

# MAKING TRIPLE Shaw

SHAW OF AUSTRALIA IS POISED TO TRIPLE OUTPUT FROM ITS MANUFACTURING FACILITY IN CHINA UNDER THE LEADERSHIP OF RECENTLY APPOINTED CHIEF EXECUTIVE OFFICER ROSS LEVINSOHN.

*Dawn Adams reports.*

AN AMBITIOUS goal has been set by Shaw of Australia as its production in China begins to accelerate and complement its manufacturing facilities in Australia and New Zealand. Recently appointed CEO Ross Levinsohn describes the business as being in a very large growth phase. "The strategy of the business is set for the next few years and that revolves around our new manufacturing facility in China," he says. "Our objective is to be the first western company manufacturing western quality at China prices. We believe if we do that successfully the company has a wonderful

he says. "A third line will be installed by the end of 2010 and that will raise production to three million lineal metres per annum." Export has represented a growing portion of the company's business for some time. It already sells 40 to 45 per cent of its turnover to international markets such as the US, Asia and Europe. But a fully operational facility in China, Levinsohn is convinced, "opens up the rest of the world for us". He concedes that the pricing level for goods produced at the firm's Marrickville base in Sydney has previously been too high to be competitive in many

officially released at the BMAA Expo. Available in six widths, this PVC-free fabric is available in a three-metre-width option. "Direct coated is traditionally seen as a utilitarian product, as very practical," says national sales and marketing manager Sarah Harris. "With Vibe, we've tried to take away any hint of plastic. It has a matt finish, which feels good to touch, and has a more high-end appearance." The second line commissioned at the China facility will produce flock coated fabrics. It took 12 months for the firm to develop the Vibe fabric to the quality sought. "We

people going back and forth for 12 months," he says. Their role included perfecting the manufacturing system, setting up quality control procedures and trialling base fabrics and chemical compounds. Understanding the complexities of achieving a high-performance product at a wider width of three metres posed some challenges. Steps had to be taken to ensure that the right physical appearance, matt finish, smoothness and feel were achieved to produce the quality Shaw sought. "It has to be western quality," Levinsohn says. "We've just appointed a full-time

**Our objective** IS TO BE THE FIRST WESTERN COMPANY MANUFACTURING WESTERN QUALITY AT CHINA PRICES. IF WE DO THAT SUCCESSFULLY THE COMPANY HAS A WONDERFUL FUTURE  
Ross Levinsohn - CEO Shaw

future." Vibe, the first fabric developed and finetuned to a high quality in China, is now being sold in Australia. "Our second coating line is being commissioned as we speak, which will give us a total capacity of over two million lineal metres per annum,"

potential destination countries. However, the firm remains committed to producing the more difficult-to-manufacture higher-end products in Australia and New Zealand. Vibe, a direct coated fabric which has been available in Australia for a short time, will be

were'n't prepared to release the fabric until it reached that quality level," Levinsohn says. He describes the process of discovering how to produce western quality at Chinese prices as a massive undertaking. "We've had our technical and manufacturing

manufacturing manager, Mark Polbatrek, an expatriate, in China. Mark's wife Dorothy is also working for us and she has a background in quality control. She has put in place the quality control procedures and runs the lab there." He highlights that it's critically

important for Shaw to have a presence at R+T Stuttgart and R+T Shanghai to develop growth strategies in international markets. "Those events are very important in our strategy to build an export trade," he says. "They give us a huge contact list around the world." John Baguley, Shaw's general manger for sales and marketing, has appointed export manager

James Bart to travel the world to pursue those opportunities in the global marketplace. "His initial priority is to follow up the leads from the two trade shows," Levinsohn says. "We've got a really big contact list of people who are saying they want to do business with us once we have the China products on the market. They're obviously the first priority and

they're all over the world in South America, Eastern Europe, everywhere." He names the firm's largest market at this stage of its development as North America, but points out that it has other strong markets in Asia, South Africa and parts of Europe. Shaw of Australia is also capturing sales within China. "We're selling our most

expensive products into the Chinese market; our top-end products." he says. "They're usually used for projects, like hotels, where they want high quality and western brands. We've built up a strong brand in Asia because we've been selling into the region for many years. It's a very successful market for us."

## ausEnz STILL NUMBER ONE

A strong focus on export has not distracted Shaw of Australia from its home base, Australia, and its close neighbour New Zealand. Recent initiatives include introducing online ordering for 24/7 access and taking distribution of products in New Zealand in-house in a bid to better develop relationships with customers. The online ordering from the firm's website is expected to assist small businesses that work outside normal office hours. It will include options to order and view stock as well as print statements and invoices. A sales representative, an operations manager and warehouse staff have been appointed in New Zealand and are accommodated in already existing facilities at the firm's manufacturing base in the country. "Our New Zealand management oversees the new operation," says CEO Ross Levinsohn.

Sarah Harris, national sales and marketing manager, adds: "We want to build stronger relationships with our New Zealand customers and we believe we can do that better with Shaw staff."

She highlights that the structure of the company enables export and domestic markets to be catered for. Her role is to look after the home market and the team that responds

to domestic demand, to ensure they receive support and are supplied with product. "We look after them as as much as we look after our export customers," she says. "The two markets are dealt with by two different sets of people." Levinsohn and Harris describe the firm's niche as the provision of blackout fabrics in two types: direct coated acrylic and flock fabric. "When you coat using the flock fabric, you only put coating on one side so the face of the fabric shows its natural state," Harris says.

In contrast, direct coated fabric is coated on both sides. It is very easy to clean, as it has a wipe-clean surface, and is known for being durable. "The flock fabric has a soft furnishings aesthetic appeal," Harris says. We will have the capability to produce both types in China," she says. "In Australia, we manufacture high-end direct coated and light filtering fabrics. In New Zealand, we produce flock coated fabric."

Harris highlights the firm's natural colour range as its signature offering. "It includes light and dark colours in natural muted shades and we've used that across all our fabric qualities," she says. WFA



**James Bart**  
SALES EXECUTIVE FOR EXPORT

**Ross Levinsohn**  
NEWLY APPOINTED CEO

**Paulyne Hamilton**  
SALES EXECUTIVE FOR NZ