

Smart moves drive success

THE DEATH OF THE AUSSIE CAR MANUFACTURING INDUSTRY FORCED ENGINEERING FIRM AUSTENG TO REINVENT ITSELF, WRITES JESSICA GABITES

THE news that Australia's car companies would be closing their local manufacturing plants, starting with Ford's announcement in 2013, could have meant the demise of Geelong boutique engineering firm Austeng.

Until then, its major customers had been car companies Ford, Holden, Toyota, Nissan and Mitsubishi, as well as other large manufacturers.



Ross George is collaborating with Prof. Russell Varley from Carbon Nexus on a solution to concrete cancer.

Car manufacturing and associated downstream supply chains once amounted to 50 to 60 per cent of Austeng's business.

"The car companies said they would close down, depending on the company, in two, three, four years' time," Austeng's managing director Ross George says.

Unlike some companies, Austeng had limited time to transition.

"We were manufacturing capital equipment and you obviously aren't going to buy brand new equipment if you are going to close down in two or three years' time. So for companies like us it was an absolute guillotine," Mr George says.

Mr George, who owns and runs Austeng with his wife Lyn, says the company was "caught with our pants down by the sudden announcements".

"We knew it was going down, but what we didn't predict, was the fact it would go off the edge of a cliff. We thought it would just keep declining and we would transition," he says.

Austeng's core business remains in engineering solutions, otherwise known as design and build, or technology enabling.

The couple poured money into the company to keep key staff, while looking for new customers. They also launched a campaign of networking, revamping the website and uniforms, public speaking and joining associations.

"I give Lyn complete credit for revitalising the business because what I wanted to do as an engineer was go off and make better mouse-traps and what Lyn said was, 'No, we have to go out there and tell people we are making mouse-traps,'" Mr George says.

The Georges also sat down and analysed what they were good at and revamped their business model.

Austeng, which was established in 1984, is now collaborating closely with Australian start-up businesses, working on world-first technology.

"Finally, we are starting to get busy again," Mr George says.

He says with the closure of the car companies, a lot of ideas came out of the woodwork. Also, universities including Deakin became more focused on industry engagement.

"I think Professor Jane den Hollander, Vice-Chancellor of Deakin University, needs to get kudos for her leadership because she has really been fantastic in encouraging industry and university collaboration and Deakin Geelong is one of the foremost universities in that area," Ms George says.

Austeng's collaborations include North Geelong start-up Imagine Intelligent Materials, believed to be the first company in the world making large commercial quantities of graphene for industrial purposes.

Others include FormFlow (bending corrugated iron), Polymeric Powders

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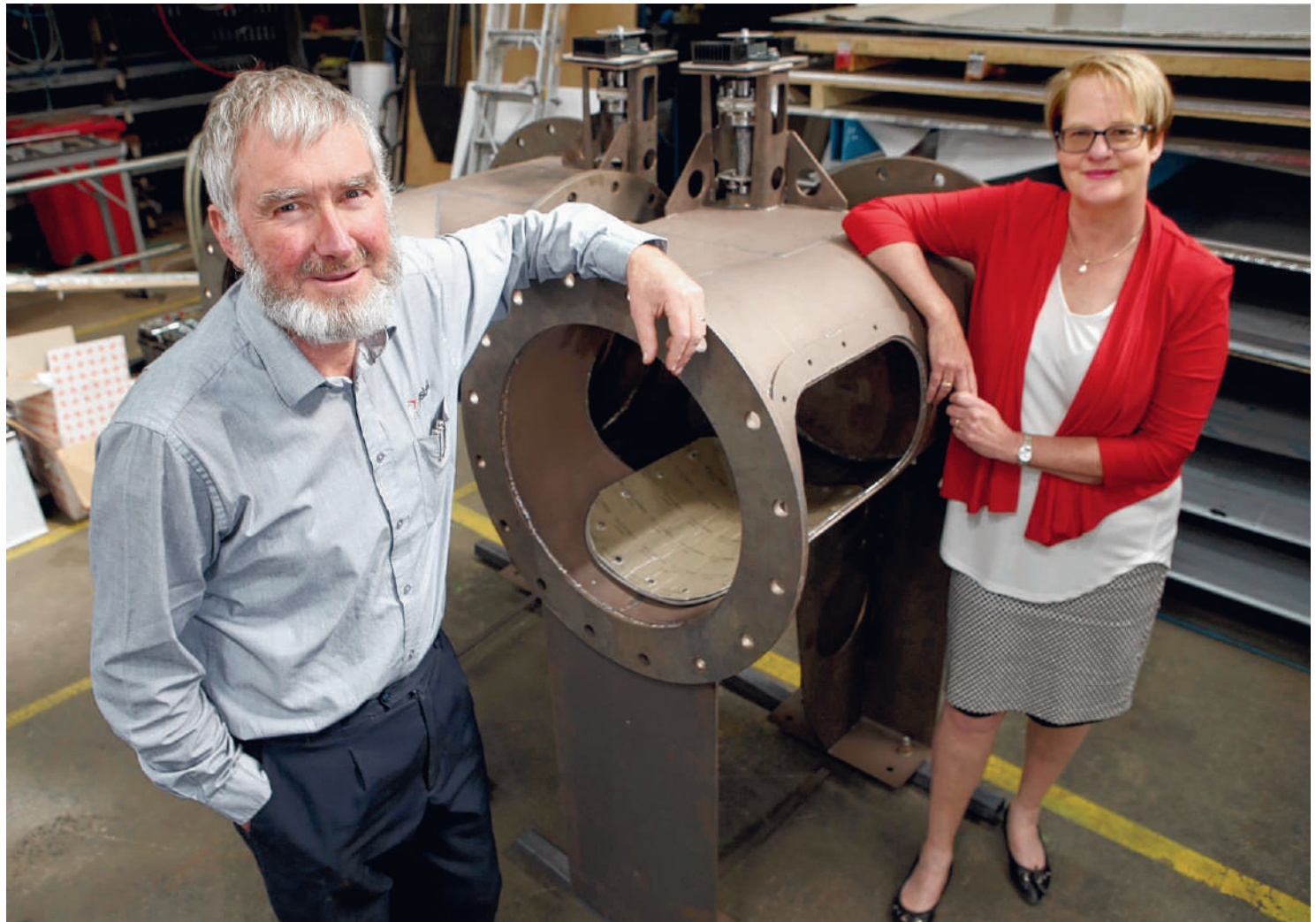
(recycled rubber), consortia with Rocla and Carbon Nexus (environmental concrete reinforced with carbon fibre), Textile Composite Industries (hemp decortication), and renewable energy company Capricorn Power (converting heat into electrical energy). These are all local companies or businesses with products manufactured in Geelong.

“NOW WE LOOK BACK ON IT AND ... THERE HAVE BEEN ALL OF THESE OTHER AVENUES WHICH HAVE OPENED UP”

The Georges are shareholders in numerous start-up companies, with Ms George a director of two of them.

“At the time, we thought when Ford closed and virtually our work went off the cliff, it was a terrible thing to have to happen to our business,” she says.

“But now we look back on it and actually there have been all of these other avenues which have opened up.”



Ross and Lyn George have used world-leading technology to reshape their business. Photo: Glenn Ferguson

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