

Taking Care of Business

Economic Development Unit Newsletter—December 2012

EDM update

There have been many pleasing outcomes for the ED Unit since the last edition, not the least of which was being able to attract a visit from the NSW Legislative Assembly's Special Committee on Regional Development.

The fourth Sydney Inner West Small Business Expo held this year in Leichhardt was greatly appreciated by both attendees and exhibitors, recording a 90%+ rating for venue, speakers and content. Eligible to host next year's event are City of Canada Bay, Burwood, Marrickville and Strathfield with the ED Unit having an obvious preference.

The Urban Centre Program is really buzzing (see later article) and I would like to take this opportunity to commend the excellent work done by Prue Foreman and John Whelan. The renewal of the memorandum of understanding with City of Sydney ensures a collaborative and consistent approach to business issues and opportunities in Newtown.

On the subject of Urban Centres, it is clearly apparent that the changes to the Footpath Dining Policy have been extremely well received and are proving a great attraction for businesses seeking to relocate or set up as new businesses in Marrickville; great examples are Seed Cuisine and The Counter in Audley Street Petersham. Our next objective is to add entertainment to the dining platforms and plazas by encouraging busking and programmed events. The rear cover of this edition evidences what can be done in this space.

Results of the Business Confidence Survey evidence that Marrickville is not suffering as greatly as other parts of Australia with most businesses having a positive attitude towards the future.

Business Skills Development will be high on the agenda again this year with the Westpac Workshop Series already proving very popular as are the regular meetings of the Home Based Businesses and Women in Business Groups. Of particular interest will be the six session course presented in partnership with Binarix (the group who helped deliver the very successful Young Entrepreneurs Program) covering all aspects of closing sales and generating repeat and referral business.

Duncan Gilchrist
Economic Development Manager

Marrickville Manufacturer's Forum 2012

Local manufacturers appreciate the round table discussion with members of the special NSW Parliamentary committee before embarking on a tour of local industries. Committee members present comprised the Chair David Elliott MP, Christopher Gulaptis MP and Noreen Hay MP. Members of the Marrickville Manufacturers Association presented the committee with a number of problems facing the future of manufacturing, in particular, the impact of the rising cost of electricity. The matters raised were taken on notice and a formal response



will be forthcoming.

First port of call on the tour was The Pasta Factory, owned and operated by the president of the MMA Gino Farrugia followed by a visit to a robotics specialist, Marathon Targets. Dr Tobias Kaupp, co-founder, explains to David Elliott and the Mayor, Clr Vic Macri the concept behind the robotic targets and the success they have had securing defence contracts with the USA government. Visitors gave the sample robot a wide berth as it moved menacingly around the factory under its own "self awareness" program.

The group then moved to its final destination, New Directions.



The ground floor of New Directions incorporates state of the art development, testing and manufacturing facilities which produce an array of aromatic oils and products exported to markets throughout the world. The upper level contains a very spectacular array of product displays which are interlaced with the organisations administration section.

All of the industries visited provided excellent examples of the successful exploitation of niche markets. Large production manufacturing is being replaced by creative industries capitalising on special talents and abilities.



In the 1930's Marrickville was the Mecca of manufacturing with over 800 operators. The Australian Business Register, based on ATO information, indicates that Marrickville currently has 743 manufacturers! Manufacturing what? - clothing, shoes, jewellery, food, robots, oils/ essences, wrought iron, chemicals etc etc. Manufacturing contributes more to the GDP of NSW than both retailing and mining.



4th Inner West Small Business Expo 2012

“Walking the Talk”
‘Simple steps to making more money’

AUGUST 3rd Le Montage 38 Frazer Street,
Lilyfield 2040

Once again the Commonwealth Bank was the Major Sponsor of the Expo with those in attendance appreciating the range of business products available from the bank and the friendly personal attention afforded by Naomi De Rooy and her colleagues. With Burwood Council participating this year after a two year absence due to restructuring it was good to see once again all Inner West Councils in attendance.



It was very pleasing to welcome the team from She Business who run the Women in Business Group in Marrickville. There has been a significant increase in the number of business women attending the Expos and other facilitated events with many of them operating emerging Home Based businesses looking to expand. The Women in Business Network now meet upstairs at Seed Cuisine in Audley Street Petersham (see www.marrickvillebusiness.com.au for details of meeting times)

Many of those in attendance at this year's Expo were in fact people contemplating the initially daunting concept of setting up their own business. Feedback indicated that the structure of the Expo had a nice flow to it with businesses easily able to follow the suggested steps and advice provided.

The venue at Le Montage provided to be an excellent choice with attendees appreciating the central location, and above all, excellent parking.



This year's keynote speaker was Robert Gerrish the author and founder of Flying Solo. Attendees were able to obtain signed copies of his seminal publication on going it alone in small business as well as membership in Flying Solo. A visit to Robert's web site is recommended in order to fully comprehend the massive amount of assistance available to small business (www.flyingsolo.com.au)

Robert was followed by Peter Capp, author of "Shut Up! And let the customer speak". Peter's unique presentation style had the audience engrossed and amused as he explained some of the basics for small business that are unconsciously overlooked.

With the audience warmed up Akash Malic of Maverick Mav explained the difference between an ordinary Facebook page and a Business Facebook page. It was obvious from the reaction that many were not aware of the difference and/or how to go about using this social media effectively for a business.

Akash is also at the forefront of developing smart telephone applications for individual businesses as this preferred multifunctional communication device and "pads" grown exponentially in popularity.



Another Expo favourite, Patrick Zuluaga of PMZ Marketing then brought all of the previous points together in the context of using digital media to develop a comprehensive and proactive marketing strategy featuring dynamic calls to action and the foundation for repeat and referral business.

Patrick also has a very active web site which promotes networking, the major common thread of all speakers relating to success stories for small business. All people involved in successful small business are highly effective networkers.

The continuing message coming out of the Expo was that devices will do so much but it is the person to person contact that develops real business relationships.

And then our penultimate speaker asked the following very embarrassing question?

Do you really know what closing a sale means?

Enter Vanessa Van Wyk of Binarix with a soul searching, often amusing, look at how to actually close the sale. Utilising her very ebullient personality coupled with audience participation Vanessa was able to demonstrate that whilst many business operators are excellent “demonstrators” they do not close the sale, that is, actually take the order by obtaining a signature or the money.

Vanessa has an especially strong affinity with young people seeking to venture into business for the first time. This was vividly demonstrated as the coordinator of the Young Entrepreneurs Program, funded by the NSW Department of Trade & Investment and facilitated by the Marrickville ED Unit.

Vanessa will be running a comprehensive series of workshops in Marrickville in 2013 targeting businesses looking to hone their sales skills and increase their conversion rates.

The final presenter was Savanth Sebastian from CommSec.



Savanth provided an overview of the current economic climate in Australia with insights into what the future held for small business. This proved to be a very lively session with Savanth receiving a comprehensive grilling on current government policies.

In 2013 the expo will be entering its fifth consecutive year and the survey results indicate that business wants the event to continue on an annual basis and in the current format.

In 2013 the event will be rotated in keeping with the original agreement between the Inner West Councils. The front runners to host in 2013 are Burwood, Strathfield, City of Canada Bay and of course Marrickville. For the last two years Marrickville has provided the event coordination and now has in place an excellent event management system for this event. Over time through sponsorship and minimising expenses the event has become self sufficient.

The most important and pleasing outcome of the Expo is that all attendees and exhibitors leave having learned something new and practical about how to run their business better.

One important outcome from 2012 will be the extrapolation of topics of interest into full training courses. Appreciating that it is not possible to deal with the subject matter in the depth required, the Expo has become a significant sounding board to determine where businesses feel their skills are lacking or what new developments need greater understanding. Accreditation will be available through courses aligned with TAFE and the Business Enterprise Centres. On a number of occasions the courses will be more of a practical nature passing on skills that cannot be gained out of a text book.



Sustainability

Vanessa Rowland and GreenBizCheck are regular exhibitors at the Expo and once again added to the message of sustainable business practices.

The excellent work being done through its Target Sustainability Program is promoted and referenced as best practice by local government.

Businesses are appreciating more and more the value not just to the community but to their bottom line of adopting ecologically sustainable practices in their business. The ability of the Expo to target businesses in their start up phase has been well utilised to consolidated the environmental policies of the various councils involved with the Expo.

A feature of the 2013 Expo will be a comprehensive explanation of the impact of the Carbon Tax.



2013 Small Business Expo

Suggestions regarding content, format and even venue should be forwarded to Marrickville's Economic Development Unit c/-

- PO Box 14 Petersham 2049, or email
- edm@marrickville.nsw.gov.au or call
- 9335 2204

Marrickville Business Association

www.marrickvillebusiness.com.au

The MBA continues to gain recognition as the umbrella organisation for businesses and other associations in the Marrickville LGA. Auburn Council will be the next council to follow suit by setting up their equivalent interface between council and local business as a result of recent discussions with the ED Unit.



TradeTube and the Beirut Hellenic Bank are two of the latest businesses to utilise the services of the MBA. The Bank of Cyprus has also re-launched as the Delphi Bank and will be using the MBA to spread the word. MBA and Westpac have just completed their last free business workshop for 2012 and will be running them again in 2013. Check the web site for dates and registration.



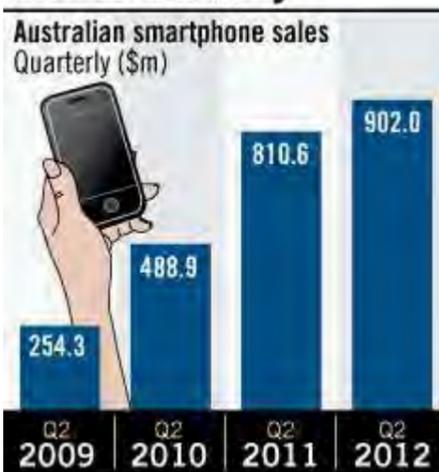
The MBA, supported by the ED Unit will again be running the Excellence in Business Awards including the recognition of businesses with 20 years or more service. If you know of a business that may be eligible for a long service award please let us know.

Throughout 2013 the MBA in conjunction with the ED Unit will be actively promoting the value of social media and mobile telephone applications to local businesses. Despite the fact that certain people known as 'trolls' delight in circulating damaging and destructive comments most discerning potential customers are able to pick up that in most instances they are far outweighed by constructive reviews and recommendations. The Attorneys General of all states of Australia met recently to look at substantial penalties for abuse of social media in order to curb the activities of 'trolls'.

The table below shows the growth in smart phone sales in the June quarter for the past four years - \$902 m in three months may seem astounding but industry leaders have indicated sales are falling with the big growth area now being tablets.

Hands on training courses will enable local businesses to harness the full potential of these cost effective communication and referral generating tools. TAFE Petersham will also be partnering by providing their computer training rooms at reasonable rates. BEC Sydney will also assist with the provision of trainers and supervisors.

Mobile maturity



The proposed courses will enable businesses to have their web sites fine tuned, add a Facebook page and leave with a vanity URL as the participants first action will be to like each other. The MBA will also be announcing special deals with nominated providers to further encourage the uptake of this technology. Taking Care of Business will also provide an analysis of 2012 Christmas trading to demonstrate the hot areas where on line trading was most effective.

Urban Centres

Newtown

The memorandum of understanding between Marrickville and City of Sydney Councils has been renewed for a further three years. The Newtown Precinct Business Association has done an excellent job implementing the agreed service contract. We recommend you check out the website www.newtownprecinct.com and explore the offerings of this iconic Bohemian precinct.



Marrickville

The Christmas decorations are up and the CBD has plenty to offer shoppers over the Christmas season (see poster on back page). Put Saturday 16 February 2013 (11am to 4pm) into your diary as Lunar New Year comes to Calvert Street Car Park which will be closed to celebrate the Year of the Snake. Traditional Dancing Lions will be joined this year by the spectacle of a Dragon and supported by entertainment provided by our cultural groups for whom this time of the year is so important. The God of Wealth will also be handing out traditional red envelopes (*hong bao* in Mandarin) wishing you happiness and prosperity for the New Year.

Petersham

The doom and gloom just cannot seem to find a foothold in our LGA with Petersham a prime example of local economic growth. With a number of developments about to be completed in the CBD including the old Skating Rink, great eateries like Seed Cuisine and The Counter popping up and receiving great reviews in the Sydney Morning Herald, the good news continues with Serenity Fedele Upholstery & Soft Furnishings, 534 Parramatta Road Petersham being selected to feature their products in the next series of NBN 9's highly successful series *The Block*.



Parramatta Road

Marrickville and Leichhardt Councils are collaborating to create consistent landscaping on both sides of the road and some more informative signage to improve passing motorists' awareness of the business attractions in the side streets such as the Italian and Portuguese dining precincts. The concept is to make the area more attractive to potential customers, provide business owners with the same benefits available in other parts of the LGAs and ensure that something proactive is happening to capitalise on this very valuable

asset while the debate over Parramatta Road's future continues to be a thing of dreams (or nightmares depending on your perspective).

Dulwich Hill

While other urban centres opted for Christmas decorations Dulwich Hill elected to invest in the upgrade of the fairy lights which were installed many years ago. Installation has commenced and should be finalised by early 2013. At the same time pigeon spikes will be installed to discourage the local bird life from setting up home under the awnings as the droppings create not just a mess but a health hazard by attracting vermin. The car below provides an extreme example of a "Poop Art Gallery"



The 'Discover Dulwich Hill' project will also start later this month. This project will encourage visitors to visit the tucked away corners of the urban centre where they will discover unique shops and offerings which otherwise would be overlooked. For example check out Strawberry Fields in Loftus Square (our name for the small park at the end of Loftus Street)

Stanmore

In early 2013 Stanmore will be the subject of one of the Economic Forums to be run that year. The ED Unit is responding to concerns that the business mix in this charming urban centre is out of balance with stores that formally provided basics such as fruit and vegetables being replaced with studios and service businesses. Residents who surrendered their motor vehicles when they moved in are now having to become motorists again to drive to Market Town or the Metro. This also highlights that while the LGA has adequate east west transport, travelling north south can be quite arduous.

Believe it or not: One local real estate agent advises that Stanmore has become very attractive to people, from the Lower North Shore, who are hearing impaired. They are able to buy very attractive properties in the Inner West without noticing the problem of noise resulting from the flight path to Mascot being directly overhead.

LOCAL CHAMPION



And the winner is**New Directions!**

Located in Carrington Street this highly successful manufacturer of aromatic oils and essences provided the venue for the graduation of the Young Entrepreneurs Program, Target Sustainability Awards and hosted the special NSW Parliamentary Committee into Regional Economic Zones. Congratulations to Domenic Ardino and his staff for being this issues number one corporate citizen. Visit their showrooms and be inspired by this first rate local example of niche manufacturing.

Economic Development 101

The ED Unit, in conjunction with Kiama Council, was responsible for delivering a very successful economic development conference. The conference, "Experience, the Difference" was designed to showcase examples of successful economic development strategies. NRL supporters may recognise the gentleman in the front row giving the thumbs up, Clr John (Joe Cool) Dorahy former fullback for the Kangaroos now a councillor at Wollongong Council.



An economic development special interest group has now been formed and will be having its inaugural meeting at Ashfield later this month.



According to the latest news City of Sydney will be following Marrickville's example by drastically slashing Footpath Dining Fees as an incentive for local cafes and restaurants. Feedback from businesses in the Marrickville LGA continues to be extremely positive with more and more tables and chairs popping up on the footpaths adding to the vitality of our dining strips.

The ED Unit will be calling into all eligible establishments to make sure they are aware of this opportunity. A big thank you to Monitoring Services and the Planning Section of Council for their considerable contribution to this wonderful initiative.

The next thing we have to do is improve the entertainment, so if you or anyone you know is seeking to busk or perform let us know and we will try to set you up with a suitable 'gig'. Watch out for the next newsletter with details of the 2013 *Battle of the Buskers* to be held in the Marrickville and Illawarra Roads precinct.



BUSINESS CONFIDENCE SURVEY 2012

The ED Unit completed the 2012 Business Confidence Survey which fairly well confirmed what we already understood through interaction with numerous business throughout the past year.

A number of significant occurrences and/or sets of circumstances have contributed to the continued buoyancy of the Marrickville economy.

Marrickville continues to have appropriately zoned industrial land close to Sydney Airport and Port Botany. The arrival of IKEA provided a boost for the Tempe area with complementary businesses taking up vacancies in the area.

The Marrickville Manufacturers Associations has brought a new awareness to the value and importance of manufacturing to the Marrickville economy. While a great deal of the 'older style' production line manufacturers have departed they have been in most cases replaced by an equal number of boutique manufacturers servicing niche markets.

Of the factors named as being constraints to growth, two of those for example, the cost of rising rents and utilities are off set by the high level of ownership of the premises in which the business operates. Just on 50% of all businesses either own their premises or lease from family members.

Marrickville has seen a steady influx of new businesses especially in the food and hospitality industry. A number of new cafes and restaurants have established themselves in Marrickville, Dulwich Hill, Enmore and Petersham while Newtown businesses have consolidated. It is interesting to note that some of these businesses have relocated from areas thought to be highly desirable places in which to have a business.

There are a number of Council initiatives which have contributed to businesses moving into the area which are summed up by the following comments;

“No licence dining platforms provide a real saving, enable people to inexpensively trial outdoor dining and shows Council is listening”

“Shortly after moving in our business was hit by graffiti and you can image how surprised we were when a person from Council showed up in the wee small hours of the morning, removed the graffiti and at no charge!”

“The street sweeper comes through every morning like clockwork. We didn't get service like this is the last place, the cleanliness is a big boost for trade”

“We love working with the Target Sustainability people. They know where we are coming from and understand our efforts to do the right thing”

“The bonus is living in Marrickville. Council does so much for the residents, like the chemical collection day”

As most business in Marrickville are family businesses the decision to move to the area is made collaboratively by the family partners. In this regard the social structure of the area is a strong influence.

Supply of Skilled Workers & Training

The need to maintain access to a pool of skilled workers and continued learning was identified as a high priority although many businesses did not adequately budget, if at all, for the cost of providing that training. There was in fact a desire to shift the onus for training onto free government or other subsidised educational organisations.

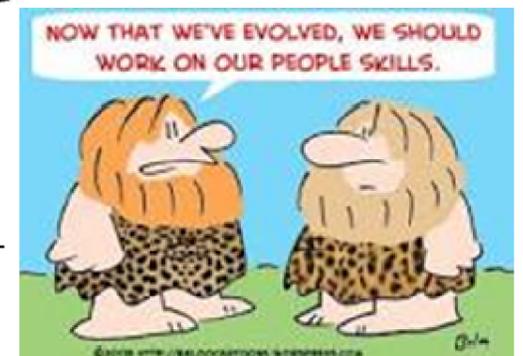
The ED Unit is addressing this situation by assisting businesses to tap into cost effective programs which will assist with training needs. The Ed Unit, in particular, can assist with skill development targeting the basics required to run a successful small business.



“It looked so easy—just scoop and eat”

People Skills

Good manners, courtesy, call it what you will but the lack of same, what is often referred to as good old fashioned customer service, will cost a business dearly if not addressed professionally. The 'other side of the counter' indicated that good customer service is more important than bargains and cheap deals. The survey indicated that many Marrickville businesses rely heavily on the local and adjacent LGAs for the greater percentage of their business. With this in mind it is of paramount importance that these businesses maintain a high level of customer of customer satisfaction. Customer service is a big differentiator and fortunately this is recognised by many of our successful businesses.



The good news is that business is looking to 2013 with a very positive attitude, expecting local growth trends to enable them to maintain cash flows and expand with the addition of new staff and the conversion of part timers to full time.

It is important to read between the lines when looking at economic forecasts, especially those of the big banks. One major bank indicated business activity was at its lowest for two years but this was a referral to the level of business borrowings from that bank. An independent economist later qualified the report by stating that business cash flows were good albeit business was still reluctant to invest fully in growth.

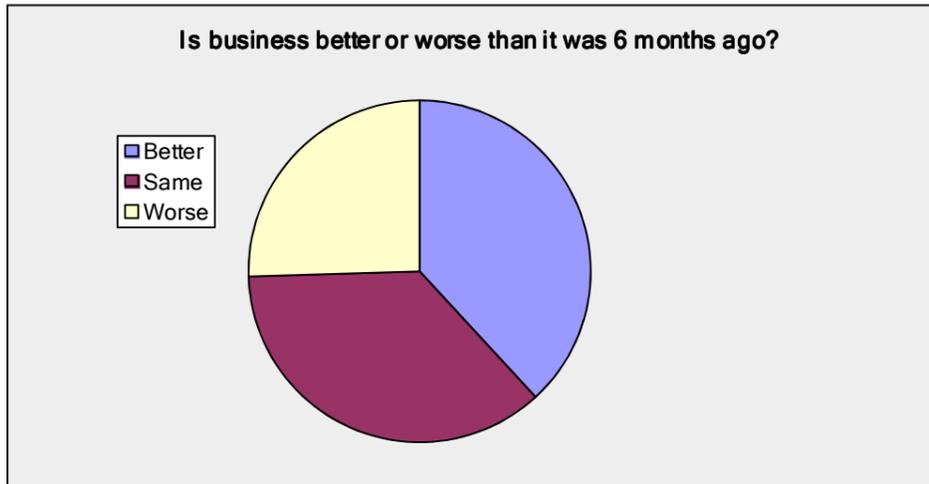
The next Business Confidence Survey will take place in late 2013.

BUSINESS CONFIDENCE SURVEY 2012

Summary of responses to key questions:

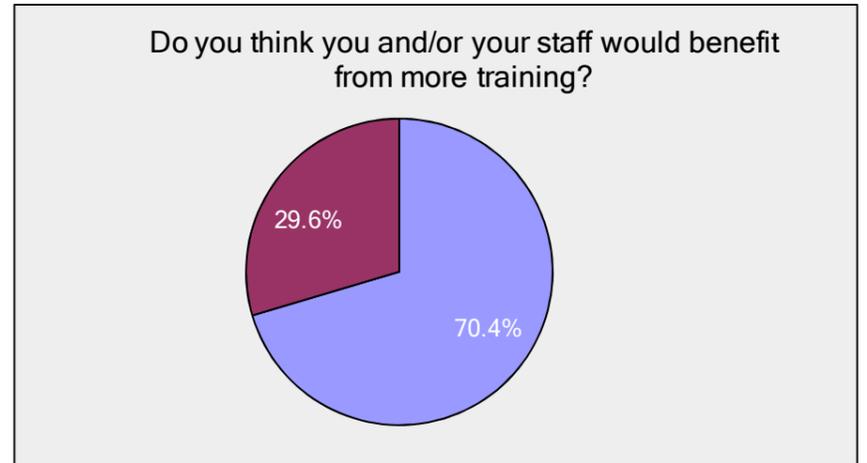
Is business better or worse than 6 months ago?

Better 38.2%
 Same 36.4%
 Worse 25.5%



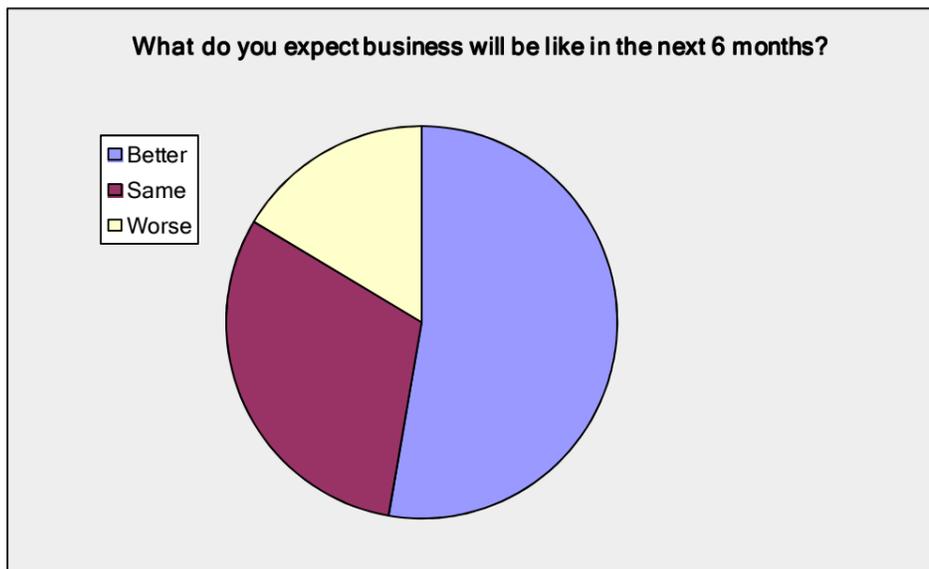
Do you think you and/or your staff would benefit from more training?

Yes 70.4%
 No 29.6%



What do you expect business will be like in the next 6 months?

Better 52.7%
 Same 30.9%
 Worse 16.4%

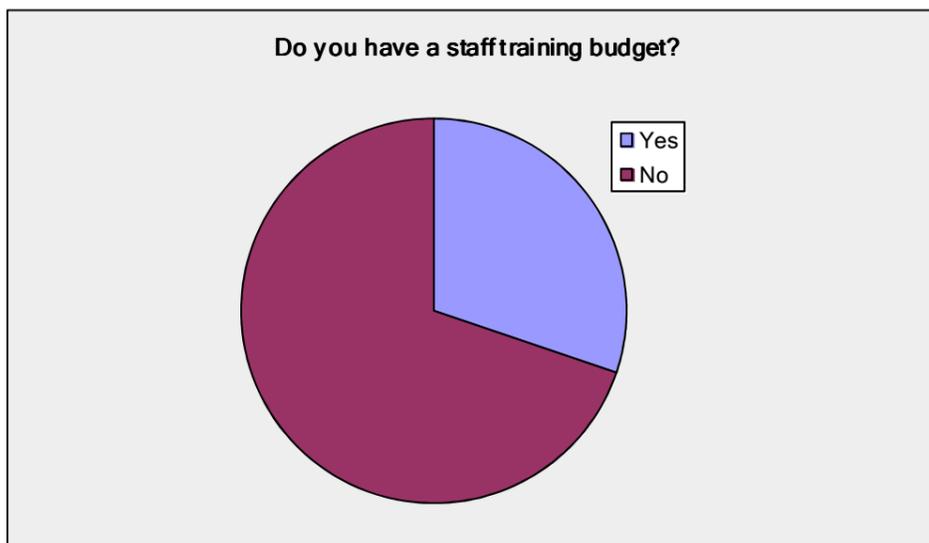


In your opinion, what are the major constraints on the growth of your business?

Rising rents	34.0%
Rising overheads (electricity, gas, water etc)	52.8%
Global/national economic performance	49.1%
Price pressure from customers	28.3%
Price pressure from competitors	24.5%
Problems with planning regulations	15.1%
Declining demand from customers	34.0%
Declining customer base	20.8%
Difficulties in obtaining finance/credit facilities	18.9%
Declining visitor numbers	9.4%
Rising production costs	24.5%
Rising transport costs	20.8%
Availability of skilled workers	22.6%
Price pressure from suppliers	11.3%
Competition from low cost imports	26.4%
Broadband and IT access	9.4%
Personal and/or home pressures	17.0%
Transport infrastructure	13.2%
Shortage of industrial/commercial land	0.0%
Limited supply of materials and/or product	5.7%
Access to training	1.9%
Environmental catastrophes	1.9%
Reduced demand for exports	1.9%
Competition from online traders	11.3%

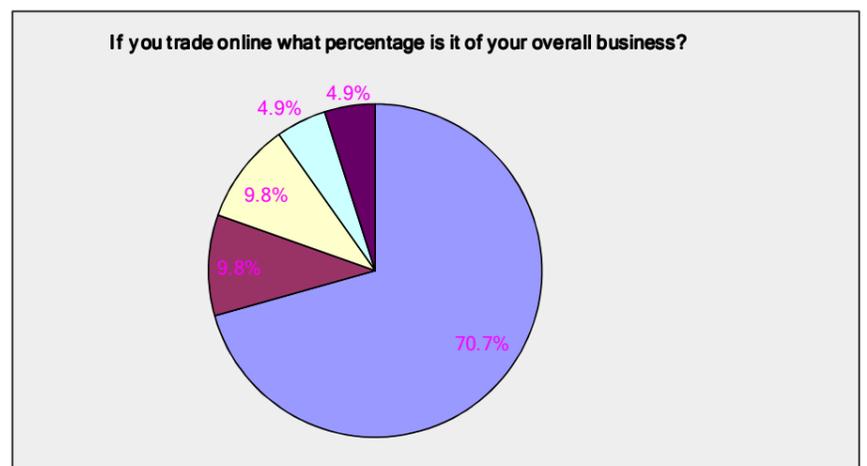
Do you have a staff training budget?

Yes 30.2%
 No 69.8%



If you trade online what percentage is it of your overall business?

0 to 10%	70.7%	50 to 75 %	4.9%
20 to 30%	9.8%	75 to 100%	4.9%
30 to 50%	9.8%		



Merry Marrickville

Marrickville gets into the spirit with plenty of entertainment around Marrickville and Illawarra Rds over the three days leading up to Christmas including:

Get into the Groove

Friday 21 & Saturday 22 December from noon to 4pm jazz band King Hit will play in the Alex Trevallion Plaza



Carols under Fairy Lights

Saturday 22 December from 7pm till sunset Carols under Fairy lights in the Alex Trevallion Plaza with the Salvation Army Band

The Kidz Zoo

Sunday 23 December 11am till 3pm inner city kids will be delighted by the kidz zoo in the Alex Trevallion Plaza



Busking

Busking in Marrickville & Illawarra Rds in the lead up to Christmas



Christmas Roast, Fresh Seafood, Fruit & Veg and Gifts

Pick up your Christmas roast from one of our butchers, or prawns from our fresh seafood shops. There's also plenty of fresh fruit and veg to be found along the Marrickville shopping strip and gift ideas for your family and friends.

Everything you need for Christmas can be found in Marrickville and special Christmas offers are everywhere.

Come in and ask about our specials

But don't just shop, be sure to admire the window displays as Marrickville businesses go up against each other in a window display competition showcasing their creative and festive flair.

Presented by



Supported by



Stop Press!!!

Don't miss the Made in Marrickville "pop up" shop in the Metro from Tuesday 4 December until Sunday 23 December