

BUSINESS BEAT

FINANCE

LIFE AFTER FORD: A

Five things that excited us in 2019

DAVE CAIRNS

THINGS seemed grim when the last engine came off the production line at Ford in September of 2016.

As we all know, the unfortunate end to production at Ford and the shutting down of Alcoa's Pt Henry smelter cast a shadow over Geelong's long-held reputation as a manufacturing city.

But time moves on quickly, and 2019 has offered many reasons to feel buoyant about the future of manufacturing.

Geelong Manufacturing Council boss David Peart said the region's manufacturers were adapting to the major challenges and opportunities in a changing manufacturing environment where the price of labour is becoming less important in determining competitiveness.

"There has been a strong focus on Industry 4.0 and automation as many companies strive to establish or maintain a competitive edge," Mr Peart said.

"The loss of automotive manufacturing in Australia has sent a strong message pressing the importance of positioning businesses to not only compete in today's market but to innovate to build competitive advantage for tomorrow."

Geelong has seen positive changes in industry and academia collaboration and the importance of research in driving business innovation.

"This together with the success of ManuFutures as a manufacturing business accelerator has represented a significant shift in our local industry dynamic," Mr Peart said.

"Now people are looking at start-ups as part of an ongoing entrepreneurial ecosystem,



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DAVID PEART (PICTURED)

and that's fantastic."

Mr Peart said as sustainability became a key driver of business growth, Geelong had an opportunity to be an early adopter of initiatives in the circular economy on which Deakin University was helping to set the agenda.

The cleantech impetus established over the past few years has positioned the city to evolve into a circular economy centre of excellence, he says.

Projects such as the "100 year maintenance-free bridge" in Geelong have brought together a business need with high regional capability in carbon fibre and composites.

"Over the past 10-15 years through research activities we have developed an incredible asset in our specialisation in materials, composites and particularly in carbon fibre based at Deakin University," Mr Peart said.

We now present five reasons we got excited about manufacturing in 2019.

TIMBERTRUSS



Above: Timbertruss's Steve Collier and Penny O'Leary.
Picture: GLENN FERGUSON

It's a company that got on with getting ahead of the rest of the world.

TIMBERTRUSS lays claim to creating the largest and most advanced prefabrication production lines in the world at its Geelong factory.

At full capacity the production lines can make roof and wall trusses for up to 300 houses a week.

The lines have also been designed with the next generation products in mind when prefabricated wall frames include electrical conduit, plumbing and plaster insulation.

VESTAS



It's the arrival of one of the biggest renewable energy companies in the world.

GEELONG is becoming a key hub in the state's growing renewable energy sector, with the port providing a handy landing place for hundreds of imported wind turbines destined mainly for the state's southwest wind farms.

It also became a new outpost for Danish renewable energy giant Vestas, which makes, installs and services wind turbines around the world.

Under a partnership with Marand, Vestas has started

assembling drive trains and hubs in Geelong that are destined for the Dundonnell and Berrybank wind farms.

The move has seen Geelong workers trained overseas, bringing back new skills, and the creation of more than 20 jobs.

One of the biggest users of carbon fibre in the world, Vestas has also established a research partnership with Carbon Nexus, the world-leading carbon fibre research plant at Deakin University's Waurn Ponds campus, to look at developing longer and more efficient carbon fibre wind-turbine blades.

David Peart says: "The rise of sustainable and renewable energy industry in Geelong has led to a high demands for new skills and offered some really exciting opportunities for collaboration with Deakin's research institutes and Carbon Nexus."

"Marand has proven a great partner for Vestas and will be a springboard for further partnerships."

"In today's environment, businesses are demanding renewable energy and innovation to give them an opportunity to become and remain sustainable industries."

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NEW DYNAMISM

Loan offers support



Using state-of-the-art technology, the factory has attracted worldwide interest from the prefabrication industry.

Its 130,000sq m square metre base in Corio, which features 30,000sq m under roof, allows the consolidation of operations previously spread across six sites with the

company employing about 350 people in Geelong.

David Peart says: "Advanced manufacturing in Geelong looks very exciting and people are recognising the region has all the vital ingredients to make this happen."



FORTEK

It's a prized development site with a huge potential to attract and grow manufacturing businesses.

THE business park developed by the Pelligra Group when it purchased the former Holden manufacturing site in Adelaide will soon be home to more workers than the car manufacturer employed.

That is the hope for the former Ford plant in Geelong which the Pelligra Group purchased earlier this year and renamed Fortek.

Registrations of interest are now taking place but Pelligra Group chairman Ross Pelligra (pictured left) is adamant the city's manufacturing heritage

will surface to fill the site, for which it has a flexible plan for more than 20 tenancies.

David Peart says: "Fortek will give us the potential to attract new manufacturers, perhaps out of Melbourne.

"Port and rail and road connections are readily accessible and close by and the site has all the industrial services required by heavy industry and advanced manufacturing.

"The scale and locational benefits together with the strong track record of Pelligra has opened up a huge opportunity for growth in Geelong on a scale most people would not recognise."

CARBON REV



It's a \$500 million business with a start-up mentality.

CARBON Revolution took a leap forward this year with the carbon fibre wheel maker listing on the ASX in December as it continues to ramp up production volumes while driving down costs.

It is extremely rare for a product with worldwide market potential to be designed from the ground up with an intention to be delivered using state-of-the-art production techniques.

Unlike manufacturers who have transformed to modern automated manufacturing techniques, there have been no legacy items to deal with at Carbon Revolution.

It is leading the world with

its carbon fibre production techniques and it has protected its product architecture giving it a strong competitive position against future competitors.

The company has predicted that Carbon Revolution, if it continues to meet market demand, could triple its current Geelong workforce of more than 400 in the next five years.

David Peart says: "Carbon Revolution is a great exemplar of what can be achieved at the world-leading advanced fibre precinct at Deakin.

"The Advanced Fibre Cluster Geelong will drive this growth and work to achieve supercharged investment and job creation."

HANWHA



It's the potential for a major defence contractor to be based in Geelong.

ONE of only two remaining companies competing for a defence contract worth more than \$10 billion, Hanwha Defence Australia announced this year that it wants to base its manufacturing operations in the Geelong region.

The South Korean company is putting up its AS21 Redback infantry fighting vehicle, unveiled in October, for the Phase 3 LAND 400 project which will acquire up to 450 tracked IFVs.

Hanwha is also looking at making self-propelled howitzers proposed for another defence program.

If successful in winning a

contract, Hanwha will create hundreds of jobs in the Geelong region.

David Peart says: "Hanwha has been attracted to Geelong by many factors and this serves to further underline the positioning of Geelong as an attractive manufacturing centre.

"Hanwha is a major company in the world context and its entry into Geelong will open up huge opportunities for trade and investment.

"Major defence industry contracts are potentially the missing centrepiece of the Geelong economy; supply chain opportunities which are much sought after and very difficult to obtain."

FIRST home buyers in Geelong can save thousand of dollars under a new product being offered by the member-owned AWA Alliance Bank.

The bank's offer includes a special discounted interest rate, funding support towards the cost of conveyancing and the cost of loan mortgage insurance.

On a \$500,000 loan, it offers a saving of \$7641 based on 0.25 per cent interest discount over three years (\$3641), and up to \$4000 for conveyancing and loan mortgage insurance.

The product coincides with the January 1 launch of the Federal Government's First Home Buyers Scheme, which is limited to 10,000 places.

But AWA, which has arisen from the Point Henry Credit Co-operative servicing Alcoa workers, said 110,000 Australians bought their first home in 2018 and its new product was intended to help fill the gap.

AWA chief executive Graeme Scannell said the bank viewed home lending as a social responsibility and wanted to help people get into their first home.

New life for old plastic

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Of the thousands of tonnes the company recycles each year, the only exports undertaken are ones that have a genuine and sustainable overseas market, mainly in South-East Asia.

"We have gone from about 90 per cent export to 15 to 20 per cent export with the balance used domestically by local manufacturers," Mr McLean said.

The strategy has been matched by an investment in staff with GT Recycling now employing more than 30 people, up from a dozen about five years ago.

"We have expanded quite significantly in the past two to three years," Mr McLean said.

GT Recycling is a family-owned company led by managing director Trevor McLean and his sons, Tim and Andrew McLean, with Trevor's brother Doug McLean and his son Brett also employed there.

Its clients are industrial companies, commercial enterprises and councils. It does not take kerbside recycling or waste.