



### **Metaltec signs LOI with BAE at Farnborough Airshow**

Three years after acquiring the business from previous owners Austrim Nylex, the new owner, the Gillon Group has dramatically transformed the company, establishing Australia's leading Engineering Integrator with the new Metaltec brand and restructuring the company to prosper and grow rapidly in a range of highly competitive local and international markets.

Metaltec's Managing Director is a driving force behind the company's outstanding growth. Recently Tooling Australia interviewed him to explore Metaltec's vision and strategy that has led to such great recent success.

So what is behind the dynamic growth of Metaltec, and what is the future for this Aussie success story. The Director said "Metaltec was at a cross-roads 3 years ago, fortunately our owner, Peter Gillon realised that while the business was struggling, a fantastic potential existed in our people and our technical capabilities. Our job was simply to construct the mechanisms to let our people perform at their best".

These mechanisms were described as a clear vision, a sound strategic plan, the introduction of robust management operating systems and controls and a willingness to invest strongly in key technologies. The vision is simple; be Australia's best performing Engineering Integrator". Metaltec have worked consistently to achieve that vision, strengthening the Metaltec brand in a select group of industries including: Aerospace & Defence, Automotive, Minerals Processing, Food Processing and Rail & Infrastructure. The services and products produced for these markets include Tooling Systems, Precision Components and Assemblies and Fully Integrated Engineered Solutions.

While the market base looks like quite a handful, Metaltec has put in place an organisation structure and engineering capability designed to effectively service each market independently with high levels of specialisation and expertise. Metaltec's Director noted, "while we operate in very different industries, the types of products and services we offer each are typically quite similar in terms of the production inputs required, this allows us to leverage our core expertise and to operate a single highly efficient manufacturing operation".

To ensure specialisation for each sector, Metaltec operates independent divisions which control dedicated resources for marketing, engineering, system integration and service and support. This structure allows us to realise scale efficiencies in production and offer all customers a high level of expertise and detailed knowledge of the specific issues for their particular industry.

The company recently received wide industry recognition for its role in the Victorian Synchrotron project where it provided engineering development and manufacture of the extremely precise magnet positioning structure of the Synchrotron machine. For its efforts, Metaltec received the SME Industry Achievement Award from the Industry Capability Network (ICN) Victoria was selected as a finalist in the National Endeavour

Awards in the import replacement category, as well as being inducted into the prestigious Manufacturing Hall of Fame.

Following on from the Synchrotron success, Metaltec has participated with Boeing on the new 787 aircraft, providing Advanced Tooling Systems for Wing training edge devices such as the Inboard Flap, a huge composite (carbon fibre) structure spanning over 11 metres. With the 787 project now nearing completion, Metaltec has ensured continuity for its Aerospace & Defence business recently signing a Letter of Intent with BAE Systems in the UK for a broad range of Tooling Systems to support the Joint Strike Fighter (JSF) aircraft. The value of work the BAE program will deliver into Australia is estimated at \$230 million over six years.

At a signing ceremony and press conference for the BAE project held at the recent Farnborough Airshow, Metaltec's Managing Director detailed in his speech the critical role the Federal government has played in successfully securing strong industry participation in the project. The company is now working further with government to develop industry capability and international market exposure, playing a key role in support of the Advanced Manufacturing Action Agenda initiative.

In the Mining business, Metaltec has recently secured an exclusive licence to manufacture, supply and support "Astec" Minerals Processing Equipment in Australia. This is a core part of Metaltec's Strategic Plan. Its product range will deliver significant ongoing revenue for the business over future years. The Astec range of mineral processing equipment is recognised as the premium mining brand internationally where its global sales exceed \$1.0 Billion.

When asked what the future holds for Metaltec in the coming years, the Managing Director noted, "Traditionally the big problem for Australian engineering companies has been a lumpy work flow due to the nature of the local manufacturing industry. Our focus is to nullify that risk by taking the Metaltec brand global and securing a range of specialist products and process technologies that will provide a consistent cash flow and activity level sustaining our business long term with a healthy bottom line".