

## exportfocus

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# New Zealand School of Export: Finalists in VERO Excellence in Business Support Awards



The New Zealand School of Export was a finalist for the "Education Provider" category in the 2009 Vero Excellence in Business Support Awards held in Auckland at the end of May. Unfortunately we didn't win, instead the honour went to Auckland University's Icehouse which had reached the finals in previous years. Given this, and the record number of entries this year, we were thrilled to get to the final stage and will definitely be giving it another shot next year.

## **Graduation Success**

The VERO awards coincided with the highlight of our trip to Auckland - the presentation of the New Zealand School of Export's Diploma of International Trade to more of our graduates from Cohort 1, including Dehua Pan, Business Development Manager at Mathias NZ Ltd, who featured in the last edition of **exportfocus** and Michael Putt, Marketing Director of NZ Liquor Resources.

Dehua, who completed the Diploma with distinction, was given the School's 'Highest Achievement Award'. Michael was also the recipient of the New Zealand School of Export 2008 'Applied Learning Award'.

Dehua and Michael then joined School staff, members of our Advisory Council and Adjunct Faculty at the Awards dinner which followed.





New Zealand School of Export Director—Dr Romuald Rudzki presents Dehua and Michael with their Awards and a copy of 'The Greatness

Guide' by Robin Sharma;

Left: Reinhold Goeschl, Adjunct Faculty and Mrs Ingrid Goeschl

## 2009 Scholarships

Exporters enrolling in the Diploma of International Trade are encouraged to apply for 2009 Scholarships in the following categories: sole trader; start-up exporter; SME exporter; rural exporter; Maori export business; Pacific export business. In addition, there is one scholarship available for members of a number of participating Chambers of Commerce. Check out: http://www.export.ac.nz

## Congratulations Yovitha and Matthew

In April, Yovitha Ramkolowan, who has almost completed the Diploma of International Trade was married to Matthew Dale in the Channel Islands. Durban born Yovi moved to Aotearoa when she was 13. She enrolled with the New Zealand School of Export whilst working for RMSD Ltd in Auckland, and last year moved to Jersey where she works for HSBC Bank International.

Yovi's level of motivation and commitment has been outstanding. Determined not to give up her studies when she moved overseas, she has fully embraced 'distance learning' and gets up at 5.30am to study before work. In fact, she took her last exam just days before the wedding. Determined to carve out a career in International Trade, Yovi hopes one day to work for NZTE, working closely with exporters in the marine industry. We wish the happy couple all the very best!



## Do you want to grow your exports?

There is no better time to turn professional

## **Diploma of International Trade**



Professional Development for Exporters

Next intake 1st July 2009







## **Resources on Global Issues**

A few weeks ago the School hosted some of the Dev-Zone team. Dev-Zone is a programme of the Development Resource Centre, an independent, not-for-profit, non-governmental resource centre on global issues. Dev-Zone informs people to take action to create a just world.



Focused on the Pacific, with a global reach, it provides information on a wide range of development issues including a library of over 700 DVDs, 10,000 books and 600 journals covering topics from climate change and rainforest destruction, to human trafficking and trade. The library is free to join and resources can be sent anywhere in New Zealand free of charge.

Dev-Zone also has a great website with links to research, analysis, news and action on global issues; you can sign up for e-mail updates on development issues and development jobs and subscribe to *Just Change magazine* which is published three times a year, tackling issues of global importance with contributions from across the Pacific.

## Stories from our globetrotters

This issue we focus on **Kevin Gilbert**, Managing Director of Thermaflo Liquid Process Systems based in Palmerston North. The company specialises in the design and manufacture of stainless steel equipment for the heating, cooling, and processing systems within the dairy, juice, and general food processing industries, as well as the installation and commissioning of equipment such as boilers, airconditioning and factory ventilation.

Born in the Hawkes Bay and now living in rural Feilding, Kevin completed some engineering papers as part of his Degree and therefore has a strong understanding of the needs of farmers and food process manufacturers. In 1996 he was taken on as a consultant, then offered the position of Commercial Manager at Thermaflo, eventually moving up to Managing Director and a major shareholder in the company.

From its inception, Thermaflo has had an export focus, initially in India, Sri-Lanka and Nepal in reaction to strong enquiries from those areas. Today, given the company's considerable experience in 'tough markets', it is not surprising that Kevin and his team are not afraid of a challenge!

In a typical year Thermaflo will be involved in a range of small domestic projects, perhaps four or five Australian based projects, and one or two further afield in Malaysia, Pacific Islands, Indonesia, Bangladesh or Pakistan and it is those far-off markets which make up between 60—70% of the business.

### The kiwi advantage

Kevin considers himself lucky to be representing a solid kiwi firm in a market where expertise, experience and high quality, put Thermaflo at a competitive advantage. Overseas, the company is often preferred over cheaper Chinese competitors due both to its high reputation and also the positive regard in which New Zealand firms are held in target countries.

Furthermore, despite the fact that Indian companies could undertake the same contracts for two-thirds of the cost, the company is successful in Pakistan and Bangladesh, simply because the political environment favours more 'western' companies.

Coming from a relatively safe and stable environment like New Zealand, doing business in risky markets can be challenging, but the company does everything it can to mitigate those risks. Limiting financial risk for example, is something which Kevin

recommends in any market, but when there is a clear danger, it is especially important to consider the physical risk to personnel.

"Fully aware of the potential to blow up..."

Kevin talks of a project he was working on in Lahore at the end of 2008, his clients were keen to meet in a popular hotel in the CBD but "fully aware of the potential to get blown up", Kevin opted for a more low-key venue, explaining the risk to his clients.

Similarly, Kevin doesn't use public transport, keeps away from crowded areas, avoids cities such as Islamabad and keeps his trips short, spending the tiny amount of 'down-time' available in his hotel, rather than sight-seeing — always erring on the side of caution. Kevin also suggests keeping away from risky countries prior to, or following political elections and tells the story of a colleague who was trapped in his car during the cross-fire between two opposing parties immediately following an election.

## A job he loves

Dangers aside, just what is it that Kevin loves about his job? "Learning about different cultures, especially the ways in which they communicate. Most Asian's for example, think differently, negotiations can be slower and they are not as up-front as kiwi's". Kevin also enjoys seeing projects through from start to finish, although it isn't easy discussing problems and finding solutions at a distance.

#### Frustrations?

So, what frustrates him? "Government needs a strategy to help exporters. NZTE do a reasonable job, but we do a lot of work in Australia and the help that companies get from Austrade is far greater than what we get here." He admires initiatives such as Better by Design but says "we need more of this. We couldn't get funding for our R&D projects because the fund was over-subscribed and we've had to put this on hold; and it was a mistake

to remove the R&D credit, we need more support".

Kevin also believes that there is a need for greater efficiency throughout the country: "we're a small place, there is a proposal to establish a Food Innovation Centre up in Albany, as well as several other similar centres and research facilities, but they would all be competing for the same business - it needs to be centralized. Value added food is the key and we need a centre to promote this in the New Zealand".

Kevin is keen to acknowledge the help he has received within the Manawatu region, particularly the Chamber of Commerce and EMA. He is also part of an informal group of like-minded business people who meet regularly to support each other through the rough and the smooth and he recommends all business people build a similar network.

Now just one module away from finishing his Diploma, Kevin says that whilst he struggled with the International Trade Research module in particular, he found it highly practical as he was "forced to fully investigate and test my gut instincts and to back them up with facts, which is a far better way of doing business."

"International Marketing was really useful too, in that it helped the company to framework its market opportunities.

Overall, the course has helped articulate and formalise what we do and provided a check on the way we do things".

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## **Recognition of skills and experience**

From a personal point of view, Kevin is glad that he will soon have formal recognition of his skills and experience in the form of a qualification, although he admits that studying has encroached on his private life and the last days before an exam can be frantic. "It was great to get an extension on one of my assignments, otherwise it would never have got done, so the flexibility has been brilliant" and now there is light at the end of the tunnel, the journey has been worthwhile and it won't be long before he can dedicate more time to his new love — diving.

## **Scholarships update**

Once again, the School is able to make available a number of scholarships for exporters after reinvesting some of the proceeds from course fees, as befits its status as a Charitable Trust. "We are delighted to be able to lend our support to exporters in such a practical way and hope that in providing these scholarships, those who might otherwise be unable to participate in the Diploma will be given the opportunity to do so"said the School's Director Romuald Rudzki.



First recipient of the joint NZ School of Export and Marlborough Chamber of Commerce 'Export Scholarship' is Dan Taylor, Sales and Marketing Manager at Forrest Wines who starts the Diploma in July. Evidence of Dan's commitment to the Marlborough region and the Forrest family business was the key to winning the Export Scholarship: "I am dedicated to the winery I work for and more importantly, I am committed to the Forrest family. I want their export business to be as successful as it can be" says Dan. "Living in Marlborough made it difficult to find a course to attend in person, the Diploma fits my needs perfectly and receiving the Scholarship has provided a massive motivation for me, I want to do well for myself and for John and Brigid".



Jamie Laird, Regional Co-ordinator, NZTE is the first recipient of the joint NZ School of Export and Manawatu Chamber of Commerce 'Export Scholarship'. Jamie, who began the Diploma in February, was keen to study for the Diploma in order to better meet the needs of his clients: "Participation in the course has allowed me to provide real, practical information to local exporters. The Scholarship has helped me immensely. it has helped financially, but is also an indication that the Chamber, the School and NZTE can see the benefit of me studying, they have belief in me and that provides me with the motivation to succeed'.

## What does a Trade Commissioner do?

In February of this year, our Director was fortunate to catch up with Anne Chappaz, New Zealand Trade Commissioner who at the time, was based in Canada. In this interview, Anne explains how she became a Trade Commissioner, and shares some stories and tips for exporters.

#### **About Anne**

Anne was born in the Wilton district of Wellington but grew up in the Auckland suburb of Remuera. Her education includes a MA (Hons) degree from Auckland University in Economic Geography, with a thesis on regional planning.



Anne Chappaz (centre), Trade Commissioner, with Dr Romuald Rudzki (left) New Zealand School of Export and Mark Hargreaves (right), Regional Manager, NZTE

A second Master's degree with Honours in English was gained from the University of Bordeaux III in France. This period of study was mainly for fun while she took time off to have her children: two girls, the older of whom is now studying in Los Angeles. Her thesis for the second Master's, was written in France and looked at how Katherine Mansfield wrote about New Zealand in her short stories and how this reflected both an outsider's view (as Mansfield was by then living in England) and her reaction to the death of her brother in the First World War.

Anne is clear about the value of looking at your own society from the outside as it allows you to develop *cultural intelligence* including the ability to react positively to foreign influences as well as to be conscious of your own perspectives and prejudices.

Anne's first job was at age 13 when she was paid to shelve books at Remuera library. Her career got off the ground when she was the very first graduate trainee to be employed by the Shipping Corporation of New Zealand (which had been established in 1974 and then privatised in 1989). For fun, Anne goes tramping and skiing (back-country and downhill) with her mountaineer husband and younger daughter. She has duel European and New Zealand citizenship and speaks French fluently.

#### On becoming a Trade Commissioner

Anne had worked in a number of manufacturing companies both in New Zealand (such as the furniture makers Criterion) and in France (such as Petzl, the family-owned business who are the world leaders in security equipment and headlamps for cavers, climbers and rescue teams) where she looked after the 50% of turnover derived from export. She acquired a very practical knowledge of the exporting process, including managing freight negotiations, complex letter of credit arrangements into India and Africa, shipping documents, payment terms etc.

In 2000 Trade New Zealand hired her to join their new 'Export Hotline' as a consultant for firms seeking help on growing their exports. The hotline still exists as the Business Services Team and deals with questions from companies including those who have developed a new product and want to sell it to the world.

From there, Anne moved into a sector management role, working with textile and apparel companies in New Zealand before being offered the post of Trade Commissioner and Consul General in Vancouver where she was based from 2003-2008. While she was there, her role grew to cover management of New Zealand's trade promotion operations in Canada, Mexico and Western USA, with three Trade Commissioners reporting to her.

#### What does a Trade Commissioner do?

Anne explains: "Trade Commissioners manage a team based in an offshore market that deliver economic benefit by helping New Zealand firms to grow their international markets. There are three aspects:

A. Building the overall profile, access and reputation of New Zealand and our network of contacts through representational work, good news stories to media, government to government connections and working with MFAT to resolve tariff and non-tariff barriers.

- B. Building strategic relationships and gathering market information that leads to opportunities for New Zealand companies. Looking for ways of converting these opportunities by driving collaboration between firms, through special projects, trade missions etc. Market information is gathered in two main ways:

  (i) in New Zealand, through the Knowledge Solutions team who deliver quality reports based on desk research including Country Profiles for most markets
- (ii) in the offshore market, through use of local knowledge and strategic relationships to identify gaps in the market which New Zealand companies could fill
- C. Working with a portfolio of internationalising firms to support market entry, reduce risk and maximise growth through competitive information, networks, specialised research, support at trade events etc. Research for these firms is specific to their product and market, and is part of an overall engagement with NZTE. Trade missions are often sector-specific, for example, on the inaugural Air New Zealand flight from Auckland to Vancouver, the demand for new green technology in Canada led to a sector focused trade mission. It is important to belong to your industry association in order to access these opportunities.

#### How do other countries access Canada?

"New Zealand's trade promotion is focussed in Vancouver because of the Pacific-rim focus and air and sea links. Other countries do things differently, for example, Germany has a bigger presence in Toronto and Montreal.

#### How can exporters work smarter with a Trade Commissioner?

Anne is clear about how to get the most benefit from working with a Trade Commissioner: "Make sure that you connect via NZTE in New Zealand with the NZTE representatives in your markets of interest. The more we know about your ambitions in a market the more we can be your eyes and ears when scanning journals, meeting people and recognising opportunities. But before you actually come to a market it is imperative that you invest in research (in house, with NZTE or with a consultant) so that you understand the nature of the market you are targeting. This research should include the regulatory environment, competitive environment, possible market entry models and possible partners, key trade events journals etc. Be aware that some countries are very, very big — such as Canada or the US - and that opportunities for New Zealand firms may be in a very small niche or in a limited geographic area."

#### What is your best story from your Trade Commissioner days?

"The new Air New Zealand direct flight from Auckland to Vancouver with a 'plane load of politicians, companies and media touching down and embarking on a programme of visits that co-ordinated all the New Zealand government agencies to maximise the benefits from this new connection. There was such a good spirit of collaboration and co-operation that companies were passing on opportunities and contacts to each other and ended up with new business arrangements between them as well as new contracts in Vancouver and Seattle."

"Trying to cope with minus 20 degrees Celsius in Ottawa...and a massive blizzard in Toronto on the night of the Lord of the Rings premiere - there was a still a good turnout despite the blizzard warnings with guests turning up very well wrapped. It was a great night in very difficult circumstances."

#### What is the best advice you can give to a New Zealand exporter?

"Lift your professional game so that you are incredibly responsive to opportunities and potential connections. Understand in detail how your product or service will create benefits to your client as well as the end user — don't just sell the features but focus on the benefits. Be prepared to explain this in a very tight, very compelling pitch with quality collateral. For example, a New Zealand company selling triage software to hospitals, showed with actual figures how their new system would reduce waiting times, reduce overall costs, increase customer satisfaction and help the hospital meet its targets for health outcomes. Also make sure that you understand subtle cultural differences that could affect your credibility. There is no shortage of profitable niche opportunities. New Zealand companies have been successful in exporting a whole range of products as diverse as Icebreaker's clothing and Glidepath's baggage handling system for Vancouver airport."

#### Keys to success in offshore markets

Anne identifies the keys to success as preparation, focus and confidence: "Prepare by doing your research before anything else and make sure that your research allows you to put yourself in your customer's shoes to meet their needs by proving what you claim with actual figures. Focus on a region and a target market within that region – don't try and be all things to all people. Confidence is important because Kiwi reticence can be perceived as someone who doesn't believe in their product. You need to come across as confident, bold and passionate." This suggests that Kiwi exporters should be able to prove they have a track record of success and can deliver the goods. It is also a good idea in those countries not to be backward in coming forward.

#### Where are the Trade Commissioners based?

The business.govt.nz website defines a 'Trade Commission' as "An office with the responsibility of promoting trade in a specific region by providing information, contacts, and support for business wishing to export to that area." There is a lot of information about NZTE international services on <a href="www.nzte.govt.nz">www.nzte.govt.nz</a>. Several countries have Trade Commissions (although they may be called something else) in New Zealand including Australia, Canada, China, Denmark, Great Britain, Japan, and Sweden. Their usual role is to support imports into New Zealand from their respective countries, however JETRO includes exports as part of its brief.

New Zealand Ambassadors are sent out from the Ministry of Foreign Affairs & Trade (MFAT). NZTE with their team of Trade Commissioners and Regional Managers usually operates offices co-located with Embassies or High Commissions. However in some countries our trading interests lead us to set up separate offices in other cities. Sometimes these offices also operate as Consulate-Generals (such as Hamburg, New York or Milan) For a full list go to: http://www.nzte.govt.nz/section/11903.aspx. The staff are either secondments or locally-recruited. Anne returned from Canada in 2008 and is currently working as the Manager for Regional Economic Development at NZTE based in Auckland.

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