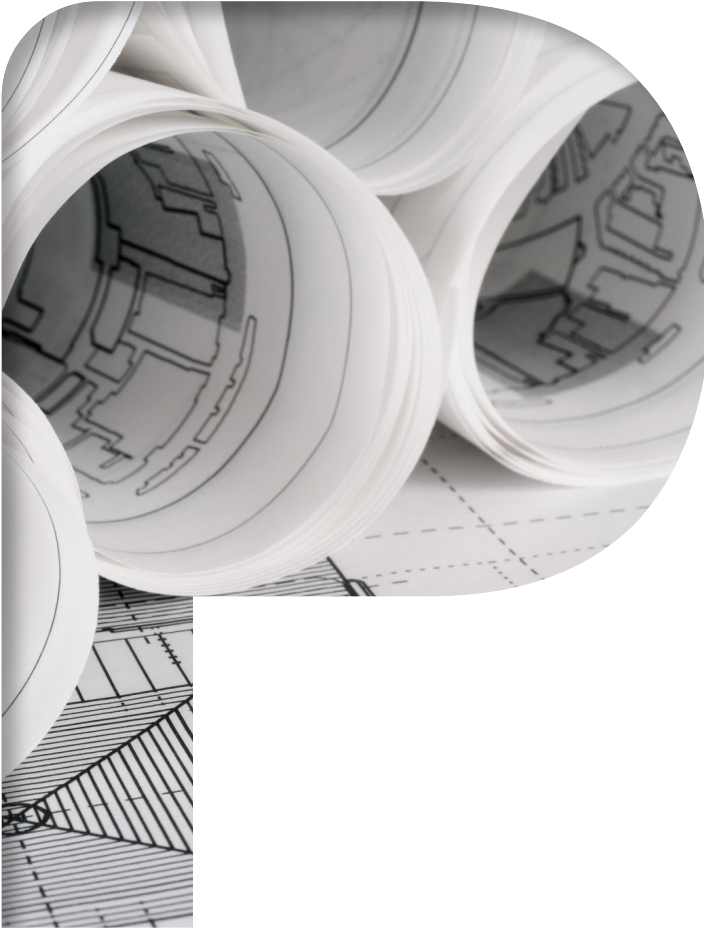
By 2020, Central University of Technology, Free State, shall be an engaged university that focuses on producing quality social and technological innovations in socio-economic developments, primarily in the Central region of South Africa.

INSTITUTIONAL CORE VALUES

- *Customer service*
 - *Integrity*
 - *Diversity*
 - *Innovation*
 - *Excellence*
-



A shared purpose as a University of Technology: CUT's Vision.



Plan

4p's



THE PLAN

4p's

SHARED PURPOSE AS A UNIVERSITY OF TECHNOLOGY: CUT'S VISION 2020

Building on the notions of the role of a university of technology in development we conceived and have begun to implement our shared Vision 2020. It has five key principles:

- *As a technological university, innovation is essential to our Vision 2020 – we therefore see **social and technological** innovation to be the focus of our academic, skills development and research programs.*
- *Measuring the result of our work is also fundamental to our vision – we at CUT are not about quantity and generalities but about **measurable performance, outcomes and impact** subjected to systematic and robust monitoring and evaluation.*
- ***Socio-economic development and entrepreneurship** is at the heart of everything we do – CUT's endeavours in knowledge-production and human capital development have to be relevant and aligned to the agenda of improving lives in our province, the central region of our country, and in South Africa as a whole. In a nutshell, our vision as an engaged university guides and grounds us into partnering with business, government and the broader society – the golden quadrilateral that binds public policy, innovation and commercialization of scientific and technological ideas for creating greater prosperity.*
- *Our geographical location and our local and regional comparative advantage as a result of our location also matter. Our location should reflect and shape CUT's agenda and priorities because we exist primarily to address the needs of our communities, our province, region and country. Primarily, local and regional development should be the epicenter of our revolution.*
- *Finally, quality and excellence are the glue that holds everything together. CUT has to strive and thrive in providing the best services in education and training, research, innovation and entrepreneurship development.*

To assist the Vice-Chancellor and CUT's executives as custodians of Vision 2020, a Strategy Execution Unit (SEU) staffed by a team of five senior policy analysts has been established to strengthen the centre of the university as it leads the process of implementing our vision. This recognizes the fact that the vision and strategies to achieve it require close attention in terms of well thought out and planned implementation, regular monitoring, evaluation and introduction of timely corrective measures.

Building a first-rate corps of creative and innovative leadership management, administration, teachers and researchers.



People

4p's



PEOPLE

4p's

BUILDING A FIRST-RATE CORPS OF CREATIVE AND INNOVATIVE LEADERSHIP, MANAGEMENT, ADMINISTRATION, TEACHERS AND RESEARCHERS

This is a complex process that requires a critical mass of multi-skilled and innovative minds to lead the process of socio-economic development and wealth-creation. I should emphasize here that the term "critical mass of multi-skilled and innovative minds" is not applied to mean technology specialists or nerds but to the entire body of a dynamic and socially astute university. In our case, this includes teachers or lecturers, researchers, leaders, administrators, managers, staff and students alike. Indeed as the late Steve Jobs, who built Apple, the largest technology company in the world by revenue and profit, fittingly put it, "a properly run company could spawn innovation far more than any single creative individual."

And so it should be with a focused, efficient, effective and an innovative new generation and counter-trend university of technology like CUT. Such a university should attract and retain a critical mass of excellent, creative and innovative people who produce outcomes that can be felt by all in our society. Like a magnet, it should draw this critical mass of innovative people to its core; people who are swollen with research and other educational insights and ideas and who consequently turn such insights and ideas into useful products that help to develop our local and regional economy and ultimately our national economy. In the more flourishing cases this 'critical mass' grows into thousands that would form a reservoir of knowledge and talent that is put at the disposal of national developmental needs.

Let us be clear on this. It is not difficult to prove that in countries such as the United States of America, there are no successful technology hubs without first-rate and counter-trend universities, especially universities of technology. The cyber city of Boston would be inconceivable without Massachusetts Institute of Technology (MIT), in the same sense that Silicon Valley is implausible without Caltech, Stanford, and Berkeley. Such universities are magnets that attract innovative and creative minds, especially the young, optimistic, energetic and, I should add, 'crazy' people.

Such people constitute the heart and soul of experimenting with new ideas and commercializing them into start-up companies as well as creating thousands of high-tech employment opportunities. These are the people who change the world – you and you and you seated there. As Apple's "Think different" commercial said in 1997: "The people who are crazy enough to think they can change the world are the ones who do". Our challenge is to create a critical mass of these 'crazies' and just change this world! We need these types of people in all spheres and levels of our operations: in Council, the Institutional Forum, Senate, the SRC, executive and senior management, administration, as well as amongst our students. Such people will constitute our first-rate A-team that will drive this university to greater heights.

4p's

Institutional success obviously depends on this A-team, and A-team people are profoundly affected by a work culture and environment. A poor environment that is not conducive to creativity, innovation and excellence drives away the A-team.

A question may well be asked: How does one learn to innovate and become a high performer and naturally a member of the A-team? Will Rogers says: "A man only learns in two ways, one by reading, and the other by association with smarter people". And, indeed, in the words of Colin Powell, "Any time you tolerate mediocrity in others, it increases your mediocrity." Now, most people read quite a lot here. It's the critical mass of smarter, creative, innovative and crazy people that we need – not the mediocre ones – that will take this university to the next level of leadership in the sector.

Our 2011 institutional audit has shown us CUT's strengths, weaknesses and gaps and has led to an action plan of how to address these challenges. At executive level, we begin the year with a new Deputy Vice-Chancellor for Resources and Operations, who was recruited late last year. The exercise of recruiting the Deputy Vice-Chancellor for Academic Affairs continues this year – as is the case with filling all vacancies at managerial and director levels across the institution.

For us, therefore, the question of capacity to deliver by attracting and retaining top performers is of great importance. We fully realize that team-creation and building is the most vital imperative and duty for CUT. We will achieve our vision only with qualitative and productive contribution from everyone in the entire system. Having a common direction, and communicating our strategy and vision of where we are going is one thing – we must have an A-team to rally together and make it happen.

Prof.
Thandwa Mthembu
Vice-Chancellor and Principal
State Of The University Of Address



We are gathered here today, as the CUT family and stakeholders – students, parents, guardians, sponsors, leaders of business and government, professors and other staff – to witness the official opening of Central University of Technology, Free State. This is an important occasion as we publicly recommit ourselves to the honorable task of educating and training the young minds in our midst and the next generation leaders.

I wish to address a special word of welcome to our students and their parents/guardians/sponsors. We celebrate with you today your entry into tertiary education. We are here to assist you in this learning process, and we wish to see you flourish here at CUT. May you go from strength to strength and accomplish all that you have set your mind to. It will require determination, self-discipline, hard work and diligence, It is indeed one of the most important steps that anyone could take in setting themselves up to succeed in life, henceforth. Remember, knowledge is power, and you are empowering yourself, through your studies, to become the best that you can be! We embrace you as part of our family, and we are looking forward to assist you on your journey of life-long learning.

You will have opportunities here to develop not only intellectually, but socially as well. There will be lots of support to your intellectual, moral, spiritual, emotional and physical health. The new building just in front of this hall and the Lapeng Centre to the west of it are dedicated to a host of student support service in all the areas I have mentioned.

Like many of the staff members seated here behind me and many in the audience who studied engineering, hotel and tourism management, graphic design, photography and fine arts, clinical technology or radiography right here, you will be a leader in the field of your choice.

Like Os Durant and Andre Venter who studied here, some of you will be great rugby players. In fact, we are the current champion of the varsity Shield Rugby Competition among 4 other universities we competed against. You know what: CUT is only 30 years old. We celebrated this in style just last year. The four other universities we competed against – UKZN, Wits, Fort Hare and UWC – have a total of over 300 years of life and experience. But, we beat them hands down.

Like Nicky Boje who studies here, some of you will become great cricket players. No doubt, the CUT team is the regional champion in cricket. Like Zola Budd, one of the greatest distance runners of our country, you might just get a taxi named after you.

Just one other good thing about CUT, more especially to the new students and their parents/guardians! Bloemfontein provides a very stable and calm environment. But, CUT's Bloemfontein Campus' location does that even more.

To the west, just outside the university's main gate is a police station. Should anything untoward happen to a student, we do not even have to call the police, we just shout out loud and they walk in and deal with whatever the problem is. To the east of the campus are two churches to provide almost onsite spiritual and moral care to all of us. Church bells ring all the time and remind us about our creator right in our rooms, whether we are in church or not. To the north are courts that we just walk to when there are issues that require pronouncement of guilt or innocence. There are these people who do not study on time; and, they try to cram a whole year's work a few days before the examinations. Sometimes, some screws come off in their heads. To the south of the campus, is the psychiatric hospital that quickly deals with such cases. So, the Bloemfontein Campus is very secure.

May I, therefore, welcome and thank you all for joining us on this important occasion? Your contribution as CUT's stakeholders is greatly appreciated, whether you are a direct actor in our daily endeavor of building a first-rate institution, or a member of the wider public that holds us accountable for: this public asset we manage on your behalf, for the policies entrusted to our care and for accomplishing that which we have promised.

As we welcome you all to CUT, we need to reflect together on important issues: our achievements and challenges in the recent past, as well as near-term strategic priorities that we hope will sustain us into the future. You may well ask: but some parents are here only to leave their children and listen to a short speech marking just that. But, the young minds you will be leaving behind will be with us for the next 3, 4, 5, 6 or whatever number of years. You and they better know more intimately what this university is about.

This is the first month of my second 5 year term as Vice-Chancellor and Principal. And, for the first time in the history of CUT, and I would dare say in the history of South African universities, I am actually delivering a state of the university address to the whole internal and external community of CUT, not just a welcome address to first year students.

Before I do so, I should give you an idea what a Principal of a university, and I would dare say, of any institution or organisation should have or should do in his or her leadership role. Just four (4) things, namely:

- 1. S/he must have a Plan (a vision and a strategy).**
- 2. S/he must have excellent People (to execute that vision and strategy – students, staff and partners).**
- 3. S/he must have a quality Product (to sell or deliver to those interested in it; and that product, for us qualifications and innovations, must translate to something useful in society).**
- 4. S/he must have Pennies and other resources (that allow him or her to do all of the above).**

My address will, therefore, touch on all these four fundamental aspects of what a Principal should be about and ultimately what a university s/he leads should be about.

I have the pleasure and honor, in this respect, to confirm that this university has reached what I may term the “tipping point” in our determined journey of building a stronger, focused, engaged and innovative institution. I expand on this theme later in my address; suffice to say that we at CUT presently stand at a critical juncture whereby the foundation for becoming a university of technology worthy of leadership should firmly be in place. The next step is becoming just that – a stronger, focused, engaged and innovative public university that imparts practical knowledge and skills - which in turn contribute to socio-economic development and wealth creation in our country.

Let me begin my address by outlining our journey of building a purposeful and innovative university of technology. When I was honored to become the leader of this institution in 2007, I gave an inaugural address in which I shared some aspects of my vision for CUT. I enunciated it further in 2008 through what we called then, the VC’s 15 point Strategy. Through a process of engagement with internal and external stakeholders, this has become a shared vision ultimately owned by the broader CUT community. This year and beyond the Strategy Execution Unit, the executives and senior managers and all staff will use our shared vision to rally and motivate us all with steadfast fortitude.

AN ENGAGED UNIVERSITY FOR SOCIO-ECONOMIC DEVELOPMENT:

a new generation and counter-trend university

Some universities enjoy ivory tower positions that masquerade as “undisturbed contemplation”, “disinterested objectivity”, “dispassionate immersion”, and “aloofness” from the rest of society. They do not want to dirty their hands and begin to look like the unwashed, “the wretched of the earth”, as Franz Fanon wrote. Yet, all universities were created by and for society to prosper.

In contrast to the elitist notions referred to above, our overarching idea, therefore, of a university of technology is that it has to be a new generation and counter-trend organisation.

According to Nasser and Vivier, new generation is a term describing those organisations, principles and methods which defy the traditional way of doing things in order to find new horizons for the process of value-creation in organisations in particular, and the nation in general. It implies that the organisation is able to take a quantum leap and effect such major changes as are required to make it a leader in its sector. New generation organisations are recognized for their high degree of innovation, psychological stamina and levels of creative insight.

Related to this concept is the concept of a counter-trend organisation, which they assert describes new generation organisations which are able to perform despite environmental turbulence – that is, they ‘buck the trend’ of inadequate economic performance in the economy. They are typified by their ability to create value despite the many negative factors – including the deteriorating mindset – which surround them. They have a strong belief in their own ability to make things happen. They can overcome their tunnel vision and aversion to risk in order to become ‘can do’ organisations.

Being such a new generation and counter-trend organisation, CUT as a university of technology shall boldly play a direct role in socio-economic development – development defined simply and ultimately as lifting millions of our people out of poverty.

For us at CUT, what I just described above is what we believe a university of technology should be about. The rest of what we do should fit within the framework of a new generation and counter-trend university that embeds itself firmly in socio-economic development.

The past four years have provided us at CUT with ample opportunity to painstakingly construct the building blocks for becoming a great university of technology, the highlights of which I now turn to, before looking at what lies ahead in turning our vision into reality.

*Earlier, I referred to this university being at a “tipping point”. In his book *The Tipping Point: How Little Things Can Make a Big Difference*, Malcolm Gladwell defines a tipping point as “the moment of critical mass, the threshold, and the boiling point.”, and I would add: a critical edge or state.*

I stand before you to validate that we have reached such a critical state at CUT by doing a number of “little things” – which in our context, mean several comprehensive reforms that we believe are key to enabling our university to lead in its field.

Permit me to share the most crucial four of these all-inclusive reforms as well as the anticipated outcomes. These four exercises broadly speaking were intended to do the following: firstly, to give us a shared purpose as a university of technology; secondly, to enable us to build a first-rate team of leaders, executives, managers and staff to carry out our vision and mission relentlessly and efficiently; thirdly to sharpen our programs and courses and align them to demand and according to relevance; and fourthly, to prioritise

our budgetary resources in accordance with our core business and strategic imperatives so that we put our resources where our mouths are. By the way, they four critical reforms and challenges align with the four P's enunciated above, as will become clearer soon.

Let us look at each of these in more detail.

A SHARED PURPOSE AS A UNIVERSITY OF TECHNOLOGY: CUT'S VISION 2020 (*The Plan*)

Building on the notions of the role of a university of technology in development I highlighted earlier, we conceived and have begun to implement our shared Vision 2020. It has five key principles:

As a technological university, innovation is essential to our Vision 2020 – we therefore see social and technological innovation to be the focus of our academic, skills development and research programs.

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BUILDING A FIRST-RATE CORPS OF CREATIVE AND INNOVATIVE LEADERSHIP, MANAGEMENT, ADMINISTRATION, TEACHERS AND RESEARCHERS (People)

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SHARPENING OUR PROGRAMS, COURSES AND INNOVATIONS, AND ALIGNING THEM WITH DEMAND (*The Product*)

Having a vision and an effective team for executing it in turn requires a 'product' – and this is another area in which we have been working hard to achieve greater clarity. Our reform agenda in this regard is the Strategic Transformation of Educational Programs and Structures (STEPS) process which we embarked upon in 2010. This process has enabled us to identify our strengths and weaknesses in curricula, research, innovation and other educational processes. This exercise permits us to re-shape our education and training as follows:

As a result of STEPS, we will increasingly become known as a university that has evidence of demand for its education and training. CUT qualifications should in the near term become vocationally and technologically based, targeting well-defined labor market segments and employers as opposed to graduates that may increase the ranks of the unemployed.

- *And taking from our Vision 2020 that necessitated STEPS in the first place, the exercise has mapped and enabled CUT to fully grasp how to be more responsive to new and pressing needs in the job market, our regional and national economy and development more broadly. A large part of STEPS has been to identify such opportunities and trends and crystallize them to CUT's course and program offerings and its research and innovation projects.*

- *Equally important has been the question of resource implications for the entire CUT's repositioning exercise. Institutional reorganization of this magnitude naturally means aligning our resources envelopes with the tasks our vision compels us to execute, requiring more financial resources or transferring them from one field to another.*
- *The outcome of the STEPS process has been the nine (9) brand new and demand driven programmes we shall introduce in 2013. These include programmes in renewable and sustainable energy, a revamped and innovative BEd programme and a market-oriented art and design programme you have never seen anywhere in this country. We will also rationalize a number of programmes that are sub-optimal and that lead to swelling the ranks of the unemployed. This year, we will take the new programmes through the quality assurance and approval processes.*
- *In addition, we have a number of teaching and learning related initiatives including research and innovation initiatives, ranging from how work integrated learning will be embedded in every programme we offer; how we will deal with under-preparedness in our system; how we will provide life-long learning opportunities through continuing education for especially the working people of the Free State mainly who may never had access to tertiary education and how our innovations could be translated into economic opportunities. This is just to mention a few.*

Clearly, the year 2012 is the year of implementing the STEPS outcomes as reflected above? This process should firmly set us on a trajectory of graduating young people into the market place on a far more sound footing befitting a first-rate new generation and counter-trend university of technology, and of producing research and innovation that lead to prosperity for many.

PRIORITISING OUR BUDGETARY RESOURCES IN ACCORDANCE WITH OUR CORE BUSINESS AND STRATEGIC IMPERATIVES (*The Pennies*)

The fourth imperative after the vision, the A-team, and the product is finance. I am pleased to report that CUT is in a healthy financial state. No millions or billions of overdraft here. We live within our means.

Crucially, our efforts of aligning our priorities to budgetary resources have paid significant dividends. We will continue to work in this area for even better results in the coming years. I cite a few examples for illustration, all of which have enabled us to put more resources to our strategic priorities besides freeing resources for academic and research pursuits:

- *In 2007, CUT barely engaged in strategic planning, primarily due to the fact that there were no funds to justify the full extent of such an exercise. This was no way to manage an institution. Reversing this dire situation became our top priority. And, beginning in 2009, we begun to allocate resources to strategic planning and strategic priorities which, I am happy to say, now stand at approximately 20% of our total revenue. For a university with a total budget of only about half a billion, this is a significant amount. This strategic budget allocation permits us to fund projects in support of Vision 2020 and the other strategic priorities.*

- *Prior to 2007, our investment in academe was questionable to say the least. We aggressively tackled this unacceptable state whereby in 2007, CUT was for example still spending 51% its salary budget on support staff and therefore only 49% on academic staff. We have since reversed this and reduced spending on support staff salaries to 41%, which then allows 59% of our salary budget to be spent on academe.*
- *Furthermore, between 2009 and 2011, we established about 56 new full-time academic posts, a close on 25% increase of academic posts. This was achieved without using CUT's reserves, let alone any over-draft. These posts include 6 research professorship positions by which we seek to increase capacity and leadership in research and innovation. Understandably, the restructuring process is always complex and challenging, but it enabled CUT to refocus its investment in academe.*
- *Between 2007 and 2011, CUT's revenue grew by a remarkable 54%. This was not due to student numbers growing sharply during this period, but because of careful enrolment planning, re-alignment of the size and shape of the University, and improvements in our graduation rates. I must hasten to add that the MTEF government subsidy increases are also responsible for this revenue increase.*

Finally, we are scheduled to complete the formulation of our budgeting framework by the first quarter of 2012, where we will do away with financial allocations based on historical patterns in favor of priorities and divisional planning and performance. This will be the next major milestone of transforming CUT into a more focused and purposeful technology institution.

In my inauguration address as Vice-Chancellor and Principal of CUT on 25 May 2007, I noted that our success depended on working together with business and industry, government and broader society; and that "we should use our collective intellectual, financial, social and political might to help the rest of society and its organs to improve the quality of life of our people. That way, CUT will have engaged with the community."

Since 2007, we have built a host of strategic partnerships with local and provincial and national government and with business and industry. They are not just feel good partnerships, there are serious projects being implemented in this regard.

As should be evident from what I have said, we have been undertaking a series of reform exercises during the last four years aimed at building a strong foundation for such a multi-stakeholder collaboration – and as I said at the beginning of this address, we have reached a tipping point of building a great and an innovative new generation and counter-trend university of technology for achieving this goal.

I say to CUT internal and external stakeholders gathered here today and those that are not present that 2012 is the start of dogged implementation, requiring our A-team to do so.

- *We know what to do – with regards to our strategic direction and vision.*
- *We know where the strengths, weaknesses and gaps at all levels of our management and administration lie – and will work towards steadfastly building an A-Team that will take us where we want to go.*
- *We know the programs and courses and innovations (the products) that are to render our teachers and students more relevant and responsive to the demands of our country's market and development agenda.*
- *We know the priority areas where our financial resources should be targeted for the greatest impact.*

Let us therefore execute our vision and programs with resolve and fortitude. And when we assemble here next year in 2013, our discussion should centre on outcomes, results and impact of our work in addition to the desire of shifting the tipping point to the next level.



4p's

*Plan
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“Sharpening our programs, courses and innovations, and aligning them with demand.”



Product

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PRODUCT

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SHARPENING OUR PROGRAMS, COURSES AND
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Having a vision and an effective team for executing it in turn requires a 'product' – and this is another area in which we have been working hard to achieve greater clarity. Our reform agenda in this regard is the Strategic Transformation of Educational Programs and Structures (STEPS) process which we embarked upon in 2010. This process has enabled us to identify our strengths and weaknesses in curricula, research, innovation and other educational processes. This exercise permits us to re-shape our education and training as follows:

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“ *Prioritising our budgetary resources in accordance with our core business and strategic imperatives.* **”**



Pennies

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PRIORITISING OUR BUDGETARY RESOURCES IN ACCORDANCE WITH OUR
CORE BUSINESS AND STRATEGIC IMPERATIVES

The fourth imperative after the vision, the A-team, and the product is finance. CUT is in a healthy financial state. No millions or billions of over-draft here. We live within our means.

- *Crucially, our efforts of aligning our priorities to budgetary resources have paid significant dividends. We will continue to work in this area for even better results in the coming years. I cite a few examples for illustration, all of which have enabled us to put more resources to our strategic priorities besides freeing resources for academic and research pursuits:*
- *In 2007, CUT barely engaged in strategic planning, primarily due to the fact that there were no funds to justify the full extent of such an exercise. This was no way to manage an institution. Reversing this dire situation became our top priority. And, beginning in 2009, we began to allocate resources to strategic planning and strategic priorities which, I am happy to say, now stand at approximately 20% of our total revenue. For a university with a total budget of only about half a billion, this is a significant amount. This strategic budget allocation permits us to fund projects in support of Vision 2020 and the other strategic priorities.*
- *Prior to 2007, our investment in academe was questionable to say the least. We aggressively tackled this unacceptable state whereby in 2007, CUT was for example still spending 51% its salary budget on support staff and therefore only 49% on academic staff. We have since reversed this and reduced spending on support staff salaries to 41%, which then allows 59% of our salary budget to be spent on academe.*
- *Furthermore, between 2009 and 2011, we established about 56 new full-time academic posts, a close on 25% increase of academic posts. This was achieved without using CUT's reserves, let alone any over-draft. These posts include 6 research professorship positions by which we seek to increase capacity and leadership in research and innovation. Understandably, the restructuring process is always complex and challenging, but it enabled CUT to refocus its investment in academe. Between 2007 and 2011, CUT's revenue grew by a remarkable 54%. This was not due to student numbers growing sharply during this period, but because of careful enrolment planning, re-alignment of the size and shape of the University, and improvements in our graduation rates. I must hasten to add that the MTEF government subsidy increases are also responsible for this revenue increase.*

Finally, we are scheduled to complete the formulation of our budgeting framework by the first quarter of 2012, where we will do away with financial allocations based on historical patterns in favor of priorities and divisional planning and performance. This will be the next major milestone of transforming CUT into a more focused and purposeful technology institution.



Central University of
Technology, Free State

STRATEGIC EXECUTION UNIT (SEU)

Bloemfontein (051) 507 3406 | E-mail: seu@cut.ac.za

POSTAL ADDRESS

*Central University of Technology, Free State
Private Bag X20539
Bloemfontein
9300*

www.cut.ac.za

BN - 082 925 0048

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