

In this Issue

- 02** Upcoming breakfasts
- 03** Highbrook business park – a town within a town
- 04** From the Chair
- 06** Planning for the future
- 07** Submissions to Auckland Council
- 07** Transpower roadworks – going underground
- 08** Recent event photos
- 10** Nufarm's LEAN journey
- 11** Take advantage of business assistance
- 12** Crime prevention / Security update
- 14** Keeping it in the family
- 15** Stevenson Engineering – Advantage out of adversity
- 16** Property update

Upcoming Events

October 5, 2011

Management Bites: Performance Reviews that work

October 26, 2011

AGM and Breakfast with Steven Selwood

November 9, 2011

Management Bites: Developing your team

November 16, 2011

Business Owners' Forum: Successful succession

November 23, 2011

Breakfast with Don Braid

December 7, 2011

Management Bites: Managing a Restructure or Change to Employment Conditions

See inside for more information

Sweet success

Exporting can pay great dividends for the right company, but, as Production Techniques Limited found out, getting it right involves some hard decisions.



Nick Halliday in the centre flanked by Steve Kale and Phil Roach, BNZ Partners.

When Production Techniques Limited got their first order, owner Jim Halliday was still working out of his garage. But, as he told GETBA members gathered for the August Business Owners Forum, keeping it going since then has been much harder than getting that first \$1.2 million order.

PTL design and manufacture customised chocolate processing and bar manufacturing machinery. There are only a handful of companies in New Zealand big enough to use PTL's machinery, so 95 per cent of their business is with export markets such as the US, Australia and Brazil.

As such they have succeeded not only through what they create, but also what they sell and where they sell it.

"Other countries are focused on the mass market and doing one thing on a large scale," Jim says. "But in New Zealand we're a much smaller market and so we focus on flexibility and the ability to switch between different products on the production line."

The growing worldwide focus on shifting to more customisation has worked in PTL's favour as has their attitude of working with their clients rather than dictating what they need.

Jim's son Nick has more recently been the

driving force behind the marketing and sales side of the business.

After three years as marketing manager, in June 2009 Nick took on the role of director of sales and marketing. His role involves global sales and marketing, business strategy, brand communications and customer relations.

Nick says moving into making machinery for manufacturing muesli bars has opened a lot of doors and there's still potential for a lot of growth, especially in the US market.

But, as anyone who owns a business knows, not every new direction provides such clear benefits. Even though they had stuck to their overall niche, PTL were also looking at, and in some cases creating, extra equipment, some of which wasn't necessarily helping to grow the business as a whole. It took someone with a more objective view to sort out what was worth keeping and what needed to be dropped.

Nick took a clinical approach. "If it wasn't unique, had high level of competition or had a low profit, then it got cut," he says. It was a hard process, but it made the company more competitive and profitable and gave them a clear mandate when considering future projects.

www.ptl.co.nz

It's time for new thinking

Transport and infrastructure is a big focus for businesses in the East Tamaki area and GETBA's October breakfast speaker Stephen Selwood is tackling the tricky subject of funding.

There are \$9 billion worth of transport infrastructure projects critical to fulfilling the mayor's vision of turning Auckland into the world's most liveable city. And that's just the three big projects – a second harbour crossing, a CBD rail loop and the Auckland-Manukau Eastern Transport Initiative (AMETI) – there are several other projects identified as having regional significance and a host of smaller projects.

So how is Auckland going to pay for it? A second harbour crossing would, after all, consume the entire national capital transport budget for five years. And who's really going to pay \$6-\$8 each time they drive over – or under the harbour?

One person who is well qualified to put forward some answers is Stephen Selwood, chief executive of the New Zealand Council for Infrastructure Development. An expert on infrastructure policy issues, and a regular adviser, commentator and guest speaker on these subjects, Stephen will speak to GETBA members about the impending deficit and the options for funding it.

The NZCID promotes best practice in national infrastructure development through research, advocacy and public/private sector collaborations. Its members

come from diverse sectors across New Zealand, but they all share a clear purpose – “world class infrastructure for the benefit of all New Zealanders”.

Stephen is at the forefront of that and focuses on highlighting the direct link between world-class infrastructure and New Zealand's capacity to achieve its economic and social potential.

He recently commended the mayor for broaching the “politically prickly” subject of transport infrastructure funding, pointing out it is a fundamental issue for our city.

“It's clear that the Auckland Plan suffers from a funding gap,” he said. “It is therefore essential that a credible funding plan be developed and that the [Auckland] Council investigates all options.

“This leaves the region with a very simple choice. We can choose not to lift transport funding, in which case we choose congestion, economic under-achievement and a decline in our standard of living. Or we can look at new ways to do things.”

Considering the financial impact congestion can have on the business community, the ideas will no doubt be hotly debated both during and after the breakfast.

www.ncid.org.nz



Save the date

What: GETBA breakfast: Congestion or a credible funding plan?

When: Wednesday October 26, 7.15am-8.45am

Where: Celsius Gastrobar, Cnr Te Irirangi Drive and Ormiston Road

Cost: \$10 on the door

RSVP online at www.getba.org.nz before October 20, 2011.

This breakfast is sponsored by Transpower

November breakfast: Don Braid

As managing director of Mainfreight Limited, Don Braid oversees a company that has 186 branches across Australia, Asia, Europe, New Zealand and the United States.

The company started in 1978 and Don joined Daily Freightways in the same year, getting a good grounding in all aspects of the business and eventually heading up the company. When Mainfreight bought the business in 1994, Don moved into various senior management roles before claiming the Managing Director's chair in 2000.

The company has been through a significant period of change and expansion under his leadership, and is now a successful global supply chain logistics provider. Still Kiwi-owned, Mainfreight has revenue of \$1.2 billion and employs more than 3000 people. All the decisions are made with a long-term strategy in mind –

the assumption that the company will be around for another 100 years.

Don also serves on the board of Starship Hospital and the breakfast in November will be an event not to be missed.

Save the date

What: GETBA breakfast with Don Braid

When: Wednesday November 23, 7.15am-8.45am

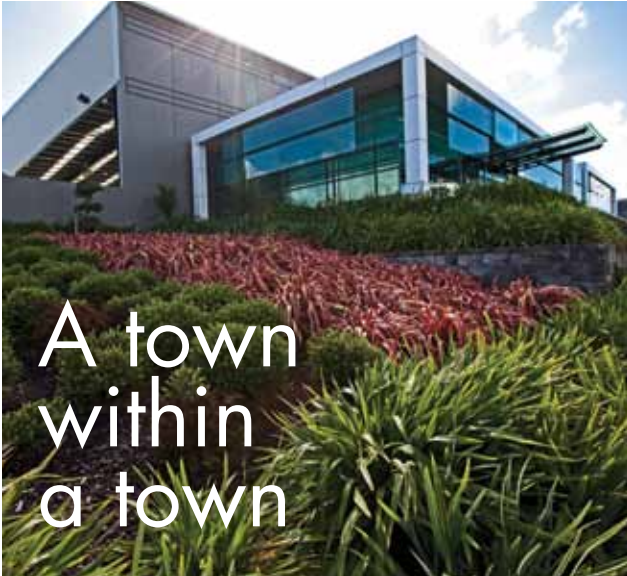
Where: Celsius Gastrobar, Cnr Te Irirangi Drive and Ormiston Road

Cost: \$10 on the door

RSVP online at www.getba.org.nz before November 21, 2011.

This breakfast is sponsored by ASB Bank





A town within a town



Highbrook Business Park is about 45 per cent complete and now hosts between 3500 and 4000 people. Goodman, the developers and managers, are now moving on to phase two: developing “The Crossing”.

“The whole site was designed to accommodate 12,000 to 15,000 people,” explains Mike Gimblett, the portfolio manager responsible for Highbrook Business Park. “The next phase is really about increasing the number of people on site.”

While giving people somewhere to work is important, to create a community you also need to give them places to socialise, exercise and go about their daily lives. “The Crossing” is designed to accommodate restaurants, bars, a gym, serviced apartments, a florist, a delicatessen and more. Think inner city vibe in a park-like setting.

You may have already seen the beginnings of it – the earthworks have been done and they’re looking to start again once the wet winter season is over. This stage is expected to be completed in March or April 2013.

Highbrook started as a vision from Sir Noel Robinson about 15 years ago. In 2004 Goodman was selected by Sir Noel and the

Fisher family as the venture partner, taking a 75 per cent stake.

“It’s really rare you get a 150-hectare site in the middle of a city,” says Goodman (NZ) Limited CEO John Dakin. “One that’s surrounded by development. The benefits of its strategic location are clearly seen from the air, – it really stands out as one of the last greenfield development opportunities in Auckland – it’s a fabulous location.”

Sir Noel Robinson’s original vision was for a “third generation business park”, a fully master-planned and landscaped area that incorporates a lot of public areas and a lot of space.

Highbrook has already been recognised by a number of awards. Most recently it took out the supreme award at the NZ Property Council Awards in June.

Sustainability has become a big focus across all businesses, and, as a minimum standard, each building has been designed

to meet the requirements of a Greenstar Four Star rating.

“What we are trying to do is set a quality environment that is second to none,” John says. “And that tends to attract businesses of the same calibre.”

“It’s a significant investment to make while the economy remains sluggish, but our view is that in a couple of years’ time Auckland will be recording strong growth, so we think that the development will be delivered into an environment that’s got more demand than we see today.

“We really think the heart of Highbrook has the potential to become the heart of East Tamaki and I get the sense that it’s really starting to build its own community. But all communities need a place to go, to meet and I am absolutely confident that The Crossing will achieve that.”

www.highbrook.co.nz
nz.goodman.com

A tenant’s perspective

“We were in multiple locations before we moved so now we’re all in one place and who doesn’t like a new building? About 60 per cent of the staff were happy about the move from a transport perspective – some of them now get to work in about four minutes! As a global company, our overseas visitors and staff are happy with how close we are to the airport, especially now that the motorway extension has been built.

Our new building was built to be a showcase for what we can do, and we keep critiquing it and using it as an example of how we can run a building more efficiently, from an energy point of view. We got the builders to change the skylights – they said you couldn’t do it, but we knew you could. Now they’re using it for all their other buildings.”

RAY DUNN

General Manager, Schneider Electric
www.schneiderelectric.com



From the chair

Congratulations! If you are reading this GETBA Newsletter then chances are you are in business in Auckland's largest and most successful Business Improvement District.

Our AGM is on October 26 at our regular breakfast meeting and I encourage you to come along to breakfast and be an active member of the Association.

In addition to our usual AGM business, we will be proposing a special resolution to increase GETBA's budget and the target rate for the 2012-2013 year.

This is required because Auckland Council is revising the method of collecting the BID target rate in order to achieve consistency across the previous councils. This entails a change for GETBA from the current flat rate to a hybrid model of a base amount for all properties, plus a proportional amount based on the capital value of the property. This will mean an increase in both the target rate and GETBA's overall Budget, to take effect from the 2012-13 year.

While BIDs are able to impose a base rate of up to \$250 plus GST your Committee proposes a base rate of \$195 plus GST per property, plus an amount based on the capital value of each property. Indicative figures show that on this basis the average target rate is likely to be in the vicinity of \$270 plus GST (\$5.19 plus GST per week).

Your Committee considers that the proposed base rate reflects the level of services GETBA provides to all businesses, while acknowledging the need to take into account the ability of businesses to pay.

GETBA currently has the lowest targeted rate and budget of any industrial BID across Auckland, despite being the largest industrial BID and delivering a comprehensive range of services to its members. The proposed base rate will give the association a budget commensurate with the area's size and level of services.

We are confident that under the new method the GETBA average target rate will still be lower than other industrial BIDs.

We will be sending formal notification of the AGM and Special Resolution to property owners and business owners by post and/or email. Information on nominees, notices of motion, voting



“...consider standing for the Committee so you can be an active participant in the organisation that is the voice of East Tamaki and works daily to make it a great place to do business.”

eligibility and copies of the 2010-2011 Annual Report and Statement of Accounts, the 2011-2012 GETBA Annual Plan and Budget, and 2012-2013 Targeted Rate and Budget, will be available from Wednesday September 28 on www.getba.org.nz and in public notices.

The AGM breakfast is being sponsored by Transpower who will be outlining the timetable for the undergrounding of power lines along Ti Rakau Drive. It's a great opportunity to ask questions and check what effect this project will have on you.

Our speaker is Stephen Selwood, CEO of the NZ Council for Infrastructure Development, and he will be talking about the infrastructure deficit facing the region and how we might fund it – a huge issue for us in Auckland's south-east. Did you know that the 2/6d toll on the Harbour Bridge in 1959 would be over \$6 in today's money?

Take some time to check out the tremendous range of services GETBA delivers each day in our business community. And do consider standing for the Committee so you can be an active participant in the organisation that is the voice of East Tamaki and works daily to make it a great place to do business.

ELSPETH MOUNT, QSM

2011 Westpac Auckland South Business Awards winners

Congratulations to these local businesses:

East Tamaki Healthcare: Supreme Winner, and winner of Cogita Excellence in Innovation & Strategy Award and RSM Prince Excellence in Service Delivery Award.

Recovery Solutions Group: Brookfields Lawyers Employer of Choice Award

GMP Pharmaceuticals Ltd: EMA Excellence in Manufacturing Award

Astron Plastics Ltd: Stevenson Commendation in Environmental Management Award

Tell us what's going on with your business

The GETBA printed newsletter will be going out twice a year, including business profiles, issues, GETBA updates and much more. To make it a success, we need to hear from you.

If your business is doing great things, there are topics you feel deserve discussion or you have ideas for future editions, you can either contact GETBA or Ellie direct.

Jane Tongatule, GETBA General Manager:
273 6274, gm@getba.org.nz

Ellie van Baaren, editor: 021 774 831,
ellie@evbmedia.com

www.getba.org.nz

Resources on the web

Did you know that the GETBA website does more than just tell you what's going on and who to contact? In fact, there is a wealth of resources aimed at helping East Tamaki's business community keep informed and grow.

Resource links: We've collected an exhaustive list of helpful links in a variety of areas such as business support, crime prevention, economic updates, property, local government and skills development.

Business directory: All GETBA members get a listing on our online business directory, helping link local businesses looking to source local products or services without going all over town, and also providing a channel for overseas companies looking to trade with local businesses. The business directory page has the highest level of web visits.

Latest news: You'll also find the latest news from the Greater East Tamaki area, from local businesses winning awards, to developments, sporting events and comings and goings.

Events calendar: Our list of upcoming events, topics and speakers allows you to plan ahead to make sure you don't miss out on any opportunities.

Visit www.getba.org.nz

GETBA: Making it easier to do business in East Tamaki



The Greater East Tamaki Business Association originated as a voluntary subscription-based organisation in 1994 and then became a Business Improvement District in 2009. This gave every business and property owner in the East Tamaki industrial area automatic membership through a targeted rate collected by the Auckland Council.

What area does GETBA cover?

If your business or property is in this area then you are a member of GETBA.

Businesses in adjacent areas also have the opportunity to become Associate Members for a fee. Contact Christine on 273 6274 or admin@getba.org.nz or go to www.getba.org.nz for more information and a membership application form.

What does GETBA do?

GETBA fulfils a number of roles within the local business community including:

- representing the interests of business and property owners in East Tamaki
- advocating for business and property owners on key infrastructure areas such as transport/roading, water/waste water, power/telecommunications, rates/consents
- trouble-shooting on local issues impacting on business
- providing a conduit to business support, assistance and resources
- providing regular business breakfasts, business owners forums, seminars and showcase opportunities
- profiling East Tamaki businesses in the GETBA web-based Business Directory
- making it a safer place to do business through a comprehensive crime prevention programme in partnership with NZ Police
- promoting East Tamaki as a great place to do business and work in
- encouraging new business and employment into the area



Who do I talk to?

GETBA operates with a committee comprising elected East Tamaki businesspeople, currently chaired by Elspeth Mount, and an executive staff consisting of a General Manager, Office Manager and Executive Officer Crime Prevention.

Find out more about our Committee Members at www.getba.org.nz

Phone 273 6274 to contact:



JANE TONGATULE
General Manager



CORALEE CARR
Executive Officer Crime Prevention (Mon-Wed)



CHRISTINE GOODMAN
Office Manager/Executive Assistant

Planning for the future

East Tamaki is a large and economically strategic business location within the Auckland region and to ensure it stays that way, Auckland Council has begun the process to develop a detailed precinct plan.

A business precinct plan is an integrated framework, which seeks to drive future development by considering how land use, transport, open space, and the built environment work together to support business and employment growth.

East Tamaki is strategically important to Auckland's regional economy. Statistics New Zealand data shows that in 2010, East Tamaki had 27,580 employees across 2510 businesses. Employment in the area has grown by 60 per cent over the past 10 years. That's an average annual growth rate of 4.9 per cent, almost three times the national average.

The precinct is well connected to the State Highway network and gateway infrastructure such as the ports and airport. The area is also the home to a number of large internationally significant companies, as well as a range of smaller firms. A key driver for growth has been the availability of land; however, with greenfield land within the precinct now becoming limited in supply, a precinct plan is needed to identify ways to support ongoing development in East Tamaki.

Approximately 70 per cent of the employees in East Tamaki come from local residential catchment areas. The precinct plan will consider how connections and access to the precinct can be improved for these employees.

Howick Local Board Chairperson, Michael Williams, says the Precinct Plan will address issues such as land use, transport, skills development and amenities and incorporates the Burswood and Harris / Springs commercial areas identified for review in the Board's Aspirations Document. "East Tamaki has become a significant generator of employment

opportunities in the Eastern suburbs and beyond," he says. "The Howick Local Board looks forward to working closely with the business community to ensure that the aspirations of both businesses and the community are met by the plan."

Employment in the area has grown by 60 per cent over the past 10 years. That's an average annual growth rate of 4.9 per cent, almost three times the national average.

Development of the precinct plan is still in its initial phase of research, with the first round of public engagement to begin towards the end of October 2011. This will be the first opportunity for local businesses to share what is happening in their area and engage with the Howick and Otara-Papatoetoe Local Boards on issues of importance to them. This information, will then be used by council to develop a draft plan which will be again taken out for further consultation next year.

What is GETBA doing?

While GETBA already has a strategic plan and an annual planning process, what is exciting about this new project is that the various Council departments and CCOs will come together with a common focus on the issues and opportunities in East Tamaki. After the initial research and analysis has been completed, GETBA will be proactively encouraging and facilitating input from its member businesses.

Taking care of business

GETBA works proactively on behalf of local businesses when it comes to Auckland Council and core infrastructure providers in order to ensure they are effectively represented.

Some recent examples of this in action are:

- When up to 25 businesses in the vicinity of the corner of Echelon Place, Cryers Road and Highbrook Drive couldn't get broadband because demand had outstripped supply, GETBA put pressure on Chorus to bring the upgrade of the affected broadband cabinet forward from April to January this year.
- After Alan Holt, Managing Director of Jakaar Industries advised GETBA of a number of accidents and near misses at the sharp bend near the corner of Cryers Road and Stonedon Drive, GETBA influenced Council to fast-track remedial work.
- When East Tamaki was not included in the BERL recommended areas for priority ultra fast broadband rollout in Auckland, GETBA successfully lobbied for East Tamaki to be included.

These are just some of the ways GETBA works for local business – if you feel there's a local issue that needs addressing, simply give us a call on 273 6274.

Did you know?

GETBA's actions have saved minimal-use businesses in East Tamaki \$2500 each in wastewater charges over the past four years!



Submissions to Auckland Council

As part of its role, GETBA is a strong advocate for the interests of businesses in the Greater East Tamaki business district. There has rarely been more call for this than last year's creation of the Supercity and the release of the draft Auckland Plan earlier this year.

The intent is to put forward not only constructive criticism but also practical suggestions on how to improve the situation.

For example, in May GETBA put forward their response to the Auckland Plan Discussion Document. Here is a summary:

- In East Tamaki/Botany there has been encroachment of residential pockets within business zones: this has been a mistake and care should be taken to prevent further such mixed use.
- We have an opportunity to create an extended manufacturing hub in East Tamaki adjacent to a rejuvenated, modern housing community built to meet the cultural, social, health, educational and employment needs of a significant population base.
- Nine tenths of the industrial heartland of Auckland (and NZ) is ignored in this overview plan. Manufacturing and industrial activities already account for 38.4% of regional GDP and produce 58.1% of Auckland's total exports. These activities are spread throughout existing industrial and commercial areas including the major Industrial South, which borders both sides of the Tamaki Estuary across the isthmus.



- The South-East is the most congested roading network in the region. Freight corridors to the Port of Auckland and Auckland Airport need to be urgently enhanced.
- Rates alone are a blunt and unsustainable instrument. User pays should be accepted as a principle whether it is water/waste water rates, the waste stream or roading projects: and it should be applied to spread the cost over the long term. Applied to motorway access this principle could provide significant funding for required projects.
- Business is prepared to pay its fair share of the costs of achieving a world-class city. It is not prepared to be a cash-cow to prop up residential ratepayer votes.

You can read the full submission document, and all other submissions GETBA has made on behalf of local businesses at www.getba.org.nz



Roadworks are never fun, but they are necessary. And the latest project with Transpower will mean Auckland doesn't have to rely on a single transmission line for our power.

Starting in November Transpower will begin work to install a new 220V transmission cable link running from Pakuranga to Albany.

As part of the project an existing overhead transmission line running between the Pakuranga and Penrose substations will be decommissioned and removed.

The \$493 million project will provide greater transmission capacity, reinforce electricity supply across the wider Auckland region and help meet the area's increasing energy demands.

As the first stage of cabling work in November will start within the designated transmission corridor there will be minor impact on traffic.

However, from mid 2012 as the project moves into the roads there will be traffic delays and property access could be affected for certain periods of time. GETBA is working closely with Transpower to minimise the disruptions for businesses as much as possible.

Approximately 9km of cable circuit will be installed between the Pakuranga and Penrose substations, affecting the following roads:

- Burswood Drive (near Bunnings)
- Waipuna Road
- Ti Rakau Drive
- Ireland Road
- Pakuranga Highway

Detailed traffic plans will be in place to keep disruptions and delays to a minimum. Work is being staggered along the cable route so only short sections of the road will be affected at any one time, and temporary steel plates will be put across the open trenches to ensure access to properties along the affected sections. Construction on major intersections will take place at off-peak times.

The project is expected to be completed in 2013.

For more information on the project, visit www.gridnewzealand.co.nz or email Philippa at philippa.white@transpower.co.nz. Find us on Facebook TranspowerNZ

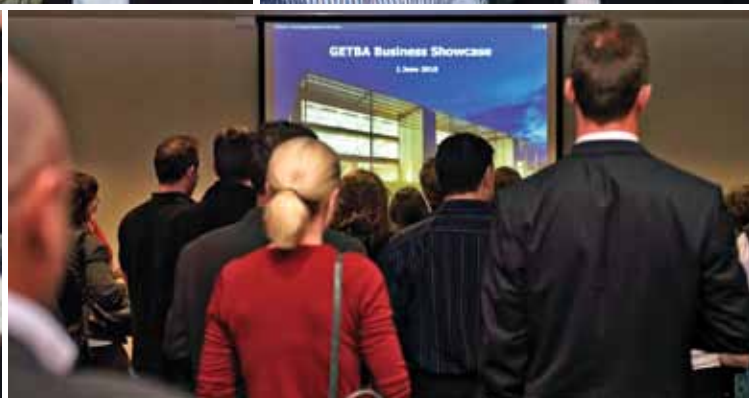
What is GETBA doing?

GETBA is facilitating a meeting between Transpower and affected businesses on Ti Rakau Drive and Burswood Drive. We're also ensuring Transpower provides affected businesses with signage and flyers so they can inform their clients and customers about access.

RECENT EVENTS



Photographs very kindly provided by Mike Farrelly, Farrelly Photos, Ph 274 6868, photos@farrelly.co.nz www.farrelly.co.nz



The three Rs

In June 2011 GETBA members heard from Bell Tea and Coffee Company about the positive effects their literacy and numeracy programme has had on staff performance and productivity.

Before Bell Tea and Coffee Company (BTCC) started their first literacy programme in 2009, their experience with literacy and numeracy training had been that it was complicated to implement and involved far too much paperwork.

Now after they have run three programmes with Workbase, the benefits are plain to see.

The increasing complexity of the business meant that staff really need to understand verbal and written instructions, complete documentation using maths and improve communication with their teams and managers.

The first programme in 2009 involved 37 staff for one hour a week over 48 weeks. It cost BTCC about \$8000 plus the time away from their work, but the government subsidy took care of the remaining \$213,000. Three tutors delivered the programme across the company's three sites, four days a week.

It was hugely successful. With an attendance rate of more than 90 per cent, the company noticed more questions and involvement from staff, improved communication on all levels, better completion of documentation and a better understanding of staff abilities and how to build on them. The staff were more confident and the increased delegation further freed up management staff.

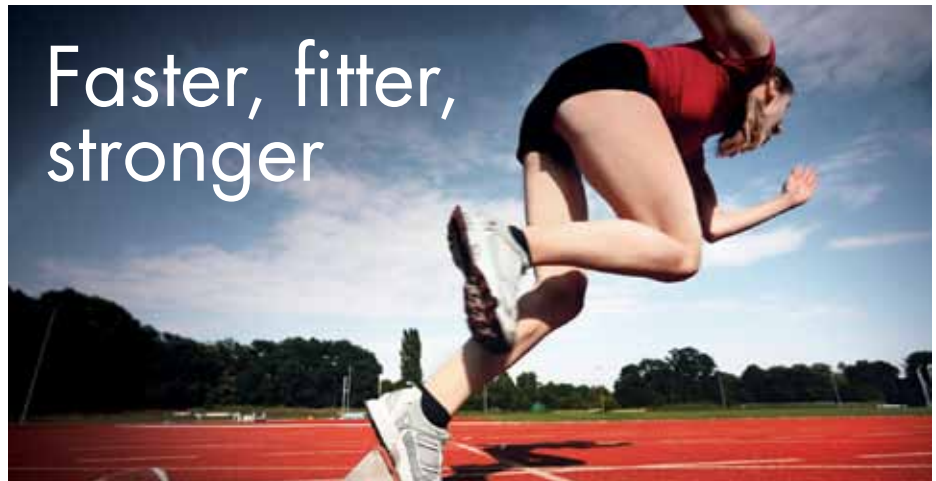
Key to this success was the buy-in from staff and the commitment at all levels of the organisation.

The second programme in 2010 built on the outcomes of the first one, saw the introduction of a reading extension class and highlighted staff with the potential for future development.

By the time the third programme rolled around, BTCC was providing all the funding and, for the first time, it was targeting very specific business goals and included driving leadership skills.

www.btcc.co.nz

www.workbase.org.nz



At the August GETBA breakfast sponsored by ATEED, members were treated to the story of Nufarm's LEAN journey and the effect it had both on staff culture and morale, and the bottom line.

In the past when Nufarm wanted to increase their profitability, the ideas centred around increasing production with machinery that did things faster and harder. It involved extra expenditure and a lot of time was spent measuring whether it was worth it.

But when the business started following the LEAN principles in 2009, they were encouraged to look instead and what they could cut out – where was the waste?

"We get used to waste," says Nufarm New Zealand Country Manager Patrick Clement. "Problems can't be solved by thinking within the framework in which they were created."

LEAN principles originated in the Japanese manufacturing industry and the term itself was coined in 1988. It refers to a set of "tools" that assist in the identification and steady elimination of waste. As waste is eliminated quality improves while production time and cost are reduced.

Julie Hazlewood from Optimum People Technology, the company who supported and coached Nufarm through the process, says up to 50 per cent of time on the factory floor can be spent searching for tools, people or information. Twenty-five per cent of time is spent searching for information that is within arm's reach.

One of the tools used to institute LEAN principles is a "value stream map". When Patrick and his team created theirs it took up two strips of butcher's paper and was put up on the wall for everyone to see. It stayed there until very recently and staff continued to refer to it.

Patrick says the map helped them take out a lot of steps and combine others to create smoother, more efficient processes.

"The process created a real culture shift. Staff were caring about productivity and the business being profitable and working well."

Patrick says the value stream map helped them take out a lot of steps and combine

others to create smoother, more efficient processes. "We realised we were over-testing. When we make a mistake we institute another test and we don't get rid of them. But once we've got the process right, we found we didn't need some of those tests. The process created a real culture shift. Staff were caring about productivity and about the business being profitable and working well."

For those in the lab, it was also about a mindset shift. While everyone else was focusing on what value they added to the customer experience, the lab workers had to realise that while they added little to the "customer experience," they did have "internal customers", people whose job it was to get the product out on time.

In terms of the business, the effects have been astonishing. Nufarm has reduced the number of days it takes to get money in the door from 62 to 55. Their net working capital went down from 32 per cent to 24 per cent. That was a saving of \$7 million – enough to repay a \$2 million loan and finance a \$5 million capital investment.

www.nufarm.co.nz

Going lean

To make your LEAN approach a success Julie Hazlewood says you need to do a few key things right.

1. Total commitment from the top
2. Effective leadership
3. Time
4. Commitment and follow-through
5. Motivation and buy-in
6. Support and coaching
7. Identify and overcome fear and anxiety
8. Strategy and purpose
9. Assessment and measurement

www.optimumpeople.co.nz

A much-needed boost

Nautech Electronics and Technopak were both recently awarded research and development grants of just over \$500,000 and \$700,000 respectively. They tell GETBA what this means for the business.

Andrew Turner, Director, Nautech Electronics

"A lot of design and innovation goes into our products – we spend \$500-\$600,000 a year as it is – but with this we can now do more and get products to market quicker. We're about two years ahead of what's out there and we need to stay there. Australia is already a good market for us and we're getting into the US market at the moment. Research and development grants are hard to get. We've applied for about five lots, there's a lot of cost involved in applying, but the system they've got now is better than the government just handing out money. It's much fairer that you have to prove you are successful before you get any money."

Nautech Electronics design, manufacture and install electrical and electronic equipment into thousands of emergency service vehicles throughout New Zealand and Australia.

www.nautech.com

Henri Hermans, Director of Design and Products, Technopak

"We typically spend about \$400,000 a year on research and development – we need to stay ahead of our peers – but this funding gives us the stimulus to continue with it. We've been successful in getting grants for some specific projects in the past but this process was easier: we have research and development credentials that the Government recognises and we fit their mould quite nicely – we are earning export dollars and are leaders in a technical, niche market.

"If anyone was going for funding, I would suggest getting someone to help you with the application. It can literally take weeks and when you're running a business you can't just drop everything to do it. We got someone to help with this one and they were able to summarise our business and what we do very succinctly, better than we could have done it ourselves."

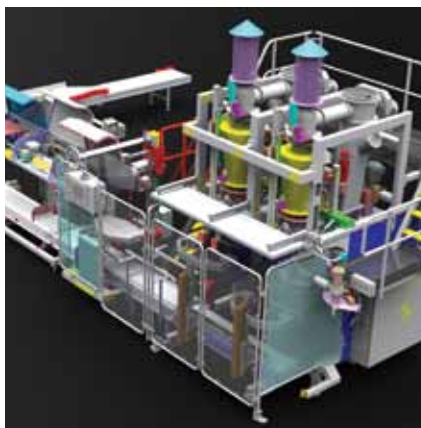
Technopak designs and develops hygienic bulk powder packaging equipment and exports to Asia, the USA and Australia.

www.technopak.co.nz

R&D assistance

ATEED can assist businesses to access: Getting started (\$5000); Technology Project Grant (\$30,000); Technology Transfer Voucher (\$30,000 to \$1m); Technology Development Grant; dollar for dollar matched funding.

Contact: Paul Robinson, 262 7337, 021 244 0667, paul.robinson@em.org.nz



Getting into China

Pumpkin Patch's first stand-alone store in China opened in January this year. Getting to that point was a huge learning experience for the company and they shared those key points with GETBA members.

1. **Spend time in the market:** You need to have a good understanding of how the market is changing, where you fit in and how they do business.
2. **Have patience:** It takes time to build the trust and relationships you need to make your China foray a success.
3. **A strong partnership is crucial:** Don't rely on an agreement to manage your partnership, nurture it so you can be confident in its strength.
4. **Show respect but don't compromise your brand:** There will be pressure to create a local version of your brand but you need to communicate what makes your brand special and stick to your principles.
5. **Employ a Chinese speaker:** Do not rely on their English speaker – who may have no knowledge of the industry.
6. **Seek advice and assistance:** Organisations such as New Zealand Trade and Enterprise are there to help and they have a great understanding of the market.

Be prepared to be positively surprised by volume and negatively surprised by margin.
www.pumpkinpatch.co.nz

Take advantage of business assistance

When the supercity came into being in October 2010 a number of new council-controlled organisations came with it. Auckland Tourism, Events and Economic Development (ATEED) is one of them and works with businesses from the early startup stage in order to identify high growth and export potential.

Business advice and assistance

ATEED will assess your business and your needs and then can help you develop a plan, point you towards handy resources and provide you with NZTE training vouchers worth up to \$5000 a year.

These vouchers can be used to help pay for up to 50 per cent of the training services cost through an NZTE-registered provider.

Business advice and assistance:

Kathie Agnew, 262 7328, 021 224 3744, kathie.agnew@em.org.nz

Crime prevention

Keeping East Tamaki a safe place to do business

Reducing crime in East Tamaki is a major focus for GETBA and one that is cited as the most visible and valued service the Association provides to local businesses.

Since GETBA instituted a comprehensive crime prevention programme, in partnership with the New Zealand Police and private security providers, in 2006 there has been more than a 50 per cent reduction in burglaries in the East Tamaki industrial area.

Inspector Jim Searle, Area Commander for Counties Manukau East, says it's marvellous to have such a professional organisation to work with, and one that has been so successful in preventing crime.

"It's also a great communications tool with the community, through the emails, meetings and partnerships GETBA uses. We were anticipating a significant increase in crime around Chinatown because of where it is situated – and the availability of victims – but it didn't happen. I'm confident that that is largely because of the partnership between the Police and GETBA."

The GETBA Crime Prevention Programme:

Partnership with the Police – GETBA has a strong partnership with the Police with almost weekly liaison regarding suspicious behaviour, ongoing statistical analysis and project work as required.

Business Neighbourhood Support – this business community has developed a strong crime prevention ethos and is vigilant about observing and reporting suspicious behaviour.

Security Alerts – an email alert system has proven to be effective in both averting crime and in pursuing the perpetrators of crime through reporting and timely communication of suspicious behaviour.

Security Managers Network – facilitated by GETBA and made up of security companies, NZ Police, security consultants and security personnel from larger local businesses who meet regularly to share information and collaborate on crime prevention.

Security Resources – useful security information and crime prevention resources including CPTED (Crime Prevention Through Environmental Design) resources.

Reporting crime

Call 111 if it's an emergency or there is an offender present.

For non-emergencies use the Police crime reporting line 261 1300. Notify Coralee of any suspicious activity observed in our area. She will email alert GETBA businesses and where appropriate share this information with the police.

Don't advertise your business to burglars! Keep business burglaries down by making it as hard as possible for burglars to gain entry.

Regularly:

- Check your security lighting and cameras are working properly
- Ensure there's nothing that enables access to the roof
- Repair any damage to your premises
- Immediately remove any graffiti (and report to Auckland Council on 09 301 0101 – 24 hours)

When you leave for the day:

- Ensure all windows and doors are secured
- Close all blinds and curtains
- Ensure all external driveways and entrances are gated and locked
- Leave a light and radio on

Security update

When Coralee Carr first began visiting business owners in the East Tamaki area, three main issues were pinpointed:

- there were 40 to 60 burglaries a month in the area
- concerns over the quality of some of the security services provided to local businesses
- concerns over the ethics of some local security providers

Since then, GETBA has worked closely with the NZ Police to develop a comprehensive, and so far very successful, crime prevention programme (see left).

For the past two years, the monthly average when it comes to business burglaries in the East Tamaki area has been 12-15. So far, for 2011 we are sitting on 12.

GETBA is also part of a pilot e-text alert programme with the Counties Manukau Police. The scheme involves shopping malls, town centres, commercial areas and security providers in the wider Counties-Manukau area and will potentially add around 100 extra sets of eyes to assist efforts to apprehend criminals.

The GETBA Security Managers Group

In February 2002 business burglaries peaked at 66 for the month. There was an identified need to increase street patrols, and with the introduction of more security companies in the area issues of "ownership" of clients arose.

GETBA invited management staff of known security providers to meet and work through some of the issues. A guards breakfast was held to encourage the security personnel to get to know each other in order to foster some support.

The Security Managers meetings have become a regular thing over the past seven years and senior Police personnel and security personnel from larger businesses in the area have joined the senior management of local security patrol companies.

The collaborative approach GETBA has taken is working towards raising the level of professionalism and service delivery to local businesses.

GETBA worked with NZ Police and a local security consultant to develop a checklist for businesses to help them understand and determine what level of security the company required, and help them choose the best provider.

Then our Security Managers group identified standards as to a reasonable level of service to offer GETBA businesses. The resulting "Choosing a Security Provider" document is on the GETBA website.

Other documentation, including unbiased security advice and risk management tools is consistently updated and is available free on the GETBA website.

For more information about GETBA's crime prevention programme, contact Coralee Carr on 273 6274 or 027 227 6445, or email exec@getba.org.nz

www.getba.org.nz

Creating safer communities

The best way to prevent crime is for the whole community to take part and build preventative measures into their everyday lives. GETBA has been working with one specific sector of the East Tamaki business area to do just that.

The development of a local Chinatown complex in the mixed retail industrial Ti Rakau Drive/Burswood/Torrens Road precinct sparked a three-year crime prevention project to help embed long-term behavioural and environmental changes within the local community.

Police statistics had already identified the area as a crime hot spot for handbag snatching, shoplifting and vehicle break-ins, while the Asian community is also recognised as a vulnerable in that criminals target them due to their cultural distrust of the banking system and the Police.

The aim is to make taking preventative measures against crime an everyday consideration, thereby making the area safer for anyone doing business in it.

An integral part of this project saw GETBA developing a desktop-to-text system providing this specific retail sector – who traditionally do not have computers on-site

– with an effective instant alert. This capability will also be helpful as part of the GETBA emergency response programme (see below) designed to address a disaster in the East Tamaki industrial area.

Initial consultation with business owners in the precinct helped build trust and improve communication, as well as raise awareness of the need for security procedures and to report crime.

Since then a number of resources have been developed, including wall hangers, crime prevention booklets, wall posters and decals, all of which are being delivered to businesses in the area.

GETBA also contracted BECA Consulting to do a Crime Prevention through Environmental Design (CPTED) analysis of the area, and the resulting recommendations are being pursued with the business and property owners in the area.

Report crime
举报罪案

Emergency 111 | Non-Emergency 261 1300
www.getba.org.nz

getba IN ASSOCIATION WITH
POLICE MINISTRY OF JUSTICE Auckland Council

Emergency response

A well-thought out plan can make all the difference in the chaos that can follow a major incident. It makes sense then to start working on it now rather than wait for something to happen.

The Christchurch earthquakes brought into focus just how shut off communities can be when a natural disaster hits. Just as every family should have a plan, just in case, so should a business community. Which is why, in a first for an industrial area, GETBA worked with the Auckland Council Civil Defence to develop a Neighbourhood Response Plan.

The idea is that if an emergency hits the area, the plan is ready to be activated and can therefore assist Civil Defence and the

emergency services as they respond. The response will depend upon the nature of the incident but is likely to include warning or notifying the business community of what is going on, establishing a community incident control point, setting up a welfare centre if required and helping vulnerable businesses and/or employees to safety.

GETBA General Manager Jane Tongatule says "we are very grateful in particular to the six representatives from larger organisations in the area (Fisher & Paykel Appliances, Transpacific Technical Services, NALCO, Goodman – Highbrook Business Park, Farmers Trading Company and Fisher & Paykel Healthcare) who make up the core GETBA Emergency Response Group."

David Baker from Fisher & Paykel Appliances is one of those six and says that it's reassuring to know that there is a well thought out plan in place and a group of people who can assist if necessary.

"It's very important as we now know what resources we have in the area," David says. "So we know where we can help if required and it strengthens relationships between local businesses, emergency services and Civil Defence."

Inspector Jim Searle, Area Commander for Counties Manukau East, agrees. "It strengthens the community in the event of a major incident and it makes the area much more self reliant."

The plan has been signed off but work is still being undertaken to implement Tele Trees so that we can communicate up-to-date notifications via mobile phone, landline or by door-knocking if the event prevents the use of technology.

A copy of the plan is available on www.getba.org.nz.

Keeping it in the family

A high percentage of New Zealand's small businesses are also family run firms. While on one hand this can provide many advantages, it also provides many unique challenges.

On September 21 – while this newsletter was being delivered – GETBA members discussed the do's and don'ts of successful family businesses with our panel: James MacQueen from BDO Chartered Accountants and Advisors, Rakesh Patel of East Tamaki Healthcare and Liz Groenewegen of Foodwise Ltd.

James is an accredited advisor specialising in assisting family businesses and says a family business is one that "is influenced by a family, or a family relationship and that perceives itself to be a family business".

"Family businesses are the engine of all economies around the world. They contribute disproportionately to the economic and social fabric of all communities. They are the driving force for most towns and cities and this is particularly true for New Zealand.

He points out that family-owned businesses are often much better placed to survive in these challenging economic times because they have a much longer outlook and are able to decide on and implement change more quickly.

But one of the biggest issues facing owner-manager businesses right now is transitioning the business to the next generation of leaders. James says it's important to

devise a successful succession plan early rather than waiting for a crisis to trigger the necessary changes.

"Transfer of wealth is potentially the most life-threatening stage of the family business, and regrettably many businesses do not survive to the second and subsequent generations."

Family businesses have complex and often emotionally challenging issues to resolve as part of this process and the longer it is left, the more difficult it becomes.

Other key challenges unique to family businesses include communication, governance, management of change and employment of family members.

New Zealand's competitive advantage in an increasingly global market depends on the sustainability of its vital family business sector.

"The family brand has a powerful influence in the market. We know from research that customers all over the world place high value on a visible family presence. They know family businesses don't compromise on quality.

"As I see it, New Zealand should be harnessing the value of its family businesses to boost its international

brand, backed by supportive policies and resources that will ensure their growth and sustainability across generations."

If you want to know more about succession planning, come to the next GETBA Business Owners Forum in November.

Save the date

What: Business Owners Forum: Successful succession

When: Wednesday November 16, 4pm-6pm

Where: BNZ Partners, Level 1, 86 Highbrook Drive

Cost: No charge, but numbers are limited. Beer, wine and pizza provided.

Succession planning is an overlooked but essential part of starting and running a business. Our panel of business people and experts will discuss their experiences with succession and take questions from the floor. Panel includes David Irving, former chairman of the ICEHOUSE business growth centre.

Register at www.getba.org.nz

Vox pops

What do you see as the key issue at the upcoming general election?

JIM WALKER

Director, Advanced Print and Design

"A stable economy is what we need and I don't think we're going to get that if Labour gets in. Adding the week onto annual holidays really slowed down the economy and now they're talking about public holidays not falling on a weekend – they're small things but they all add up to a bigger issue."



KIM LUXTON

General Manager, Hydestor Manufacturing

"We need to get the economy moving without depending on consumption because those days are gone. For us, we'd like to see a lower exchange rate and the purchase of more New Zealand manufactured goods."



WAYNE STRONG

Owner, EmbroideMe East Tamaki

"Stability is really important, from a business perspective. I don't want to see any lurching to the left or the right, policy-wise. Also labour costs are a concern – I have four staff and if they changed the minimum wage to \$15 we would have to seriously reconsider whether we could afford to keep them all. Basically we want the freedom to get on and do the business without having to worry about whether we are going to be affected by any further compliance costs."



Advantage out of adversity

Even though a situation may look devastating on the surface, there's often ways to turn it on its head. The trick is to identify those opportunities and then grasp them with both hands. Like Stevenson Engineering did.

Just three months into his new job as CEO of Stevenson Engineering, Tony Coombe was facing the beginning of the global financial crisis. Customers who usually steered clear of "patch jobs" in order to avoid the risk of breakdowns, were now looking to "get through" rather than shell out for full-scale maintenance.

"We knew NZ Steel was trying to reduce their maintenance by a third and sure enough, our earnings from them dropped by 20 per cent that year," Tony says. "Our team were doing an average of 50 to 60 hours a week and then we were struggling to give them 40 hours a week."

But the tightening economy provided the company with several opportunities to evolve the business and build on existing resources. Solid Energy used to send their machines to Australia for maintenance because the expertise wasn't available in New Zealand. Now Stevensons do that work here and, through the Huntly Mine, Solid Energy is one of their biggest customers.

The company also took advantage of existing expertise and their proximity to Pine Harbour to set up a marine servicing division.

In another move, Stevensons flies its own staff down to Greymouth in order to maintain mining equipment. They stay down there for three or four weeks and then fly back home. "It's win-win. There's less disruption for our workers' families



and it's easier to retain valued staff."

And that was a huge part of the success. "We had gone through a period where we'd struggled to retain and attract and recruit people," Tony says. "So we had worked hard to build up a really good team and we wanted to figure out how we could continue to retain them through the recession."

It was a two-way street. Staff were expected to take some of the 2000 leave days they had collectively piled up at a

time when they wouldn't necessarily have chosen to take them. Staff were asked to take part in the Government's nine-day fortnight scheme and agree to no pay rises for 12 months, in return for a guarantee of six months' job security.

The Auckland workshop is the "motherhip of Stevenson Engineering", says Tony. "It's a one-stop-shop with more than 100 technicians on site – from mechanics to electricians to welders and fitters and turners. It's a real mix of skills."

Stevensons are a founding ember of GETBA and members got an inside look at their operations in April when Stevensons hosted a business showcase. Tony says it's part of a deliberate push to interact with the local business community.

"We feel that we've been a little bit introspective in the past and that has certainly changed in the past five years. We have got a workplace for the local community and we're interested in doing business with people who can use us as well. We can see it's an area that's going to continue growing."

STEVENSON ENGINEERING

59 Lady Ruby Drive, East Tamaki
Phone 985 4900

www.stevensonengineering.co.nz

Website writing that works

Ultimately, you're in business to do two things: attract customers and satisfy them. Kathryn Reid from Website Words says your website copy must accomplish this too by meticulously fulfilling four key steps.

Step 1: Be found by Google

Around 85 per cent of people discover websites through Google, so your website has to be highly ranked. This is not achieved by novice luck. First: use Google tools (e.g. keyword tool) to uncover what keywords they're using. Second: cleverly embed these keywords into page copy (to read well for humans) and into page scripts, titles (to read well for Google).

Step 2: Grab attention

Your copy must flaunt magnetic headlines that stop your casual visitor in their tracks and turns them into avid readers of the next sentence e.g. "3 closely guarded secrets your bank prays you'll never discover". Around 80 per cent of people read headlines and only 20 per cent will read on.

Step 3: Compel to buy

Your copy must drip with the power of persuasion, with fascinating bullet points ("toasty toes at 6am in winter), relevant benefits, strong calls to action ("the price will never be this low again so hit the buy now button), and risk-free guarantees ("we guarantee that you'll save 12 hours in 6 weeks, or your money back").

Step 4: Motivate to buy again

Your copy must deliberately remain valuable to your customers by staying up to date with the latest information (demonstrates your expertise in a likable way) and advice (helps them make further purchasing decisions).

To learn more about website copy to attract customers and satisfy them visit www.websitecopywriter.co.nz

Leading the way

As the industrial and commercial property markets begin to improve, East Tamaki is at the top of the heap – outperforming other Auckland region precincts and the national average.

The Auckland Region's commercial and industrial property markets have, in recent months, shown signs of recovery following the downturn prompted by the Global Financial Crisis and New Zealand's recession.

Latest vacancy surveys and agency reports show that vacancy rates look to have peaked in the Auckland Region and in some cases are now falling, while rental and yield rates have also stabilised, particularly at the prime end of the market.

Across the main commercial and industrial sectors the recovery looks to be being led by the industrial sector. This is due to a number of factors, primary amongst them is the fact that industrial development has a short "tail" and that the manufacturing sector has performed well in the early stages of the economy's recovery from recession.

The short development tail meant that as the economy slowed, the development pipeline could be shut off quickly ensuring that, in contrast to the commercial office market, no significant oversupply of property arose.

The manufacturing sector has performed strongly over recent months. The March quarter national Gross Domestic Product figures show that it has been the best performing sector of the economy over the March quarter. This, along with reasonable growth in the wholesale trade sector, has resulted in an increase in industrial and warehouse leasing activity

The impact of the above factors on the industrial property market is illustrated by the increase in investment returns registered over recent months. Figures supplied by Investment Property Databank (IPD) show that total returns (the combination of returns on income plus changes in capital value) for industrial property nationally rose to 9.2 per cent in the first quarter of the year compared with 4.9 per cent from both the office and retail sectors.

Local figures show that East Tamaki-located property has outperformed that of the country as a whole and also competing Auckland Regional precincts.

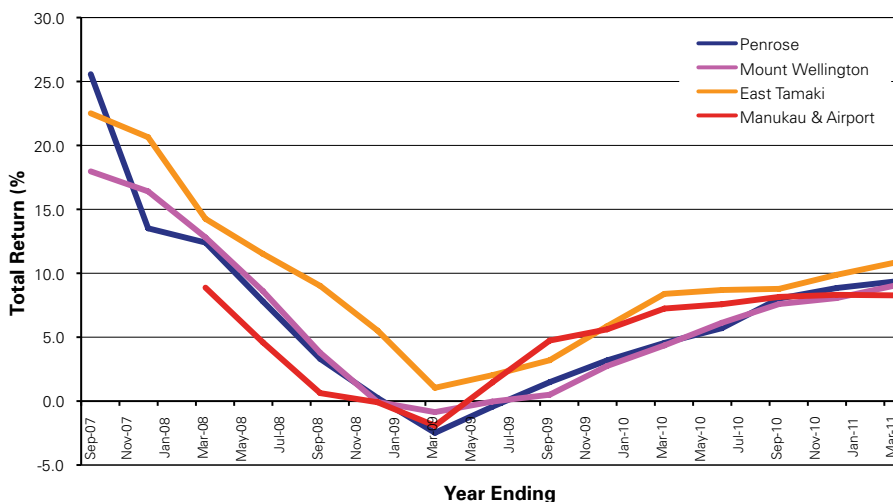
As the graph below illustrates, East Tamaki industrial property provided a total annual return of 10.8 per cent in the period ended March 2011, comfortably ahead of the next best performing precinct Penrose, which posted 9.3 per cent.

At the present time, total returns comprise predominantly of returns on income, with capital gain being subdued. Capital values began to fall during early to mid 2008 as yields softened and rentals came under downward pressure. East Tamaki-based investment property returned to capital growth sooner than competing precincts – June 2010 compared to March 2011 for Penrose.

The East Tamaki Precinct has also outperformed other local precincts over an extended period of time as shown in the table below.

*Ian Little is a Senior Property Research Analyst with Bayleys Realty Group.
www.bayleys.co.nz*

Total Investment Returns From Industrial Property by Precinct



A property owner's perspective

Kevin Glover had been in the same building for about three years before he decided to buy it. With the uncertainty about how much a business owner can get out of the business when they sell it, having a building seemed a good investment for his retirement.

That's even more pertinent in the current business environment. "I've seen, in some cases, business owners who have been forced to close because their rent has been forced up and they can't afford to pay it."

He says from his perspective East Tamaki's advantages – including low crime rate and direct access to the Airport and the Port – play a big part in ensuring he continues to get rewards for his investment. However, as a business owner he says he couldn't stand too much of an increase in the rates.

When it comes to government, Kevin is looking more towards local government than its central counterpart for a direction that will affect him and his business.

"While we have seen some vacant buildings, they seem to have filled up pretty quickly. There are a lot of businesses wanting to be in East Tamaki."

BJ TYRES

30-40 Springs Road, Phone 274 8875

Under pressure

RPC Land Surveyors have their own take on the property situation, more specifically Bayleys' point about the development pipeline being shut down so that it doesn't flood the market.

Director Andre Conradie says that with the costly and time-consuming council processes involved in turning this pipeline on again, we could see pressure on existing stock. "While this may be good news for landlords with rising rents and values, it's not necessarily good news for business owners when the economy starts to move upwards."

He points out the Auckland Unleashed discussion document (the precursor to the draft Auckland Plan) has identified a shortage of suitable industrial or commercial land, something that will put more pressure on existing stock. "It will be interesting to see if the soon-to-be released Auckland Plan addresses this particular issue."

RPC LAND SURVEYORS

Phone 273 7505, www.rpc.co.nz