

## Looking ahead

This month's Manufacturer is a move away from its traditional format. The editorial is not going to relitigate all the issues affecting, or of concern to manufacturers but rather comment on some of the activities and opportunities that are out there in the market place.

The first of these is the opportunity for NZ manufacturers to get alongside an experienced university researcher, to see whether there is potential for your company to tap into the considerable resources of the University of Auckland, and thus enhance your product development, processes, etc.

It is FREE, THERE IS NO OBLIGATION, for you to go beyond the initial discussion/visit. If you do nothing else with this newsletter, I would commend your reading of the attached flyer "Engineer for a Day".

One opportunity to combat the currency issue is to reassess just how efficient and productive your company is. EMA has run "Lean Thinking" seminars for over 1000 participants, virtually all of whom have embarked on a Lean programme with outstanding results. Our next seminar is on 8 March and details are included with the newsletter.

The unfortunate Mainzeal receivership is a timely reminder of the need to ensure your "Terms of Trade" are current and enforceable. We have offered a 2 hour "seminar" on this topic regularly in recent years and we have another one scheduled for 13 March. Details are in the newsletter.

Do you have a literacy/numeracy issue within your business? More and more employees in manufacturing have English as a second language and that can cause problems as well as a loss of productivity. EMA can help! Read how, further on in this newsletter.

There are things happening and there are things that you can be doing to both protect and enhance your business.

The world is changing and we all must look at how we can change our business to continue to be relevant and a player into the future.

Bruce Goldsworthy  
Manager – Manufacturers Division

## OPPORTUNITIES

- An Engineer for a day – free & without obligation
- Improve your Profitability with "Lean"
- Manufacturers Terms of Trade Workshop
- Workplace Literacy/ Numeracy – EMA can help
- Technology & the Marketplace – Auckland University – 26 February Breakfast
- Research Survey – Business/School links

## OBSERVATIONS

- That "currency issue"
- The U.S. is "betting on manufacturing"
- Export Successes – "The 40% File"

## TRAINING COURSES

- Inventory Management – Strategic Efficiency
  - Hamilton, 8 March
  - Auckland, 5 June
- Project Management – Tools & Processes
  - Auckland, 12 April
- Supervision – An introduction
  - Auckland, 15 March & 12 April
  - Hamilton, 25 March
  - Rotorua, 22 April
- Health & Safety Representative Training
  - Stage 2 – Auckland & Hamilton(2-3 courses each month)





The first of our Workplace Literacy/Numeracy workshops will be held at the EMA offices on Tuesday 19 March 2013.

Further details and a registration form are included in the attached flyer.

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## Technology & the Marketplace

### Auckland University – 26 February Breakfast Session

The University of Auckland and UniServices invite you to a free Breakfast seminar on Tuesday 26 February. The seminar will look at two specific issues:

#### **Building your Technology & Innovation Strategy**

The seminar will outline the importance of building a technology and innovation strategy, regardless of company size, product or sector. It will discuss the necessary tools that enable NZ businesses to create their own technology and innovation strategies.

#### **Building Marketplaces**

Purpose-built marketplaces for products and services are becoming increasingly common. Examples include online marketplaces for business and consumer goods, e.g. Amazon or eBay, CareerBuilder or Monster, etc. How do these relate to your business and how do you go about creating, managing and maintaining a purpose-built marketplace for your business?

#### **Details**

<b>Date</b>	Tuesday 26 February
<b>Breakfast</b>	7.30am
<b>Forum &amp; Discussions</b>	7.45am – 8.30am
<b>Venue</b>	260-310 Decima Glenn Room Level 3, Business School Owen Glenn Building 12 Grafton Rd Auckland
<b>Parking</b>	Available under the Owen Glenn Building at \$5 per hour with the carpark opening at 7.15am
<b>Registration</b>	RSVP – Register direct to: <a href="mailto:TechTuesdays@auckland.ac.nz">TechTuesdays@auckland.ac.nz</a>
	<b>Note:</b> This is limited to 30 places.

## Research Survey – Business/School Links



Can you contribute to a research survey on business/school links?

EMA is helping a Masters Research student from Auckland University on a project around business/schools links.

The project is aimed at investigating the benefits that companies, businesses, industry, organisations and institutions receive when linking with schools.

With the increasing interest in partnerships between business and schools, research needs to focus on the benefits of these links to businesses, as much as it is being focussed on the benefit from the schools' perspective.

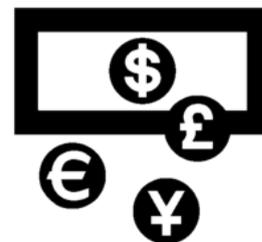
We invite your organisation to participate on this very important research. The survey will only take a few minutes of your time.

If you are interested and willing to participate, please email [mike.burgess@ema.co.nz](mailto:mike.burgess@ema.co.nz) and he will send you the link direct.

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## Observations

### That "currency issue"



Two major challenges for every manufacturing company in NZ at present, are how do we stay in business and how do we remain profitable.

I would imagine that every manufacturer is being affected to some extent by the appreciating NZ dollar, whether it be on export markets, or

competing against imported products at home. Some of you benefit through a built-in hedge with a stronger dollar offsetting your raw materials/input costs. For others the high dollar is a major challenge.

I am told that in fact there is not much, if anything, that we can do as a country that would cause a significant change in the short term and give exporters and those competing with imports, any early relief. The solutions suggested are largely of a longer term nature and regardless of what we might do internally, events elsewhere over which we have no control, significantly impact on our exchange rate. A high dollar helps to control imported inflation, it keeps the cost of living down, as it directly affects the price of all imported products, think; petrol, food, appliances, and other consumer products. A sudden dip in the dollar would no doubt create other issues for the government.

Countries such as Japan, USA, the EU, and UK, having embarked on “competitive devaluations” (printing money) are all facing recession and major debt issues. That doesn’t appear to be an answer.

In the meantime the Reserve Bank of NZ is closely watching building activity and is concerned at the housing price movement. Economic commentators suggest that the banks next move will be to tighten monetary policy, which could come later this year and on into 2014. Historically, any lift in the OCR, has meant an appreciation of the \$NZ!!

What we really need is for the traditionally strong international economies, like those mentioned above, to return to strong economic growth and with their scale, shift exchange rates back to what we largely regard as historic and liveable levels.

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### The U.S. is “betting on manufacturing”



I picked up a commentary on moves within the manufacturing sector in the U.S. recently and the

role that it can play in turning a slow recovery into a strong comeback.

It seems that this is all about leading the “next big wave” of productivity. They suggest that there are four new drivers of productivity and success in each depends on the technology and talent they develop. They are:

- The sheer volume and increased access to gas from the shale industry.
- Applying the lessons of social media to the industrial world and building what they call the industrial internet.
- Speed and simplification, to serve customers better and compete globally by working faster and smarter.
- The evolution of advanced manufacturing, utilising all three other drivers to return to U.S. manufacturing excellence and thus gain a competitive advantage.

I am not sure how relevant that may be to your company, but it is certainly gaining momentum and grabbing headlines in the U.S.

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### Export successes “The 40% File”



In amongst the doom and gloom and pleas for the government to “do something”, there are some shining lights. We have success stories in exporting, despite everything, and ExportNZ Auckland has brought a series of these together which have been published under the banner “The 40% file” (reflecting the government’s target of NZ’s exports reaching 40% of GDP) in successive Friday editions of the NZ Herald.

They have run through January and into February. Great positive stories, if you missed the Herald, while on holiday, you can catch up with them online:

[www.facebook.com/hookedonexport](http://www.facebook.com/hookedonexport)

## Training Courses

### **Inventory Management – Strategic Efficiency**

*Hamilton, 8 March*

*Auckland, 5 June*

Full details are available at:

<https://www.ema.co.nz/events/calendar/Pages/TIMS.aspx>

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### **Project Management – Tools & Processes**

*Auckland, 12 April*

Full details are available at:

<https://www.ema.co.nz/events/calendar/Pages/TTPP.aspx>

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### **Supervision – An Introduction**

*Auckland, 15 March & 12 April*

*Hamilton, 25 March*

*Rotorua, 22 April*

Full details are available at:

<https://www.ema.co.nz/events/calendar/Pages/TSUP.aspx>

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### **Health & Safety Representative Training – Stage 2**

These are run regularly in Auckland (2-3 times per month), in Hamilton and Tauranga.

Details are available at:

<https://www.ema.co.nz/events/calendar/Pages/THS2.aspx>