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New South Wales
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Making News is a regular newsletter for Manufacture Coffs Coast (MCC) members and others involved with manufacturing and associated industries. Newsletter contributions are welcomed.

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About Manufacture Coffs Coast

Manufacture Coffs Coast aims to promote and develop the local manufacturing sector thereby creating increased income, investment and jobs for the region. Its objectives are to:

- Increase the Availability of Skilled Labour
- Attract Investment and Develop Markets
- Achieve Best Practice through Business Development
- Develop Infrastructure

The network is facilitated by a Steering Group chaired by Julie Jardine from Thermal Electric Elements and including representatives from the Coffs Harbour City Council, Nambucca Shire Council, Bellingen Shire Council, the NSW Department of State and Regional Development (DSRD) and the North Coast Institute of TAFE.

Membership is open to all Coffs Coast businesses actively engaged in manufacturing activities in the region and is currently free. See the website: www.manufacturecoffscoast.com.au for details.

News Flash

COMING EVENTS of MAJOR INTEREST to MCC MEMBERS

TENDERING WORKSHOP

A two day tendering workshop will be provided by expert Sydney based consulting firms Shipleys and Realisation on 24 and 25 November at the Bonville International Golf Club. Limited places are available, so if you are wishing to attend complete the [Registration Form](#) as quickly as possible. [More](#)

ADVANCED METAL INDUSTRIES

You are invited to the re-opening of AMI's Powdercoating Plant & Facility Friday 11 December 2009. If you wish to attend refer the [Invitation & Registration Form](#)

President's Message

By Julie Jardine, Thermal Electric Elements

Looking for new business-Face to Face is Back

Advertising, marketing and plain old door knocking is the order of the day. Now more than ever, we need to make sure that we are still being seen by potential clients, everyone wants a bargain because of the GFC, people are hoping we are all so desperate for work that we will do it for nothing, so we need to keep our prices stable and sell ourselves well.

We need to ensure our websites are up to date, come up high on search engines, utilise editorial space in trade and industry magazines as well as traditional ads, mailouts, sms, and door knocking. Face to face selling is back, building relationships is very important, and whilst it doesn't always guarantee you the work, it can really help an indecisive customer to sway your way. Personal service, friendly staff, going the extra mile and helping them solve problems is what it is all about. Everyone can use the internet, so being different now involves people that know how to talk face to face.

So get out there and re-connect to your customers again.

LEAN MANUFACTURING JOURNEY

Lean Manufacturing continues.....

We are over half way through our program now, we have just finished the module of Root Cause Analysis, sounds boring doesn't it, but it was a great exercise.

We broke our staff up into teams and they picked a problem that they wanted resolved and worked through the root cause analysis sheet to come up with the best possible solutions.

The process takes you through a series of steps to really get to the bottom of the problem, clearly define it, look at all the reasons it happens by asking at least 5 'whys' and drilling down. Then every area of the business is looked at in terms of impact on the issue, eg, environment, machinery, staff, procedures, then the 80/20 rule kicks in with grouping like issues together. From there a matrix lists quick wins or long term fixes and we identify which will be the best outcome vs effort and costs.

From this, we select a few key areas to target. The biggest impact is in the correct identification of the problem, too many times we try to put bandaids on rather than really get to the 'root cause' which means you never really fix it properly.

The staff learned a great deal from the exercise and it was good to see them take responsibility for the issues, not blaming other people or departments, but by working through the sheet, working out what they could do to help rectify the problem and where they could have an impact.

The next session is on Project Management with all supervisors again working through templates to assist with managing a project in the workplace and involving their teams.

Julie

Transport issues facing Manufacturers, Primary Producers, Exporters and Importers on the Coffs Coast

Is it feasible to effectively reduce our transport costs? Regional enterprises face a unique set of challenges that make the production and delivery of goods for national and international markets infinitely more expensive than in metropolitan areas. This is particularly challenging for SMEs who do not have the power to negotiate best rates with transport companies.

Choice of services is both limited and inflexible, and the lack of integrated national transport facilities is a great disincentive to existing business and new enterprises.

Some key challenges:

- No integrated freight facility or shipping container depot between Sydney and Brisbane.
- Single side-loader available outside of Sydney and Brisbane in Macksville, sometimes.
- National carriers focused on parcel and palletised freight. Larger pieces attract premium charges.
- A reduced number of carriers operating in the region resulting in less competitive transport costs.

The results:

- Effective transport costs increasing, also increasing the costs of your product to your client.
- Competing in your market becoming infinitely more costly.
- Export market becoming further out of reach.
- Manufacturing off shore becoming more attractive and cost effective
- Less employment and training in the region, more young local people moving away.

Possible solutions:

- Pool transport requirements to and from the region to negotiate more competitive transport costs. Savings between 25-45% have already been achieved for small volumes.
- The larger the volume, the bigger the cost savings.
- Capacity from Sydney and Brisbane is limited but capacity to Sydney and Brisbane is readily available; in full out empty. (almost)
- Review volumes of full containers in and out of the region with a view to establishing a road based container depot reducing FCL transport costs by more than 33%
- Consider Coastal Shipping for some Australian destinations.

Utilising bulk and FCL movements with local transport companies, parcel and pallets with the national carriers and coastal shipping alternatives

where applicable thousands of \$\$ in costs would be saved. In this way business in our region and the people in the community would flourish.

Roger Campbell
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Regional & International is a freight management operation based in Bellingen. We have fifteen years experience managing the international and local freight requirements for small to medium sized businesses in regional Australia.

We are genuinely committed to the long term commercial and social development of our region.

Members Feedback Required

The Steering Committee of the MCC is currently exploring opportunities to add value to this network by inviting "Associate Members", which are essentially Coffs Coast businesses that supply goods or services to MCC members. Such businesses could include transport, business services (accountants, solicitors, consultants), trade related (electrician, plumbers etc).

We are also looking to upgrade our web site and make it more user friendly.

[YOUR COMMENTS ON THESE PROPOSALS WOULD BE MOST WELCOME.](#)

New Member: W.E. Smith Engineering

W.E. Smith Engineering is part of the KPL Group (PT Heat Exchangers Batam & HEA Australia) and wholly owned by KNM Process Systems Sdn.Bhd.

KNM is a leading process equipment manufacturer for the Oil, Gas and Petrochemical Industries and we are proud to be part of the KNM brand. Recognised around the world as a high quality designer and manufacturer, W.E Smith Engineering have the capabilities to deliver above and beyond customer expectations

W.E Smith Engineering was established in 1922 in Sydney, Australia, transferring its operation to a purpose built fabrication facility in Coffs Harbour, NSW, Australia in 1968.

The factory has a total workshop area of 7000sq.m. The configuration of the factory enables all major aspects of heat exchanger and vessel manufacture to be undertaken in-house. This includes activities from engineering and design through to machining, forming, fabrication, stress relief, testing, NDT and final surface treatment for heat exchangers and vessels up to 400 tonne, 6.5m dia and 70m overall length.

The continued development of quality systems and welding technology in-house has enabled the company to establish itself as the premier supplier of S&T heat exchangers and specialist vessels and columns in Australia.

This includes equipment manufactured in sophisticated materials such as 5% Cr-Mo, stainless steels, duplex & super-duplex stainless steels, titanium, incolloy, hastelloy, zirconium, non-ferrous materials, clad materials and heavy wall thicknesses to 300mm.

W.E Smith Engineering has established a reputation through Australia and South East Asia for reliable quality supply. This reputation has been attained through the company's commitment to:

- Ø Maintaining the leading edge in thermal and mechanical design
- Ø Continued in-house development of manufacturing and welding technology to keep abreast of the latest advanced in materials and code/specification requirements.
- Ø Maintaining the highest quality if designed and manufactured equipment through our system accredited to ISO 9001/2 ASME 'U'/'U2'/'S', Chinese SQL and European Union PED accreditation.



Other News of Interest

Grants and other funding

Grants and other funding programs are available from the Australian, state and territory governments and in some cases from local councils. Generally there are few grants available for starting a business, and those that are available are competitive or are only available for specific circumstances. However, there are grants and other assistance available for business activities such as expanding your business, research and development, innovation and exporting.

<http://business.gov.au/grantfinder/grantfinder.aspx>

Productivity Places Program

Under the Skilling Australia for the Future initiative, the Australian Government has funded the Productivity Places Program (PPP) which will deliver 711,000 training places over 5 years. These training places are being delivered in an industry-driven system, ensuring that training is more responsive to the needs of businesses and participants.

Of the places, 392,000 will be allocated to existing workers wanting to gain or upgrade their skills, and 319,000 (including 20,000 [Structural Adjustment Places](#) [SAP]) will be allocated to job seekers.

<http://www.deewr.gov.au/Skills/ProductivityPlaces/Pages/default.aspx>

MSA (Manufacturing Skills Australia www.mskills.com.au) visits Coffs Coast Manufacturers

The CEO of Manufacturing Skills Australia Bob Paton visited Manufacture Coffs Coast's recent meeting to inform our manufacturing network of:

Who is MSA?:

National Industry Skills Council, OWNED BY INDUSTRY and managed by a board from across industry.

What do MSA do?:

Provide integrated industry intelligence and advice to Skills Australia, government and enterprise on workforce development and skills needs. Support this by providing high quality training packages, products and services. Provide independent skills and training advice to enterprise. Work with enterprise, employment service & training providers, and government to allocate training places.

Industries Covered:

- Textiles, Clothing, Footwear, Furnishing
- Metal & Engineering, Aerospace, Boating
- Process Manufacturing
- Competitive Manufacturing
- Laboratory Operations
- Automotive Manufacturing
- Automotive Retail Service and Repair

How can they assist?:

By working together with industry, we monitor and determine skills standards that help employers with workforce development to maintain Australia's position as a worldclass manufacturer and service provider.

MSA can work with enterprise to provide expert assistance and guidance through the vocational education and training system.

For further information contact Info line 1800 358 458 or info@mskills.com.au



[New Members:](#)

If you are aware of any manufacturers who are not currently members and would like to join our network, please pass on my contact details or advise me.

President

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For a full list of network members and their contact details, see the website: www.manufactureoffscost.com.au