

## BUSINESS GOING AHEAD

Trans-Tasman expansion has been a key part of the international strategies of many Australian and New Zealand companies, often the first step. Here are some examples of companies large and small who reached across the Tasman to achieve their international potential.

### ANZLAW Minter Ellison Legal Group (Australia) Rudd Watts & Stone (New Zealand)

ANZLAW, a trans-Tasman legal service, is an initiative of leading law firms Rudd Watts & Stone in New Zealand and Minter Ellison Legal Group in Australia. It has been designed to solve the legal problems that investors and traders face on both sides of the Tasman as they capitalise on CER. ANZLAW commenced in February 1989 and was the first trans-Tasman association between major law firms in Australia and New Zealand.

A single Australian/New Zealand market for goods and services has been created under CER and has had a profound impact upon business activities both in and between the two countries. It is also attracting substantial new investment from overseas.

Yet there are problems to be faced in taking advantage of the unified trans-Tasman market, many of which are legal problems. The Australian and New Zealand governments are committed to the harmonisation of business laws. At present they are by no means consistent. Proposals for significant legislative change in New Zealand, along with Federal-State considerations in Australia, are making

harmonisation of business laws harder to achieve. ANZLAW works with businesses to solve the legal complexities.

The Minter Ellison Legal Group comprises Minter Ellison, Baker O'Loughlin, McCullough Robertson and Northmore, Hale Davy & Leake. It has more than 440 lawyers working in the firms' offices in Sydney, Melbourne, Adelaide, Brisbane, Perth, Canberra, London, Beijing and Hong Kong. Rudd Watts & Stone has more than 130 lawyers working in New Zealand in its Auckland, Wellington and Plymouth offices.

*Courtesy Australia-New Zealand Business Council.*

### Digisport International



A sporting injury saw Barry Honan, Director of Brisbane-based DigiSport International, change from playing rugby union to building a successful multimedia sports training business.

Mr Honan played with the Wallabies from 1967 until 1970 when a leg injury prompted him to switch to coaching. Mr Honan started DigiSport in 1992 using books and videos, moving later to CD-ROMs.

"Australia has international credibility as a sporting nation with many of the world's best sports people. I've used Ian Healy who's been proclaimed as 'Wicket Keeper of the Century', Joyce Brown who's been awarded the title 'Netball Coach of the Century' and beach volleyball Olympic gold medallist Natalie Cook in our programs," he said.

Using Austrade's Export Access Program, DigiSport selected New Zealand as its first market, where the Company won a distribution arrangement with Roadshow NZ. DigiSport now exports to more than 30 countries.



*Part of a sequence from Digisport's rugby training CD-ROM. (Digisport International)*

### Heinz Wattie's Australasia

This trans-Tasman food manufacturer was formed in 1998 by the union of two leading brands — Heinz Australia and Wattie's of New Zealand. Behind each of these companies is nearly seven decades of food innovation, customer service and corporate heritage. This merger created an even greater force in the Asia Pacific market, strengthened further by close ties with Heinz Japan.

The company currently employs some 2400 people across 20 sites — Melbourne head office, manufacturing facilities in Wagga Wagga, New South Wales, and Girgarre and Echuca in Victoria, plus sales offices in each state. In New Zealand, the corporate office is in Parnell, and manufacturing facilities are in Hastings and Christchurch.

Exports have grown markedly in recent years via key customers in Japan, Taiwan and the Republic of Korea, and the company continues to build markets in the Pacific Rim.



### Fisher & Paykel Appliances

Fisher & Paykel, a New Zealand based international company, commenced business in 1934 as an importer of refrigerators and washing machines. In 1938, Fisher & Paykel started manufacturing under licence to several major international appliance companies. Driven by a desire to export in the mid-1960s, the company moved to manufacturing products using in-house technology. In 1990, Fisher & Paykel expanded its operations into Australia when its production plant opened in Cleveland, Queensland. Originally employing 78 people, Cleveland now employs more than 400 people. Products from Cleveland are part of Fisher & Paykel's successful export push into the United States, the United Kingdom and other markets.

Australia is Fisher & Paykel Appliances' strongest individual market, where it is positioned at the high end, accounting for 48% of the company's total appliance sales for 2002. An important sales milestone was also achieved in 2002 with 512,000 units.

In 2002 Fisher & Paykel won a number of Australian industry and government awards for smart environmental and energy design. These included, in September, the Australian Electrical and Electronic Manufacturers' Association (AEEMA) Award for Excellence in Product Stewardship, recognising the environment through the product life cycle.

Managing Director, Mr John Bongard, notes in the Annual Report 2002, that "whilst it is important to maintain our New Zealand business and to improve our presence in Australia, offshore growth is the key to improving returns to shareholders together with long term investor security." Despite Fisher & Paykel's global growth, the New Zealand institution has no intention of severing its roots with its country of origin — as Mr Bongard told New Zealand's TV One on 31 January, "it's certainly not on our short, medium or long term thinking ... we're a fiercely proud New Zealand company."



*Fisher & Paykel's National Marketing Manager Tony Sweeney accepts the company's first EEMA Award from Prime Minister John Howard. (AEEMA)*

### Australia and New Zealand Banking Group Limited and PostBank

PostBank was established in the 1860s as New Zealand's Post Office Savings Bank. It was separated from the New Zealand Post Office in 1987 and offered for sale in 1988 as part of the New Zealand Government's privatisation program. PostBank was a large and profitable savings bank, with 556 retail outlets and assets of NZ\$3.7 billion. The acquisition of PostBank, which held deposits amounting to NZ\$3 billion, more than doubled ANZ's deposits in New Zealand and increased its share of the total financial market from 10 per cent to 16 per cent.



*New Zealand State Owned Enterprises Minister Stan Rodger (left) receiving a NZ\$665 million cheque from ANZ Bank's David Butler for the ANZ's purchase of PostBank on 1 March 1989. (Copyright The Dominion and New Zealand Times)*

In 1989 ANZ Bank bought PostBank from the New Zealand Government for NZ\$665 million. The Government had, two years earlier, separated the three parts of the old Post Office (post, telephones, banking). PostBank had become a stand-alone State Owned Enterprise with a separate identity. This purchase of PostBank greatly increased the branch network and customer base. As with the earlier merger of 1951, some rationalisation of representation occurred over the following years with ANZ and PostBank co-locating, sometimes one moving into the other's premises after alteration or expansion, sometimes both moving together into completely new premises.

In 1990, ANZ celebrated its 150 years in New Zealand, the oldest bank in the country.

### Montana Wines Pty Limited



Montana Wines, based in Auckland, makes and sells wine in New Zealand, Australia, the United Kingdom and Europe (as part of Allied Domecq), the United States and Asia.

Montana commenced its trans-Tasman operation through an agent from 1980 to 1996 and through its own operation from 1996, selling its own brands as well as agency brands and employing a sales force of 52 in Australia.

By going from an agency arrangement to having its own sales force in Australia, Montana ensured that it controlled its own destiny and achieved growth far in excess of the market.



*Montana's Brancott Estate lies on the south-eastern side of Marlborough's Wairau Valley. Grapes from the vineyard are used to craft Montana's Brancott Estate Sauvignon Blanc. (Montana Wines Pty Limited)*