

Getting Export Smart

Exporter case study



Anderson Group of Companies

Established in 1994, Anderson Industries has seen enormous growth during its 12 years of operation.

During this time it became a part of the Anderson Group of Companies, which now consists of five companies: Anderson Industries, Anderson Mine Services, Anderson Mining Hire, Mining Repairs and Coaltec.

The Anderson Group of Companies has a strong presence in the ever-growing coal mining industry and is increasing its efforts in the export arena, with a view to offering specialist equipment to the overseas market.

Motivations to export

The Anderson Group had a very small budget to work with when it began exporting. The company understood that it would take time to build its reputation and credibility in the international marketplace, and therefore did not expect any return on investment for the first few years.

The Group began exporting on a small scale, by supplying flame-proof alternators and spare parts for underground machinery.

Since these first steps, the company has developed new machinery and worked with a major international supplier, Atlas Copco, to build its export capacity.

Activities that contributed to its export success

The Anderson Group attributes its export success to progressing slowly but surely into overseas markets. It has undertaken a large amount of market research and evaluation, and has taken the time to attend workshops, join trade missions and set up a strong network overseas. As its exports grew, the company created new job positions to accommodate the extra workload.

The company undertook market research to identify the best opportunities for export and its worth to the company. The Group employed overseas agents to manage its international operations, travelling regularly to monitor their performance, both through customer feedback and key performance indicators, such as leads generated and sales made.

Lessons learned and mistakes made along the way

One of the Anderson Group's biggest lessons was about the importance of planning. Although planning was not initially a priority, the company soon learned that it would be key to exporting success. The Group found that it couldn't simply go into a market and expect things to happen without considering such factors as the market's profile, who from the company would be able to travel regularly and how it could budget for flights and accommodation.

The Group says that some of the best lessons it has learned along the way have come from its competitors. It has watched other companies suffer from trying to move too fast, rushing to find agents without doing their research. The Group believes some companies expect too much too quickly and suggests that a long-term approach will yield greater exporting success.

How exporting has benefited the business

The Anderson Group expects that within two years, its exports will double its current company turnover.

The company has benefited from the long-term approach of exporting. Because the peaks and troughs in various markets are evened out over the long-term, even if the domestic market starts to slow, the company can still be active in other markets.

Assistance received from the Queensland Government

The Anderson Group has received a lot of assistance from the Queensland Government. The company initially participated in a trade mission to China in 2003, which gave it the confidence to explore exporting as a means for growth.

The company says it may not have moved into exporting if it had not been for the people it worked with from the Queensland Government, who provided a strong network, quality contacts and support.

When the Anderson Group began looking for a partner overseas, it initially contacted the Queensland Government's Beijing office, which suggested a number of potential agents that might possibly meet the company's needs.

The Anderson Group has participated in a number of trade missions with the Queensland Government, and says that it has found missions to be invaluable. In particular, the company has been impressed with the people attending overseas functions, including key decision makers, such as directors and general managers from large companies.

Words of advice for exporters

The Anderson Group's advice for new exporters is to take it slowly, plan what you are going to do and really think about the potential you have overseas. If you are planning to use agents overseas, check them out thoroughly.

Also spend some time considering how you will dispatch your goods and transport them overseas. You will need to consider contracts, insurance, shipping and import taxes. It also pays to think about exchange rates when you're quoting – you can ask your bank for advice.

The company also recommends contacting the Queensland Government for help along the way. The assistance the Government can provide will make you feel more comfortable in a new market.

This case study was prepared for the **Getting Export Smart** workshop series.

For more information about the Queensland Government's export services contact:

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