

The CEO Magazine's

# 2017 EXECUTIVE OF THE YEAR AWARDS

## WE'RE BACK IN MELBOURNE!

Applications open 3 April 2017

executiveawards.com.au

DATE
Wednesday I5 November 2017

VENUE

Crown Melbourne





131184

make your dreams
more than dreams

**sun**super

\*SuperRatings Best New Innovation award for Sunsuper for Life Income account, Chant West Best Fund; Integrity, For ratings and award information refer to sunsuper.com.au/ratingsagencies.

Products issued by Sunsuper Pty Ltd ARN 88 010 720 840 AFSL No. 228 975. Consider Product Disclosure Statement before making a decision. Call 13 11 84 or visit sunsuper.com.au for a conv.





The CEO of the Australia's number one family-owned hire business explains the company's values and why it took him so long to apply for the top job

## **36. DANIEL LAMARRE** CIROUE DU SOLEIL

Cirque du Soleil has evolved into a fully fledged entertainment brand that wows audiences across the world

## 40. GRAHAM & JUDE TURNER FLIGHT CENTRE & SPICERS RETREATS

This Australian power couple has done plenty to disrupt both the hospitality and travel sectors

## **50. ANDREW CAMPBELL** HEINEKEN LION AUSTRALIA

Already a familiar name with premium beer lovers, Heineken is raising the bar even higher through new products and partnerships

## **54. JULIE RYAN** CUSTOM D

This MD is focused on creating customisable and easy-to-use online solutions to help businesses stand out

#### 58. SAM FAYAD DYLDAM

He's a CEO who excels in supervising, but he first had to prove himself to the in-laws before moving up the ladder







## **70. MARK HAWTHORNE** GUZMAN Y GOMEZ

Mexican food chain Guzman y Gomez is flipping customers' views on what they think fast food is

## 74. DR RICHARD ASHBY METRO SOUTH HEALTH

Australia's only digital hospital is making lots of noise, as its CEO explains

## INTERNATIONAL EXECUTIVE INTERVIEWS

#### 82. ANDREW JOHNSON AURORA

The lighting company's CEO and founder details why he's more excited than ever about his business, and why innovation is everything

## 88. SERGIO IORIO ITALMATCH CHEMICALS

This global leader in lubricant additives, water and oil additives, plastics and personal care remains on a growth trajectory

## **92. MELISA TANTOCO QUIJANO** NU SKIN ENTERPRISES

Good business acumen and a charitable spirit are what this company credits to taking it to new heights

## 98. KEN KOH YANG KEE LOGISTICS

For Ken Koh, the focus is on creating a global network for the company his father started in the early 90s

## 106. JEREMY SCHWARTZ THE BODY SHOP

During a trip through the Amazon, Jeremy Schwartz realised The Body Shop could do more for the planet

#### IIO. VEN RAMAN ZEISS

A sight for sore eyes in South East Asia, ZEISS has been empowering people with vision since 1846

### II8. DR GERALD KARCH PUTZMEISTER

This company has created a long-term strategy to achieve sustainable profitability, with its customers and their needs at the fore

## 124. XU YALIN

Xu Yalin, the managing director of DyStar, isn't one to rest on his laurels

## I30. TENG SEEN KHOO GATES CORPORATION

Gates Corporation is powering the accelerated movement of its clients' equipment, as well as its own business

## **134. ALEXANDER EVERKE** AMS

The AMS CEO talks sensor technology and an exciting growth strategy for the future

#### 138. KIM RYAN COPERION

Coperion President Kim Ryan explores global growth and new product offerings

EXECUTIVE
INTERVIEWS

03.17







**Finesque** creates sophisticated wealth portfolios for smart women.

We command the expertise of global partners to provide 'at source' investment opportunities, tax structuring and wealth amplification.

We cause the exclusive to become accessible and your life aspirations to be realised.

Welcome to the girls club.



FINESQUE

Level 21 68 Pitt St Sydney 2000 1300 792 720







#### 12. WITH HINDSIGHT

Ramzey Choker, the man behind Sydney's The Grounds of Alexandria, writes a letter to his younger self offering some sound business advice

#### 13. BUSINESS BOOKS

Learn something new from The CEO Magazine's carefully curated list

#### 14. BUSINESS NEWS

Interesting news and views from the business community

#### 17. GLOBAL CONFERENCE ROUND-UP

A diverse selection of conferences from around the world, for that necessary dose of inspiration

## 18. INVESTIGATIVE FEATURE: TURBULENT TIMES

Nicole Madigan takes a good, hard look at what's happening within the world's economy

## 46. MANAGEMENT & LEADERSHIP: THE FUTURE OF THE DIGITAL ECONOMY

What are the ideas that will drive and disrupt society and business over the next 30 years? Fi Bendall shares three to watch

## 64. INNOVATION & TECHNOLOGY: NOSTALGIC INNOVATION

There's disruptive innovation and incremental innovation, but AJ Kulatunga says that there's another kind you should consider, too

## 66. BUSINESS FEATURE: THE SILVER TSUNAMI

What does an ageing population mean for the global economy? Ian Lloyd Neubauer delves into the issue

## 78. MARKETING: BUILD YOURSELF A REPUTATION

Peoples' trust in brands is diminishing, so what should businesses focus on instead to ensure that they succeed well into the future?

## 80. INDUSTRY SPOTLIGHT: MEDIA & ENTERTAINMENT

A snapshot of what's going on in media and entertainment across Asia–Pacific

## 96. START-UPS & ENTREPRENEURS: STAYING AGILE

Renata Cooper shares tips on how to stay agile during periods of rapid growth

## II4. BUSINESS FEATURE: IUNK FOOD GIANTS

We're in the grip of a worldwide obesity crisis. Sam McKeith comes clean about one of the biggest culprits

#### 144. HEALTH & WELLBEING: BRAIN FIT FOR WORK

The number one differentiator for top mental performance is greater cognitive health, says Dr Jenny Brockis

03.17

BUSINESS



E T 31 May - 1 June, 2017 The Star, Sydney

## World Business Forum SYDNEY

## Exclusive CEO Magazine Offer. Use promo code CEO10

#### **Companies**

defined by their progressive cultures and dynamic strategies.

#### **Individuals**

who demonstrate a willingness to risk, fail and risk again.

#### Thought leaders

who offer insights into what it takes to succeed in a Beta world.



ARIANNA HUFFINGTON New Management Co-Founder of Huffington Post Media Group



JIMMY WALES Founder of Wikipedia



**MOHANBIR SAWHNEY** Globally recognised business consultant



**DANIEL GOLEMAN** Emotional Intelligence Leading authority on **Emotional Intelligence** 



**KEN SEGALL** Marketing Former Ad Agency Creative Director of Apple



**ROSABETH MOSS KANTER** Harvard Business School **Professor of Strategy** 



IAN WILLIAMSON Leadership Leadership expert at Melbourne Business School



RANDI ZUCKERBERG Digital Transformation Former Director of Marketing at Facebook

#### **WAYS TO REGISTER**



1300 306 650





wbfsydney.com



@BEE APAC #WBFSydney

World Business Forum Sydney

Major Sponsors:





















Media Partners

















#### **148. LIFESTYLE NEWS**

The latest news and reviews to inspire you to live life to the full

#### 150. SIP, EAT, SLEEP

Sample new delights in the city

#### **I52. EVENTS & HAPPENINGS**

Festivals and shows to mark on your calendar this month

#### 154. FOOD & WINE: VICTORIA

While there's a lot of hype about the beauty of the Mornington Peninsula, there's another stretch of coastline worth checking out in Victoria: the Bellarine Peninsula

#### **160. RESORT REVIEW: VANUATU**

The island's Iririki Island is a perfect patch of Pacific paradise

#### **164. ESCAPE: SWITZERLAND**

Kristie Hayden finds solitude on a luxurious alpine adventure

#### **170. MOTOR TORQUE**

Karl Peskett checks out the Bentley Continental GT Speed, a highly desirable machine

#### 174. CHARITY

Our Big Kitchen teaches the world that there is such a thing as a free lunch, so long as there are people to help out in the kitchen

#### 176. DESIGN: KENNETH COBONPUE

Innovative industrial designer Kenneth Cobonpue is lauded worldwide for his furniture creations, made by hand with natural and innovative materials

#### **180. MAN VS WINE**

The art of blending is crucial in the wine world. Drink these drops to see why

#### **182. MEET THE CHEF**

French chef Frédéric Colin is bringing his timeless cuisine to the people of Sydney and Singapore

#### **184. WORLD KNOWLEDGE**

Test yourself and learn something new about world landmarks

03.17



#### HEADOUARTERS | AUSTRALIA & NEW ZEALAND EDITION Acting Group Editor Simone Henderson-Smart

#### EDITORIAL

Acting Features Editor Christine Long

Assistant Editor Skye Hoklas - skye.hoklas@theceomagazine.com Journalists Bonnie Gardiner, Christine McClatchie, Wendy Kay bonnie.gardiner@theceomagazine.com, christine.mcclatchie@theceomagazine.com, wendy.kay@theceomagazine.com

Sub-Editors Kristy Barratt, David Brearley, Pete Kempshall, Les Savage Contributing Journalists Beverley Hadgraft, Michelle Hespe, Riley Palmer

#### **DESIGN & PRODUCTION**

Art Direction & Design Caitlin Bertinshaw, Anna Davi caitlin.bertinshaw@theceomagazine.com, anna.davi@theceomagazine.com Graphic Designer Keelan Witton keelan.witton@theceomagazine.com

Production Manager Ciara Evans – ciara.evans@theceomagazine.com **Production Coordinator** Nyssa Booth nyssa.booth@theceomagazine.com

#### **MARKETING & DIGITAL**

Marketing Manager Penelope Roberts – penelope.roberts@theceomagazine.com Digital Content Producer Amanda Smuin – amanda.smuin@theceomagazine.com

CIO Jay Milo – jay.milo@theceomagazine.com Digital Content Manager Uyen Vu – uyen.vu@theceomagazine.com Web Developers Felix Noriel, Daniel Gundi felix.noriel@theceomagazine.com, daniel.gundi@theceomagazine.com

#### SENIOR MEDIA & COMMUNICATIONS MANAGERS

Maria Strangio – maria.strangio@theceomagazine.com Karen Gunn – karen.gunn@theceomagazine.com Head of Sales & Media Steve Summers steve.summers@theceomagazine.com
National Display & Sponsorship Manager Brian Holland - brian.holland@theceomagazine.com

#### MEDIA & COMMUNICATIONS MANAGERS

Sarah Dowd – sarah.dowd@theceomagazine.com Ashley Bowden - ashley.bowden@theceomagazine.com Lester Ferguson – lester.ferguson@theceomagazine.com Peter Havord - peter.havord@theceomagazine.com Charles Hill – charles.hill@theceomagazine.com Richard Flew - richard.flew@theceomagazine.com Lynelle Nevin - lynelle.nevin@theceomagazine.com Ethan Mclaughlin - ethan.mclaughlin@theceomagazine.com lames Walmslev - iames.walmslev@theceomagazine.com Cassandra Nguven - cassandra.nguven@theceomagazine.com

#### FINANCE & OFFICE MANAGEMENT

Accounts Craig Bounds - accounts@theceomagazine.com

Office Manager Erin Kenneally – erin.kenneally@theceomagazine.com

#### **HUMAN RESOURCES**

Anna Warmus-Pavone - anna.warmus-pavone@theceomagazine.com

#### EUROPE EDITION

General Manager, Europe Teddy Alexander - teddy.alexander@theceomagazine.com Journalist/Sub-Editor Emma Wheaton – emma.wheaton@theceomagazine.com
Office Manager/Finance Viktorija Jocyte – viktorija.jocyte@theceomagazine.com Advertising Traffic Manager Amir Walters - amir.walters@theceomagazine.com

#### SENIOR MEDIA & COMMUNICATIONS MANAGERS

Neal Gregory – neal.gregory@theceomagazine.com

Laura Redmond - laura.redmond@theceomagazine.com Arman Arya – arman.arya@theceomagazine.com

#### MEDIA & COMMUNICATIONS MANAGERS

Leah Agar - leah.agar@theceomagazine.com Andrea Neira – andrea.maria@theceomagazine.com Peter Nichols – peter.nichols@theceomagazine.com Amine Bounou – amine.bounou@theceomagazine.com Natalie Charalambous – natalie.charalambous@theceomagazine.com Jamie Palmer – jamie.palmer@theceomagazine.com Thomas Harries – thomas.harries@theceomagazine.com Chris Wrathall – chris.wrathall@theceomagazine.com

#### **ASIA & INDIA EDITIONS**

General Manager, Asia David Jepson - david.jepson@theceomagazine.com Office Manager Sasha Sivakumar - sasha.sivakumar@theceomagazine.com

#### SENIOR MEDIA & COMMUNICATIONS MANAGERS

Vivek Ramanathan - vivek.ramanathan@theceomagazine.com Gary Ho - gary.ho@theceomagazine.com Sanjay Bejjaram - sanjay.bejjaram@theceomagazine.com Daisy Tan - daisy.tan@theceomagazine.com

#### MEDIA & COMMUNICATIONS MANAGERS

Krishna Advani - krishna.advani@theceomagazine.com Sunie Low - sunie.low@theceomagazine.com Marc Maranan - marc.maranan@theceomagazine.com George Mejo - george.mejo@theceomagazine.com Cris-an Sagabaen - cris-an.sagabaen@theceomagazine.com

#### EXECUTIVE TEAM

Co-Founder & CEO Chris Dutton – ceo@theceomagazine.com Co-Founder Anna Dutton – anna.dutton@theceomagazine.com Managing Director & Publisher Daniel Di Loreto - daniel.diloreto@theceomagazine.com

Australia (HQ) Level I. 7 Grosvenor Place.

Brookvale, NSW 2I00 T: +6l 2 8925 7400 T: +46 8 4102 0077

Drottninggatan 61, III 2I, Stockholm

Singapore 8 Shenton Way, 32-0I AXA Tower, Singapore 0688II T: +65 6814 0029 **Philippines** Level 17, 6750 Ayala Avenue,

Makati City, Manila, Philippines I226 T: +63 2755 7664

Level 7, Maximus Towers, Building 2A, Hi-Tech City, Hyderabad-500 08I, India

T: +9I 40 4033 976I

ppearing in The C.B.O Magazine is copyright. Reproduction in whose or part is not permitted without written permission prepared without taking in to account the objectives, financial situation or needs of any reader. Neither The CEO Maga: lity for any losses and or injury incurred (if any) by acting on information provided in this magazine. All opinions expres









In New Zealand everything is within easy reach. Our excellent facilities will cater to all your needs, and our beautiful country will take care of the rest. Our rich culture, exciting activities and unique natural landscapes can turn your conference into an event that will truly change perspectives.



FI BENDALL is the CEO's secret weapon — delivering the business acumen to drive results in a disruptive digital economy. She is an expert in digital strategy, and a respected thought leader in the digital space.



**DR JENNY BROCKIS** is a medical practitioner and healthy-brain advocate. She is the founder and Director of Brain Fit.



**RENATA COOPER** is a visionary entrepreneur who creates exciting opportunities for marketplace disrupters. She is one of Australia's foremost female angel investors, helping transform innovative ideas into successful business realities.



**PATRICK HADDOCK** is a wine writer, wine show judge, co-owner of Newcastle's Reserve Wine Bar, and a scholar of the Len Evans Tutorial. He believes the best wine is the one you feel like drinking.



**KRISTIE HAYDEN** is a respected travel and lifestyle writer based on Victoria's Bellarine Peninsula. As a founding member of the Geelong Performing Arts Centre Giving Circle, she is committed to promoting the arts to the next generation.



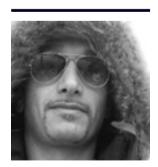
AJ KULATUNGA is an edu-taining speaker and management consultant on entrepreneurship. He mentors executives and CEOs.



**NICOLE MADIGAN** is a widely published journalist with more than I5 years' experience in the media and communications industries. She is the Director of Stella Communications, a former television reporter, and ambassador for the Miracle Babies Foundation.



**SAM MCKEITH** is a Sydneybased freelance journalist who contributes to a range of leading Australian and international print and digital publications.



**IAN LLOYD NEUBAUER** is a Sydney-based freelance journalist and photojournalist. His work has been published globally by the likes of *TIME*, CNN, *The New York Times* and *The Economist*.



**KARL PESKETT** is an eminent motoring journalist devoted to covering anything four wheels. A passionate writer, editor and driver, he is the go-to man for automotive information.



**CATRIONA POLLARD** is a PR and social media expert. She is the founder and CEO of CP Communications, and the author of From Unknown To Expert.

### **SHARE AND SHARE ALIKE**



#### Download it

The articles in The CEO Magazine are also available to read online. Download The CEO Magazine ANZ app from the App Store or Google Play

#### Tweet it

Who in the business world inspires you? Elon Musk, Sheryl Sandberg or leff Bezos? Tweet us at @CEOMagazineAU. While you're there, check out #CEOLifestyle for some luxurious places to relax and rejuvenate

#### Facebook it

Have any of our stories motivated or challenged you? Share your views and start a conversation at @TheCEOMagazineAustralia

#### Instagram it

We love sharing in your incredible business feats and seeing where in the world your travels take you. Make sure you capture the moment and share your photos on Instagram with the hashtags #CEOLifestyle and #TheCEOMagazine



# The power of trouble

he current state of the world has me troubled. It seems that deep thought and contemplative meditation has been replaced by sound bites and flash headlines. News is delivered in ever-shorter and opinionated bursts, with in-depth analysis sadly lacking, rendering people with no real understanding of what is really going on in our world — and therefore able to be irrationally opinionated themselves — feeling fully informed by lightweight journalism.

Once, we revered our thinkers. Philosophers were held in high esteem, leaders gathered them close and sought their counsel. Rather than popular, it was important for leaders to be clever and insightful. But in 2017, we have Obama the orator being replaced by Trump the tweeter.

But here's the thing: as Isaac Newton discovered back in 1687, for every action there is an equal and opposite reaction. This occurs in nature as well as in people. A trimmed hedge grows back stronger and flourishes. Nations with conflict and competition advance much faster than those left in peaceful isolation. It is the same with a business: it is the challenges and the struggles that make it strong, not the times when there's no need to innovate.

So there's hope. Hope that the world will bounce back from this period stronger and wiser, understanding that social media is not a news source or a replacement for a social life. That making time for quiet contemplation is vital, both in our business and personal lives. That slowing down and giving proper thought to a topic to gain true understanding is important.

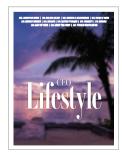
I hope you will find much food for thought in this issue of *The CEO Magazine*. Both the executive interviews and the business features offer great insights that I'm sure will inspire you to be a better leader. Plus our travel stories might tempt you to take some time out

to stop and reflect — then you'll be well armed to harness the power of the troubles and disruption ahead.



Simone Henderson-Smart **Acting Group Editor** The CEO Magazine





With an enormous array of executive interviews; timely investigative features; educative, informative business articles; and travel and lifestyle content suited to our readers, our aim is to inspire the business world.













# Dear Ramzey...

After losing everything in the 2008 GFC, Ramzey Choker was inspired by childhood memories of his parents' farm to open The Grounds of Alexandria in Sydney. Here's what he'd tell his younger self.

our life, career and future are up to you and you alone. Your biggest challenge and greatest achievement will be finding what you were put on this earth to accomplish and how to use that knowledge to create something phenomenal that inspires and opens the hearts of others.

You'll learn that success comes down to three factors: hunger, desire and hard work. Don't assume it will be easy. You will need to push yourself if you want to be the absolute best you can be.

Listen up: don't let anyone tell you that you aren't good enough. If you find that mainstream schooling isn't for you, that's okay. You have talents and gifts that no school can teach, but you must find your purpose.

You'll make mistakes along the way, but they won't define you. In fact, the lessons you choose to find in your mistakes will shape who you are and how you evolve.

Never let stereotypes or labels define who you are; it's who you surround yourself with that will influence the person you become. There's only so much you can do to help others. At the end of the day, if they don't want to help themselves, listen to your instincts and know when to let them go.

No matter what happens, or how bad a situation gets, always take the time to reflect. Look for the good in the situation and turn that experience into a great opportunity.

When you find your purpose, take the time to be the best you can be through using coaches and mentors. Look to the greats outside your field to learn about how they achieved success; their knowledge and lessons will be invaluable to you.

Always push the boundaries and challenge the status quo; don't look at things in the same way as everyone else. You were blessed with a creative mind for a reason. Don't accept 'no' for an answer and don't be afraid to break the rules, so long as it doesn't get you into too much trouble.

When you come across roadblocks, channel your thirst for knowledge into books and people, and you'll be able to solve every problem. Always remember you can learn anything and everything you put your mind to.

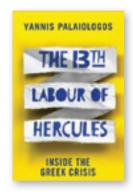
Always remain grateful for what you have and show appreciation to those who have helped you in life. Support your family and be there for them; help them grow and help them to improve.

When it comes down to it, you are responsible for your own opportunities. The harder you push yourself, the greater opportunities you will create.

Above all, believe in yourself. You have a vision and a purpose. Find out what you love to do and share it with the world. Channel your hunger to become the best version of you. Never stop learning so you can continue to lead, inspire and teach others along the way.

Be relentless, and remember, there's always a way — you just need to find it.

Ramzey Choker



#### The 13th Labour of Hercules Yannis Palaiologos Granta

Described by The Economist as a 'searing account of Greece's nightmare of the past five years', The I3th Labour of Hercules provides a riveting insider's account of the social, cultural and political forces

behind the country's recent financial crisis and the ensuing fallout. Based in Athens, Yannis is a features editor at *Kathimerini* newspaper and in this book seeks to answer the question: How did a prosperous, seemingly advanced economy in the heart of Europe collapse so precipitously? Through a series of compelling real-life stories, Yannis reveals the combined social, cultural and political forces that left Greece so utterly defenceless when the global financial crisis hit, and seemingly incapable of recovering.

### Winning in Your Own Way Robert Bean

## Management Books

According to Robert Bean, whether we like it or not, everyone is engaged with branding on some level, either due to our own needs to understand and express

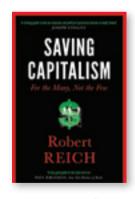


ourselves, or through defining and expressing the brand of a business. Winning in Your Own Way shows that CEOs, most importantly, need to rely on the business brand as the glue that binds all the myriad responsibilities they face. Through relaying real-life stories on his work with businesses — spanning over three decades across companies such as BMW, The Body Shop and Glaxo SmithKline — Robert explains his 'nine and a half golden rules of branding' in a way that will help CEOs, and those who think like them, to embrace the beauty of brands and learn how to create them.



## **BUSINESS BOOKS**





#### Saving Capitalism Robert Reich Icon Books

Robert Reich, a former US Labor Secretary, can see how America's economic and political systems have become fundamentally flawed, and claims to know how capitalism can be fixed.

Robert hankers for a return to a time when the average wage of a teacher, salesman or mechanic was enough to buy a house and two cars, plus raise a family. Today, this type of middle class is rapidly disappearing: American income inequality and wealth disparity is the greatest it has been in 80 years. Robert, who served in three US administrations, argues that the threat to capitalism is no longer communism or fascism but a steady undermining of the trust modern societies need for growth and stability.

## Why Deals Fail & How to Rescue Them

## Anna Faelten, Michel Driessen and Scott Moeller

#### **Profile Books**

This guide to the benefits and pitfalls of mergers and acquisitions is a must-read for business leaders. With its prevalence as a growth strategy,



M&A touches most business leaders at least once. Most executives will experience a takeover at some point in their careers — either as buyer, seller or intermediary. Yet, despite M&A's obvious attractions, deals often fall short of expectations and in extreme cases can go disastrously wrong, with devastating consequences. Citing case studies from big businesses such as Diageo, Microsoft, Kraft, HP and even UK football club Manchester United, the writers explain their Three Big Mistakes of Deal-Making through fascinating stories, lessons and expert advice.



Today, we are the world's largest corporate buyer of renewable power, with commitments reaching 2.6 gigawatts of wind and solar energy. We believe the private sector, in partnership with policy leaders, must take bold steps and that we can do so in a way that leads to growth and opportunity."

> - Urs Hölzle, Senior Vice-President Technical Infrastructure, Google

# News, reviews points of view

## ADD TO CART

Online retailing giant Amazon is launching physical stores in the US with a no-checkout twist. The technology-rich Amazon Go stores feature sensors and artificial intelligence

> to track consumers as they select the items they want to buy and then exit without going through a checkout.



Employing the Just Walk Out technology, shoppers log in with an app and enter the store before doing their shopping, and are then automatically charged for their items once they leave.



## **Reading list**

Microsoft founder Bill Gates's pick of must-read books from 2016:

- 1. String Theory by David Foster Wallace
  - 2. Shoe Dog by Phil Knight
  - 3. The Gene: An Intimate History by Siddhartha Mukherjee
- 4. The Myth of the Strong Leader by Archie Brown
- 5. The Grid: The Fraying Wires Between Americans and Our Energy Future by Gretchen Bakke

#### Three newcomers to our share tips page this month, all undiscovered gems in terms of The CEO Magazine.

- **I. Catapult Group International (CAT)** This sports analytics company sells wearable tactical tools to assist elite sports teams. Clubs using Catapult are at an advantage over those with have no wearable analytic device, and it has the best technology in a global market that is still relatively untapped. The company has growing subscription revenues, and already has customers such as FC Bayern Munich and Cricket Australia, plus various NRL and NFL teams.
- 2. Nuheara (NUH) This award-winning company has probably the best, most sophisticated wireless earphones in the world. Do you struggle to hear conversations in crowded places? Ever wished you had the ability to reduce the background noise around you or let in just the amount you want? Ever wanted to connect your Bluetooth smart devices with no wires and improved clarity? Nuheara's IQbuds™ are wireless, 'super intelligent' earbuds designed

- to solve such problems and more. They are ahead of the market and gaining extremely positive feedback; the future looks extremely bright for Nuheara.
- **3. Rhipe (RHP)** Rhipe is a distributor of cloud solutions that helps IT service provider partners deliver cloud services to end-user clients. This fast-growing software company has users around the world; it has trusted brands with a high penetration of the Australian market; and a long-term opportunity in South East Asia. Gross margins in the core licensing business are improving, and share price falls over the past I2 months represent a fantastic entry point.

Disclaimer: You should seek professional advice before making any investment decisions. Neither The CEO Magazine nor the business or any of its employees holds any responsibility for any losses incurred (if any) by acting on information provided in this magazine.







Buy a 6 pack or 12 pack of **Heineken 3.** If you don't think it's a great tasting beer, tell us why and get your money back\* at www.haveitall.beer

r open to Aus. residents 18 ± . Offer valid from 23.01.2017 to 04.04.2017. To submit a claim for refund, (a) purchase/gray one (1) 6-pack or 12-pack of Heineken 3 beer from a Participating Outlet between 23.01.2017 and 04.03.2017; (b) if you do not think Heineken 3 is a great tasting beer, go online to www.haveitall.beer to complete a claim by entering your details, proof of purchase and of 15-word statement as to why you go not think Heineken 3 is a great tasting beer, and (c) submit the claim form. At your electricity, refund of price poid (incl. 651) for product will be deposited to nominated bank account or doneted to Promoter's nominated chamity (up to a maximum of \$16.00 for a 6 or \$500 to 15 or a 12 pack). Limit one claim per person. Offer not valid in conjunction with any other offer. The Promoter supports the responsible service of algebra. See staff for full/terms and conditions or visit www.haveitall.beer The, Promoter is Heineken Lion Australia Pty Ltd (ABN 74 109 055 236) of Level 7, 68 York Street, Sydney NSW 2000.



## Driving engine technology

A subsidiary of the NSG Group of Japan, NGF is a world-leader in the manufacture of glass cord, used primarily in automotive applications.

NGF's advanced technology is enabling the automotive industry to develop the next generation of energy efficient vehicles as TS Khoo, President GATES UNITTA ASIA COMPANY recently stated: "Technologists need challenges. Thanks to Gates' desire to push the boundaries of design, NGF Europe has developed a range of innovative novel cords. It's more than a supplier / customer relationship - we're a team."

The technology is primarily used in engine timing belts and independent testing has highlighted improved fuel efficiency and lower CO2 emissions compared to timing chain systems. The technology is also used in vehicles with advanced Electric Power Assisted Steering (EPAS) systems which, when compared to hydraulic systems, also reduce fuel consumption and emissions.





NGF's high tensile strength fibre (HTS) glass cords significantly improve belt flexibility and stretch resistance. This advanced technology has been successfully incorporated into innovative 'Belt in Oil' systems that further improve engine refinement. The system delivers the quietness and more efficient running of a belt with the durability of a conventional timing chain. Furthermore, the belt is capable of remaining in service for the life of the engine.





#### NATIONAL SUSTAINABILITY IN BUSINESS CONFERENCE

Brisbane, 23-27 March 2017

This year's National Sustainability in Business Conference will tackle five important themes: renewables, markets, innovation, opportunities and capital. Business leaders, SMEs, academics and practitioners from Australia and New Zealand are invited to participate in various discussions about the need for sustainable business practices, and will also be given the opportunity to network with others who are rolling out business models that are sustainable as well as profitable. Topics will include renewable energy systems and sources, 'think local' initiatives, business opportunities, the energy market, trends and policies, financial impacts, and innovation. The program is set to feature more than 50 presentations, all of which will be available to attendees in podcast form.

conference.sustainability.asn.au

#### **5TH ANNUAL AUSTRALIA NATIONAL EA/PA CONFERENCE**

Melbourne, 10-11 April 2017 Sydney, 19-20 April 2017

This conference held in two capital cities in April is designed to motivate and prepare personal and executive assistants for long-term success through a series of presentations and workshops. Attendees will not only learn relevant hard and soft skills, but they'll get to know the latest technologies, improve their mental and physical resistance, build upon their own strengths, be inspired by others, and create win-win business partnerships. Featuring in the list of speakers is Dimitra Zographos, the winner of the EA of the Year Award at *The CEO Magazine*'s 2015 Executive of the Year Awards, and John Karagounis, the CEO of both The CEO Circle and The EA Circle.

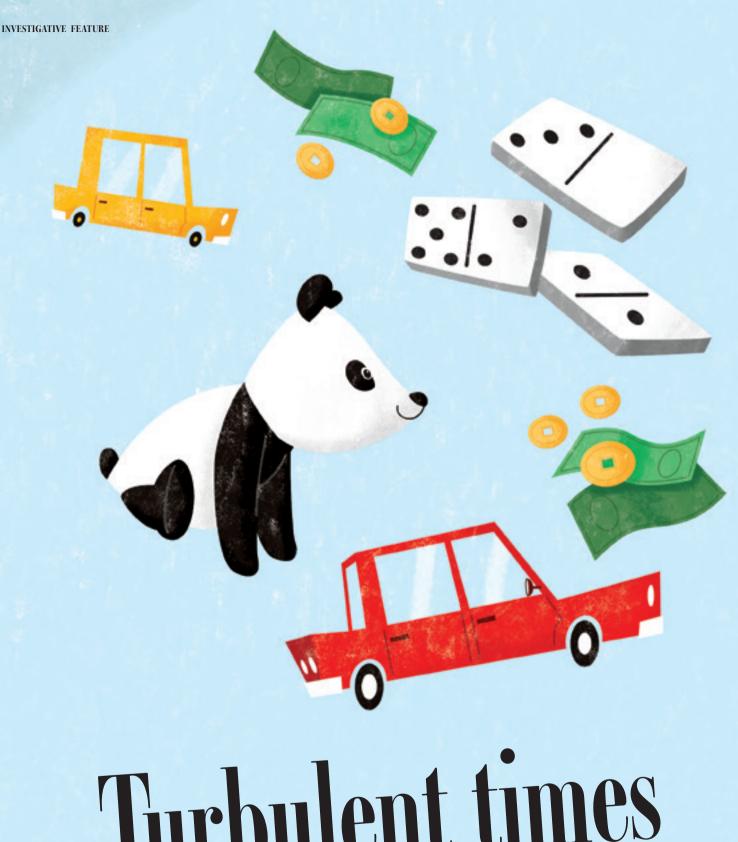
claridenglobal.com/conference/australiaeapa2017

#### **CREATIVE WOMEN** CONFERENCE

Cyprus, 4-7 May 2017

The organisation Creative Women was founded to inspire and connect creative females all over the world through the medium of business. This annual conference is the epitome of that philosophy as it brings together like-minded individuals to network, learn and be inspired. With presentations, conversations and workshops on offer over the four days, confirmed speakers include: research scientist and practising psychologist Dr Linda Papadopoulos; Director and founder of The Nutrition Coach Kate Cook; co-founder of mobile app 24me Liat Mordechay Hertanu; and founder of TheWayWomenWork.com Rania Anderson. Elena Baturina, who, according to Forbes Magazine, ranks as Russia's richest woman, will also deliver a presentation.

creativewomen.co



# Turbulent times

Feelings of uncertainty for the global economy and world financial markets filtered through 2016 thanks, in part, to the Brexit vote and US election. The year also saw unexpectedly slow growth in world trade, a pattern which looks set to continue this year.



he most recent World
Economic Outlook
publication states that
between 1985 and 2007,
real trade grew, on average,
twice as fast as global GDP. In contrast,
over the past four years, it has barely
kept pace, with few historical
precedents for such prolonged slow
growth in trade volumes relative
to economic activity.

"The empirical analysis conducted by the International Monetary Fund (IMF) in this report suggests that around three-quarters of the decline in trade growth since 2012 can be attributed to weaker global economic growth, and in particular, within that, to the persistent weakness in private business investment," says economist Saul Eslake. "The remaining onequarter of the decline was attributable to other factors, in particular, to the dearth of new trade policy initiatives and creeping protectionism, and to an apparent decline in the growth rate of 'global value chains'."

In 2017, world trade is expected to grow slower than anticipated, according to the latest WTO estimates, with 2016 marking the slowest pace of trade and output growth since 2009's global financial crisis. "Despite the recent spike in various commodities, in dollar terms weak commodity prices reduce the overall sum of trade, and are deflationary," says economist Lindsay David. "However, in volume terms, there is enough evidence to suggest that there is more weakness in the global economy, particularly in Asia, than most analysts had earlier predicted. And worryingly, it seems that China may have already, or is very close to, maxing out its domestic demand for international goods and services, and vice versa. Let's not forget the Trump factor. How he engages trade protectionism will play a critical role

Economist Lindsay David says the dramatic slowing of trade growth is a serious issue and worthy of concern, because when trade slows, so too does the global flow of money.

in how global trade plays out in the latter half of 2017."

Lindsay says the dramatic slowing of trade growth is a serious issue and worthy of concern, because when trade slows, so too does the global flow of money. "It can deliver a domino effect as we saw in the GFC and Asian Financial Crisis," he says. "The big problem now is that we have had for some time excess goods versus demand coming out of China, alongside excess oil stocks, which has put pressure on a lot of countries' economic performance. This essentially negatively impacts the international flow of money."

In a year that saw the unexpected election of Donald Trump, Britain's vote to exit the European Union and challenging domestic economies within numerous nations, there are multiple

possible contributors to the unstable trade environment. Interestingly, recent figures also show a weakening in the relationship between trade and GDP growth. While trade has typically grown 1.5 times faster than GDP, in recent years the ratio has slipped towards 1:1.

According to Lindsay, the financial volatility in developed countries has clearly impacted the current global economic climate and resulting trade decline. "We have already witnessed — albeit slowly and for different reasons — what seems to be the early stages of a domino effect whereby a severe economic shift has taken place," says Lindsay. "Russia, Turkey and Brazil are key examples where, for one reason or another, we saw significant challenges arise within their domestic economies.

"South Africa and developing nations in Asia have seen strong pullbacks on their currencies over the past year and less money flying around their respective economies. Though sometimes the in-the-field experience of feeling what's happening in a particular economy is not so visible in the official economic data that comes out of their statistical bureaus."

In 2016, British citizens made the unprecedented collective decision in voting to exit the European Union. The referendum agitated global markets, causing financial panic and continued speculation as to the long-term economic impact of the event. "The immediate aftermath of Brexit was the equivalent of a person walking into a hospital claiming chest pain and the doctors realising it was just an anxiety attack," says Lindsay. "There was a short-term panic that set in on a market that had a failed Brexit vote 100-per-cent baked in. The adverse happened, the markets fell,

and it was a vulture investor's paradise, picking up the scraps of someone else's panic over what was a complete over-exaggeration to head for the hills."

The future impact means the UK will have greater autonomy, believes Lindsay, and aside from financial institutions having to readjust a few elements of their business profile, it will be business as usual. "I can't see Germany trying to punish the UK through trade barriers or vice versa. There's no legitimacy in crying over spilt milk when it comes to Brexit." Saul agrees, and says if anything, the UK economy appears to have strengthened in the months after the Brexit vote. "And of course 'Brexit' hasn't actually happened yet, and won't for at least another two years," he says.

"The UK government is still trying to nut out exactly what form it should take. But the most recent British budget announcements suggest that not even the UK government thinks the recent strength in the British economy will be sustained, or that Brexit won't result in slower growth over the medium term than otherwise."

While trade has declined over the past several years and looks set to continue to follow the same trajectory, anti-globalisation sentiment — though always present — has seen a dramatic and vocal increase. "There clearly is a growing anti-globalisation sentiment around the world — and this should be seen as part of a growing groundswell in favour of greater control by national governments over the movement, not just of goods and services, but also capital and especially people, all over the world," says Saul.

Interestingly, there were elements on both the left and right of the political spectrum that didn't support the liberalisation of trade and investment. "They were mainly on the left, as evident in the anti-globalisation protests in Seattle in 1999, or in Melbourne when the World Economic Forum had a meeting there in September 2000," says Saul. "Though also evident in Ross Perot's and Pat Buchanan's campaigns in the 1992 US Presidential election."

However, Saul says that the anti-globalisation sentiment is now more broadly based, unable to be tagged as either left or right. Indeed, such labels are becoming increasingly irrelevant as descriptors of individual political leanings. Fuelled by rising inequality, the anti-globalisation backlash has been further spurred by those who have promoted the

#### Fast fact

the most egregious offender when it comes to implementing protectionist or anti-trade measures since the by India and Russia.

'freer movement' of goods and services, capital and people. Another factor is the frustration at the persistent weakness in economic growth since the global financial crisis, and the side effects of that, including stagnant or declining wages and declining full-time employment, especially for people with limited education. >>

## FAREWELL TO THE TRANS-PACIFIC PARTNERSHIP

Australia's dealings with the Trans-Pacific Partnership (TPP) are a thing of the past with President Donald Trump having killed America's role in the free trade agreement with Australia, New Zealand, Japan and eight other Pacific nations soon after his inauguration. It was a major blow to PM Malcolm Turnbull who had been holding out hope that Trump would not go ahead with that particular election promise. Australia does, however, retain a number of agreements:

- Australia-New Zealand Closer Economics Relations Trade Agreement (1983)
- Singapore-Australia Free Trade Agreement (2005)
- Thailand-Australia Free Trade Agreement (2005)
- Australia-United States Free Trade Agreement (2005)
- Australia-Chile Free Trade Agreement (2009)
- ASEAN-Australia-New Zealand Free Trade Agreement (2010\*)
- Malaysia-Australia Free Trade Agreement (2013)
- Korea-Australia Free Trade Agreement (2014)
- China-Australia Free Trade Agreement (2015)
- Japan-Australia Economic Partnership (2015)
- \*Australia, New Zealand, Brunei, Burma, Malaysia, the Philippines, Singapore, and Vietnam joined later in 2010, followed by Thailand. Laos and Cambodia joined in 2011 and Indonesia in 2012.

"A good deal of this is more the result of rapid technological change — or of macro-economic policy failures more generally — but foreign goods and services, foreign investors, and especially foreigners, provide an easy scapegoat," says Saul. "And there's little doubt that extremists on both the old left and, even more so, the far right have been more than willing to exploit those sentiments to their own ends."

While the vocalism and increased dominance of anti-globalisation principles looks set to continue, whether these sentiments will be reflected in future trade policy remains uncertain. "This is the trillion-dollar question," says Lindsay. "Trump seems ready to change the way the world trades with America and where big American corporates manufacture their goods. If the President gets his way, we could expect to see a rhetorical knock-on effect from this. Particularly in a handful of Eurozone nations that follow suit and other nations that may reciprocate any trade barrier slapped against them."

It's now critical, says Lindsay, that leaders of large multi-nationals acknowledge the growing trend of social distaste against the corporate world taking away jobs in their home country and sending them abroad. "Finding the right balance between corporate and social responsibility versus profitability will become a growing issue for key corporate decision makers in the years to come." Naturally, open trade creates both winners and losers.

"As an example, it would be fair to argue that America over the past two decades has lost millions of manufacturing jobs that were transferred to China and other lower cost-of-labour nations in Asia," says Lindsay. The same can be said for



While the vocalism and increased dominance of anti-globalisation principles looks set to continue, whether these sentiments will be reflected in trade policy remains uncertain.

Australia, with much of the manufacturing industry directed to other countries. Though, says Lindsay, Australia did benefit from exporting natural resources.

"The big problem for countries like the US is that it's hard to be an economy that consumes so much but pays workers in another country to build the products they consume," says Lindsay. "And particularly in Australia, being a very high cost of labour country, we now have no industry to fall back on aside from mining and housing. These are not exactly twenty-first century industries.

At least the Americans have a wealth of next generation industries to fall back on."

As the world's aversion to globalisation continues to rise, along with economic uncertainty, so too does the possibility that governments will introduce policy to reflect this turbulent climate.

"There's no doubt that there has been a significant increase in protectionist measures since the onset of the global financial crisis," says Saul. Global Trade Alert lists almost 11,600 protectionist or anti-trade measures announced by governments around the world since 2008, of which more than 9,200 had

been implemented. By contrast, over the same period governments had announced only 5,100 pro-trade measures, of which less than 3,300 had actually been implemented. "Interestingly, for all of Donald Trump's allegations about the US having done badly out of trade deals, the US has been the most egregious offender by far when it comes to implementing protectionist or anti-trade measures since the financial crisis, followed by India and Russia," says Saul.

While Trump has previously indicated his intention to make substantial, sweeping changes to trade policy, global economic factors continue to play a part in the decline of world trade. "Suffice to say there are considerable risks to global trade in the wake of the Trump win in the US," says economist Stephen Koukoulas. "Even partial implementation of his plans; for a tax on Chinese imports would dislocate trade — it would inevitably be met with retaliation from other countries." The flow-on effect of such movements would result in far-reaching consequences. When

Fast fact
Trade has
resulted in Australia's
manufacturing industry
being cleaned out and sent
to other countries, leaving
few industries to fall back
on aside from mining
and housing.

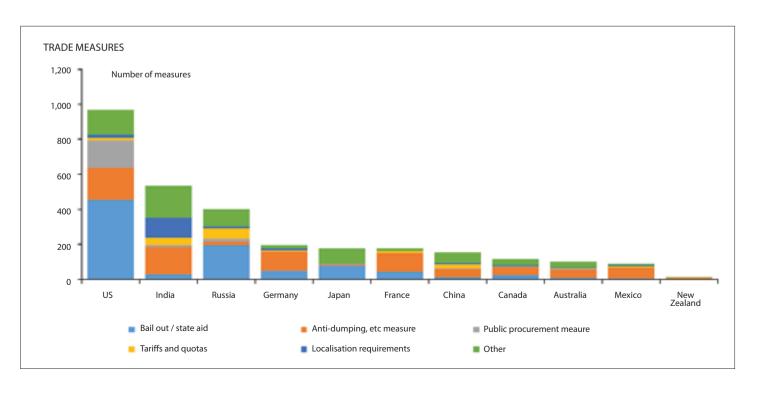
trade barriers are built it historically means one of two things — first, the cost of importing goods rise which is inflationary," says Lindsay. "Second, jobs are commonly lost in the manufacturing country and replaced in the country that puts p the trade barrier. Particularly if the trading partner is the largest economy in the world."

Indeed, global trade deals aid the improvement of the flow of money at a global scale, with the greatest beneficiaries of free trade undoubtedly large multinational corporates, able to significantly reduce their cost of manufacturing. Of course, consumers also benefit financially from free trade,

though this is offset where quality of goods sold are compromised.

So, what then for the future? "We live in a world that seeks global economic efficiency," says Lindsay. "This means that to make the global trade system more efficient the world is going to have to focus on how to speed up the time it takes to send goods from one side of the world to the other. Otherwise, we must be very close to exhausting all other channels of efficiency."

While much of the future outlook will depend on how Trump rolls out his trade policies, Stephen says the conditions for a turning point in global trade are in place. "Sustained economic expansion in the US and unambiguous signs of stronger growth in the Euro area should underpin a pickup in trade, which will be enhanced by a turning point in Chinese economic activity," he says. "The recent upswing in commodity prices reflects enhanced trade prospects. The world is close to the low point in the cycle for trade."



# Easy does it

Family values are top of the agenda at Kennards Hire, and when a customer walks into any branch they see the evidence — staff living and breathing a core set of principles.

IMAGES SCOTT EHLER

or the casual observer, the announcement that Angus Kennard was to become CEO of the family business, Kennards Hire, might have come as little surprise. Why wouldn't the owner's son take over the top job, especially since he'd done the hard yards and proven himself to be both a hands-on, coalface worker and an innovator and entrepreneur? Surprisingly, a Kennard hasn't been CEO since Angus's dad, Andy, stepped aside in 1995. So what took Angus so long? Despite joining the business in 1996, it took 20 years before he even asked himself the questions: "Do I want to be CEO?" and "Am I capable of doing the CEO job?"

After completing an MBA, he decided the answer was yes, so when the company was looking for a new CEO, he put up his hand. "It took a couple of months of working through a few things and going through interviews — the Board were the ones to appoint me, not the family, and it was a very rigorous process. But I got the gig, so here I am." His dad must be thrilled? "Yes, I think he is." Indeed, the feedback from all quarters so far is positive. Staff are certainly pleased. While they know Angus will want to put his stamp on the company and make changes, those changes will come from a place of knowing and understanding. "Evolution, not revolution," he agrees.

Angus was working in the Kennards' branches when he was a schoolboy, packaging up auxiliary items for pocket money. When he joined the company in his 20s, he started out cleaning toilets in the Brookvale branch on Sydney's >>



Name Angus Kennard Company Kennards Hire Position CEO HQ Sydney, Australia Employees 1,300+







Northern Beaches just like any new recruit. "I understand the business from the ground up. If I need to talk shop with anyone, I know it better than most. But I can also picture what the future looks like. It's important to be ahead of the game and create our future." However, most important of all, he lives and breathes the family values and culture. And that family culture is at the root of everything that Kennards Hire does. It's what makes it different to public companies, what makes it

successful, and why its loyal staff enjoy working there and customers like hiring there.

The Kennard family is so interesting it's hard to know where to shine the spotlight first. But it was Walter who actually started the hire business from Bathurst in 1948. He owned a small rural supply and machinery company. When a customer asked if they could borrow a new Lightburn concrete mixer rather than buy one, Walter told him:

"I won't lend it to you, but I'll hire it to you." Although stories about him abound, Angus was only 18 months old when his grandfather died, so he never really knew him, "He was a real entrepreneur. He invented the ocky strap. He used to manufacture and hire roof racks. He was an innovator and a trader, always buying and selling things. From what I know, he was clearly a really nice, loving guy. He was very good at starting a business but not necessarily as good at running it."

Fortunately, Walter's sons Andy and Neville were good at running the business, and Walter got so fed up with arguing about the direction it should take, he sold the business to Neville when he was just 25. Shortly after, Neville's younger brother, Andy, bought 50 per cent and the two ran it as a partnership for an impressive 27 years. For the first 10 years, they only had one outlet, says Angus. The other interesting thing about the brothers was that they also expanded the business into other areas, the most successful of which was self-storage. In 1991, Andy and Neville, who by then had around 14 hire outlets, couldn't see a way for the cousins to work together in the future and amicably decided to split the business down the middle and go their separate ways, with Andy taking the hire side and Neville the storage, plus a few other assets.

Andy then acquired a business called GKN, which saw Kennards Hire expand to 29 branches. He brought on Peter Lancken as managing director, who took the company through a massive period of growth — doubling every five years and reaching more than 100 branches.

Interestingly, for two men who started off in a world of concrete mixers and chain saws, Neville and Andy also gained quite a reputation for their Interestingly, for two men who started off in a world of concrete mixers and chain saws, Neville and Andy also gained quite a reputation for their cerebral interests.

cerebral interests. Neville was a well-known libertarian and founding chairman of the Centre for Independent Studies, which became a leading think tank of freedom, free markets and limited government; while Andy was instrumental in setting up the Hire Rental Industry Association. Perhaps the most famous Kennard of all, however, is Neville's remarkable wife, Gaby — the first Australian woman to fly solo around the world.

So, clearly, the Kennards are a fascinating family — smart, visionary, adventurous. Angus is proud of their influence and has obviously inherited those traits on the adventurous side — he initially dreamed of being a professional skier. "But Dad wouldn't support a ski bum," he laughs. He's now turned his love of speed into a passion for rally car racing, which also provides an escape from the constant pressures of business. "You can't think about anything but the call on the next corner." He's competed in a number of iconic race events, including Targa Tasmania and the Snowy River Sprint.

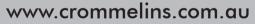
On the professional side, like his three siblings, he was never pressured to join the business, so he went to university, travelled overseas, then worked for other companies, mainly in sales. >>

"Working with Kennards for over 40 years and many generations too, we have together built a strong relationship to provide quality service, products and unwavering commitments to our clients in the hire industry." – Kevin Wilson, CEO, Crommelins Machinery

## CROMMELINS MACHINERY

## HIGH QUALITY PORTABLE POWERED PRODUCTS







## "If I hadn't completed the MBA I wouldn't have been able to become CEO." – Angus Kennard

In1996, he spoke to his dad about coming to work for Kennards. There was a position available at Brookvale under Grant Spradbrow, who was one of the best operators Kennards had. Andy said if he was interested in learning the business from the grass roots, there was no better person to learn from. Within six months, Angus had become manager and bought his dad's half share of the Brookvale branch. He and Grant then bought another nearby store at Mona Vale, which he ran that for seven years.

"After that I started to get bored. I could've sat there, run that business, enjoyed the dividends, and avoided sitting in traffic jams, but I saw an opportunity to start a new venture in specialist concrete-related equipment. Concrete is the second most-used resource in the world after water. I could see it was one of those things that could be quite difficult to work with, but at the same time there was a real trend in using concrete in features like polished floors. I researched, went to America, discovered an industry exhibition called World of Concrete with all this specialised, expensive, labour-saving equipment and thought: We could rent this out back home."

Angus and Grant started Concrete Care together. "We had to come up with the right gear and method to suit the Australian market," Angus says. "Within seven years, we had five stores around the country." Once again, Angus could have sat back and enjoyed the dividends. Instead, in 2012, he took a completely different tack. He sold Concrete Care to Kennards Hire and took his wife, Ange, and four children,



then aged between four and 12, to live in France for a year. "When I was young, Dad had done the same thing. He took a year off and we all went to live in Switzerland. I spoke French and wanted to reconnect with the language. It was a good year. I spent a lot of time with my wife and children. We'd go riding, driving, skiing together. I was ready for a break after 16 years of hard work. It was a lot of fun."

Angus returned to Kennards Hire to run Assets and Procurement. "That was probably my strong suit. I understood that side of the business and helped the company to save a lot of money through buying better, negotiating harder, and improving our asset management." Still needing more, however, he decided to do an MBA at Sydney University. "I wanted another challenge, another life-changing event, and that seemed like a good one," he explains. He finished that in September 2016 and was appointed CEO a month later, with the remit of leading the 170 Kennards Hire branches across Australia and New Zealand. "If I hadn't completed the MBA, I wouldn't have been able to become CEO," he says. "Having gone through that process, my thinking approach and leadership went to another level and I felt I was equipped with the skills and aptitude to be able to do it." >>

## REEPING YOU IN THE AIR



Australia - 131 JLG New Zealand - 09 276 1728 www.jlg.com.au







This is a twitchy time to be in business. Disrupters are so disruptive they're even disrupting themselves. As the Internet of Things hooks us and our devices together, and technological advancements seem to render every new piece of equipment obsolete almost before we've removed it from the package, Angus looks to China where they're printing houses. "Will there be a time when Kennards will be hiring out 3D printers?" he muses. But at the same time, Kennards Hire is a family business. They are in it for the long term, which is a good foundation to build from.

There are many reasons why that's integral to the way the company runs, but perhaps at the top of the list is the understanding that every decision you make is not just for the current generations but for grandchildren and great-grandchildren to come. "We tend

to think we make better long-term decisions, whereas public companies work on a short-term cycle," Angus explains, adding that in some areas he is, literally, thinking 200 years ahead. "Dad was visionary in setting up our business for future generations. We went through a whole process of defining our family values, which took a couple of years. Then we drew up a family charter and got everyone to review it, and more importantly, agree to it. I think we're up to version 10 or 11 now.

"And then we've got the Deed of Family Arrangement. So what happens if my parents die or one of us wants to get out? We have an annual family retreat and 24 of us all go away together. It's about connecting the next generation and building equity in the relationships. Hopefully, down the track, if difficult times happen, the family has a strong enough relationship and understanding of the rules of the business to overcome it. When I first came into the business, we had to decide these things as we went along. But when you grow up in it, I think it's easier. You understand how it's going to work."

Also integral to the success of the business is the culture. There are four

"You can't have a system and process for everything, but you can have a set of values that guide your behaviours."

- Angus Kennard

company values that are the ultimate test of everything Kennards Hire does. "They're not something that simply sit on the wall. They're a living, breathing part of our business," Angus says. "The first is Fair Dinkum, which is about being true, real, genuine and honest. Then there's Every Customer A Raving Fan. That's around doing whatever it takes to satisfy a customer's needs. Sometimes you have to break a few rules to do that, and it really stems from how we started with Grandad's first hire. It also relates back to our customer-centric approach. Our brand promise is 'Kennards makes your job easy'. Anything we can do to enable the customer experience to be better is where our focus is. We're spending a lot of money on technology at the moment to enable that.

"The other two values are Taking Hire Higher, which is about continuous improvement and innovation, and One Family, which is about having each others' backs, looking after your mates and being vigilant about our people coming home safe each day."

These are lovely values. It must be good to work in a company where you can insist on that kind of behaviour. Angus nods. "It's what we ask our people to live by. You can't have a system and process for everything, but you can have a set of values that guide your behaviours. We don't want to have 'group think' with everyone being the same. These kinds of values build trust. Once we had



determined our values, we held 40 workshops and every single person in the company had to attend, from the CEO and Board members to drivers and everyone in between. It really broke down the barriers. We had guys from the shop front talking about how they lived the values, and it was really powerful. We had people breaking down in tears. The stories about what people do and the discretionary effort they put in — they're quite amazing."

The run of non-Kennard CEOs has seen some great successes and also some challenges. Is the rest of the family pleased they now have one of their own at the helm again? "I think so. I'm still in the honeymoon period, so we'll see what happens," Angus says, laughing. "We've always said that no family member reports to another family member, but with our generation we're all involved. My brother Cameron is >>

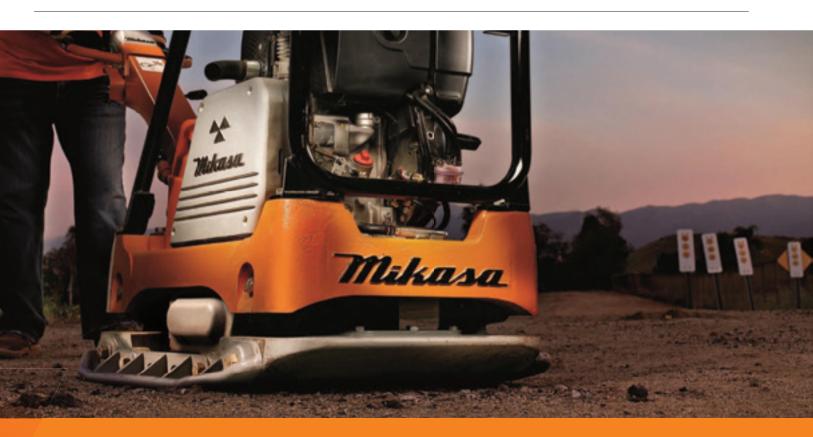




group property manager, so reports to a steering group that I am on. I report to a Board that my brother and sister are on, which could pose a challenge, but I think we're at a point where we're clear where it's going." They are, as you might expect, a pragmatic family, but not one to coast or rest on their proverbial laurels.

"When you achieve success, you can easily believe your own hype. The element of hubris comes in, and that's the danger with many successful companies. They sit back and think they'll just revert to what's worked before. In this day and age, this thinking gives you no right to exist in the future; you need to be really cognisant of things that are coming." While he has teams of top people exploring the world to find the next and best big thing, Angus returns to the culture as the driver of this. "That's the key element. If we're going to get involved in something, it's our family name on the door, so we want it to represent the things we believe in."

In a world where there are ever-growing reports of stress as employees battle hard KPIs, Kennards is also unusual in not setting specific growth targets beyond wanting to maximise sustainable growth. The things the family has always wanted from the



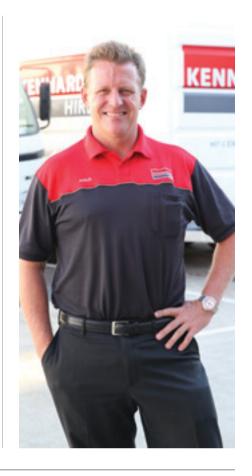


business are both measurable and intangible: people at the core of success, caring for the community and the environment, striving for strong financial performance, and taking pride in everything they do.

Angus isn't about to change that. In fact, when he was made CEO, one of the most important items on his list was to revisit the way the company regards people. "I want to get back to that. In the financial world, for example, they have hard KPI-driven outcomes, but that can create negative behaviours. For us, we have the soft elements of the business and the tangible ones, and that's what binds us together, so we're not so outcome-driven at all costs. For instance, we could pressure our people to hire out more stuff, but if you sell a solution and you're not pushy but just helpful, then customers will come back and you've created a much better

experience. I think there's a lot more we can do with our people. Every year, we do a Great Place To Work measure. The feedback from that is often used to make decisions about our employee culture."

Some of these decisions have been costly and not many companies would go with them. For instance, one — some might say predictable — employee suggestion was a salary rise. Sure enough, Angus says: "We've increased everyone's salary at branch level by a substantial amount." That's a costeffective move, he says. "We want to attract, train and retain the right people and engage the right people in their jobs." It should be said that this is not a one-off. Kennards has made headlines a few times in the past by giving all staff very large bonuses. It's another advantage of being a family business. "We can just make decisions," says >>





KENNARDS HIRE

For Earth, For Life Kubata





Angus. "You think about public companies. They're only as good as their last quarter, and they're trying to make decisions to pump their share price up. We can make decisions to push our share price down if we think it's good for the business."

Of course, Angus will, as he always has, be looking at new business models and considering how to evolve. "That's something I'm really keen on. We have several specialist businesses, and we've restructured so we work as less of a silo. with more of that one-family feel, and there's a bit of change happening to enable it to work better." New technology is also transforming the business in myriad ways, such as the online hire website that allows customers to book online. "The new website has gone gangbusters," says Angus. "I think within 12 months it will be the equivalent of one of our biggest, busiest branches." Innovation also extends to a new mobility platform that will see customers being greeted at the door with a mobile device to

As well as good business practices, Kennards is also renowned for philanthropy. It gives around \$1 million a year to charity, often choosing lesser-known organisations that it sees are fulfilling a genuine need.

do their hire transaction, eliminating the need for unnecessary paperwork. Meanwhile, the QR codes on each piece of equipment means that all safety and asset elements can be accessed with a quick scan.

As well as good business practices, Kennards is also renowned for its philanthropy. It gives around \$1 million a year to charity, often choosing lesser-known organisations that it sees are fulfilling a genuine need. They have a particular emphasis on helping disadvantaged children. "We like to see people fulfill their potential so, for the past 25 years, we've been involved with Stepping Stone House. One of their buildings is called Kennards House, and we donated money, resources and equipment to help build it. The organisation helps disadvantaged kids to reach their potential. The kids there come from troubled backgrounds, and it is amazing to see what, with good support, they can achieve. After 18 months to two years, they come out as independent young people. It's expensive, but cheaper both in monetary and human terms than sending them into the welfare system."

Among others, Kennards Hire supports Constable Care, a child-safety foundation in Western Australia; KidsXpress, an organisation that helps traumatised children express themselves through art; plus others such as Taronga Zoo and Variety — The Children's Charity.

"We have a family foundation, and Mum and my sister Kirsty are pretty involved in that. We also like to get our own kids involved." The family is adamant that their philanthropic efforts are not about publicity or media attention. Angus's sister Kirsty Kovacs has said, "We just want to make sure we're giving back and that it's going to the right place. We want to see people, particularly children, have an opportunity to do better and achieve their goals in life, and that's what motivates us."

In 2013, Angus and his dad, then 71, and son Zack, 13, also took part in the Hands Across the Water cycle ride, riding 800 kilometres in eight days to raise around \$120,000 for charity. "It was a real adventure and for a good cause. As a family, we love travelling, seeing things and challenging ourselves, so it was great to have three generations doing it together."

More recently, and with a commercial focus, Kennards sponsored Kennards Hire Rally Australia. Angus insists he wasn't engaged in deciding to get involved with that — "I don't mix passion and business" — but he was clearly delighted by the way the company took on the challenge of providing VMS boards, toilets, generators and other essential pieces of equipment to this very popular, international motorsport event.

One imagines, because he's a Kennard, Angus will always have that longing for adventure and challenge. Will being CEO in these challenging times be enough for Angus? "I'm not sure yet. We'll see how it goes, but I'm here for as long as I can positively lead the business," he says. Walter and Andy both stood down well before retirement age and, says Angus, "Part of my responsibility is directing

the next person. Succession is a challenge in any business, but especially family businesses. We've got a couple of people who are really good, and if you hang on too long you lose those people. I've got my time. I'll do what I can do and make sure there will be people ready for the next chapter."

The other question, of course, is whether he sees another Kennard stepping into the CEO's role any time soon. "I'm not sure if my kids will go into it. Their cousins seem more interested. But the most important thing is that they all pursue their dreams and passions, and if that's the business, great, and if not, that's great, too," he says. "It would be a shame if no Kennard wanted to work at Kennards, though."

Most people would agree with that.

ifty lift.com.au

**CALL 1300 4 NIFTY TO ARRANGE A DEMO** 





# Come join the circus

Years ago, it revolutionised the circus scene, and today Cirque du Soleil is still coming up with new ways to surprise and delight audiences all over the world.

IMAGES CIRQUE DU SOLEIL

Cirque du Soleil performance is unlike anything you've ever seen. It's full of colour, spectacle, imagination, emotion and wit. It turns circus acts on their head, elevating them to a completely new level — to a place that's daring and dangerous. Combining acrobatics and clowning, it delivers timeless and original shows that are quintessentially Cirque du Soleil. There's truly nothing quite like it anywhere else in the world.

It makes perfect sense then that the CEO of an organisation like this would have a huge smile on their face, thrilled to be part of an evolutionary performance brand that has grown exponentially throughout its existence. That's certainly the case for Daniel Lamarre, whose interesting journey with Cirque du Soleil began three decades ago.

"It was in 1986 and I was the owner of the largest public relations firm in Canada," he says. "I did a mandate for Guy Laliberté, the founder of Cirque du Soleil, and back then he couldn't pay my bill. I stayed in touch with him though, and he called me about 15 years ago to say, 'You are going to join the circus.' And here I am."

Cirque du Soleil began in the early 80s in Canada with a bunch of performers who would roam the streets while juggling, walking on stilts, dancing, breathing fire and playing music. Slowly and steadily it grew, and today is a highly diversified, respected organisation. It boasts nine permanent shows and 11 touring shows, with performances in 350 cities all over the world. >>



Name Daniel Lamarre Company Cirque du Soleil Position CEO HQ Montreal, Canada Employees 4,000 "We're the only entertainment company that tours this much," Daniel says. "And we keep expanding."

The current focus for the business is on China — a relatively untouched market that's showing huge potential. Expansion there could double the size of the company in a short time. "There's so much going on," Daniel says. "I'm personally going to China every six weeks because there are so many things happening there; it's such an exciting time at Cirque du Soleil. We already have a deal to open a permanent show in Hangzhou, and we have several other things that are currently in discussion. Our partners TPG, Fosun Capital Group and Caisse are supporting us with our entry into China."

Another exciting development is the inaugural Cirque du Soleil theme park, which is expected to open in 2018 in Nuevo Vallarta, Mexico, thanks to a collaboration with Grupo Vidanta and Goddard Group. The amusements will be immersive, with guests invited to become a part of the show rather than simply spectators. "It's going to be a huge project that's being financed by our partners," Daniel shares. "It'll open up a completely new category of live entertainment content. It's going to be quite spectacular."

Something Cirque du Soleil is well known for is its ability to deliver performances that are ever relevant to a wide audience. Whether a person lives in Canada or China, the UK or Australia, it doesn't matter; everyone can enjoy and take something valuable away from an experience inside the *Grand Chapiteau*, or Big Top. According to Daniel, this success largely comes down to the fact that it has 49 different nationalities represented in its talent pool. There's a huge casting department with scouts who travel all over the world, constantly on the lookout for





"Thanks to the quality of the brand and the presence we have on social media, artists are regularly sending us their work. We have 75,000 artists in our data bank." – Daniel Lamarre

emerging new talent. "We want to always surprise our customers, so we need to keep our eyes peeled for any impressive performers or acts that can take a Cirque du Soleil show to the next level. The good news for us is that we're spoilt for choice. Thanks to the quality of the brand and the presence we have on social media, artists are regularly sending us their work. We have 75,000 artists in our data bank, and we're incredibly lucky to have access to this amazing pool of talent."

Once a performer becomes a member of the Cirque du Soleil crew, the company works closely with that individual to ensure they're properly trained and receive the necessary support. The coaches and artistic directors for each show nurture them and encourage them to grow in their careers, and this is something Daniel says is extremely important. "We develop nutrition plans, and there are choreographers on hand to invent new ways to present a particular act.

Our artists are great athletes and great performers but, further to that, we need to give them the artistic values they require for the audience to be able to have a wonderful overall experience when they buy tickets to see Cirque du Soleil." And the expectations of visitors are extremely high. "That's probably the toughest part of what we do," he continues. "If you've seen a couple of Cirque du Soleil shows and you love the brand, it becomes tougher to surprise you.

"The expectation of what we'll deliver at a new show is so high, and that's a challenge. The entire process from the start, when we give a mandate to a creative team and they come back to us with a concept, to the end delivery of a show, can take up to two years because we want to get it just right."

The use of technology helps to wow the crowd, and this is an element that has long been ingrained in the

Cirque du Soleil philosophy, as Daniel explains: "We're constantly investing in research and development to ensure we're at the forefront of this. I truly believe that in the future, new technologies are going to have a huge influence on live entertainment in general. It's crucial we embrace it." The ability to reinvent itself is also important, and this has led to Cirque du Soleil becoming a "totally integrated live entertainment organisation". "That was the challenge we gave ourselves a few years ago," Daniel says, "and we seem to be moving in the right direction. We have delivered shows based on music by The Beatles and Michael Jackson, and we have recently opened a show on Broadway. There are lots of things in the works."

While the brand is poised for significant growth — both financially and geographically — Daniel assures that Cirque du Soleil will never lose the one thing it's most well-known for: its ability to put on an excellent show. "I have an expression that really describes my philosophy. If you take the words 'show business', the word 'show' comes first. Therefore, if you have a great show, you will have a great business. If you don't have a good show, you'll have no business. What this means is that you must give priority to the content of the show because that's what's going to deliver good business for you. Of course, we have financial disciplines and we make sure that we have some business parameters in place that will allow the company to be successful financially, but the core value of our organisation is that we give priority to our creative content first. That is of utmost importance, and no matter what we do, that will always be the key focus."

Cirque du Soleil's KOOZA is now playing in Melbourne until 26 March and opens in Perth on 13 April.



# Dynamic duo

With a colossal travel agency and a luxury boutique hotel portfolio, we find out how the Turners' respective businesses have transformed the down-to-earth pair into Australia's ultimate power couple.

IMAGES ANDREW PORFYRI

raham ('Skroo') and Jude Turner have long carved out winning new trends in the travel and hospitality industries — from travelling around Europe in a double-decker bus to dominating the retail travel outlet market, and forming a growing range of boutique, homely resorts that showcase the pure beauty of the Australian bush. But this dynamic duo was almost not to be, with a young Skroo once left nursing heartache when his future wife was a no-show to their first date.

"Jude and I actually met briefly at university in Brisbane in 1971. I asked her out, but she stood me up," laughs Skroo. Their second date wouldn't take place until five years later when fate intervened in the form of Jude walking into Skroo's Topdeck Travel shop in the UK.

"She travelled to London in early 1976 and coincidentally came into our shop with a friend who was booked on Topdeck. We managed to talk her into going on the tour, and then I offered her an office job. The rest is history." The two were married in December 1976, and have since worked together across several leading businesses, as well as raising two children. Despite the pair's flair for their industries, each had initially begun their careers in entirely different professions — Skroo as a veterinarian, and Jude as a secondary school teacher.

"I grew up on an apple orchard about 15 kilometres west of Stanthorpe in Queensland, so farming was in my blood," says Skroo. "From an early age, >>





I'd milk one or two cows every morning, so it became a choice between vet science and agricultural science, and vet appealed more. I graduated in November 1971 and needed money immediately to travel in 1972, so I did a series of vet locums in Western Australia before travelling to Munich for the Olympics. From there, a group of us travelled in vans around Europe, landing in the UK in 1973. I then did more locums around the UK that year."

Kismet soon stepped in, and it was while visiting a sick horse on a locum in Yorkshire that Skroo stumbled across an old airfield with double-decker buses, and the idea for Topdeck Travel was born. "I thought at the time it'd be a great concept — travelling, eating and sleeping by decker across Europe." After convincing a friend (Geoff 'Spy' Lomas) to go halves in the concept over a few beers, Skroo unexpectedly found himself with a new career. Three years

later, to Skroo's surprise, he had a second chance at love too, when the girl that almost got away walked into his London Topdeck office.

"I went travelling in early 1976 and began working with the fledgling Topdeck Travel in London when it had five buses," says Jude. "Back then, we did anything and everything! Admin, the fit-out of buses, sales, marketing and recruitment, you name it." It must have been a good year, as Jude and Skroo were married by December. After four years of running the show at Topdeck together, husband and wife moved back to Queensland in 1980 to become mum and dad, with the birth of their first son. Matthew.

With their departure, partner Mick Carroll headed up the business out of the UK, while Skroo turned his attention to running Topdeck shops in Australia and New Zealand; his focus was on selling tours around Europe and overland to Kathmandu. As discount travel agencies were growing in popularity, Skroo, Mick and other partners, Bill James, Geoff Harris, and the newly added Dave Tonkin, decided to create Flight Centre in Australia, opening the first shop in March 1982. Topdeck was later sold to the leadership team in the UK, though Skroo would later buy it back as a subsidiary of the Flight Centre Travel Group (FCTG).

The company grew quickly, though not without its challenges. "The first Gulf War in 1991 meant we lost money in January and February for the first time ever at Flight Centre, and this pushed us into the domestic airfares market, which was — and still is — very important for us," says Skroo. By the mid-90s, Flight Centre was well on its way to becoming the travel behemoth it is today, being listed officially on the Australian Securities Exchange (ASX)

"The concept for Spicers Peak Lodge grew from an idea of creating and sharing great experiences in the South East Queensland bush, near where Skroo and I grew up." – Jude Turner

in 1995 for \$1 a share. "Many of our people bought shares on the listing. Later, the global financial crisis would cause us serious headaches and our share price plunged to \$3.50 from \$30 beforehand. Geoff Harris and I bought at these record low prices," says Skroo.

Today, shares are now back around the \$30 mark and FCTG is a large, global organisation of 19,000 people across 3,000 shops in 20 countries, and raking in about \$20 billion in sales. But it wasn't to be the only leading player in the Turner family business ventures, as Jude started becoming restless for her own project. "After moving back to Australia, I continued in various areas into the mid-90s, but by the time Flight Centre floated it seemed I'd become obsolete," says Jude. "It was then that I began building and creating experiences by growing the value of our small property portfolio." This idea would grow into Jude's Spicers Retreats business.

"We'd just finished building our family home in Chelmer," recalls Jude.
"The concept for Spicers Peak Lodge [the first retreat] grew from an idea of creating and sharing great experiences in the South East Queensland bush, near where Skroo and I grew up. But we knew it needed to be financially and environmentally sustainable." Financial sustainability has always been a key focus for Jude, after witnessing the financial difficulties Topdeck encountered. "By 1980, after growing from just five to more than 70 buses on



the road, Topdeck had a serious cashflow problem. It taught us an important lesson in business: cash is king," says Skroo.

Spicers Retreats now represents Australia's largest group of small retreats. It boasts a \$70-million portfolio and nine established retreats, with a tenth in development, across Queensland and New South Wales. Each property is designed with a different experience in mind and tailored to reflect its unique location. The focus is on high-quality service, homely vibes, and an appreciation of Australia's quintessential rural settings. With great big sofas, expansive and pristine views, well-stocked bookshelves and 'help yourself' honesty bars, Spicers' rare brand of unpretentious luxury has become a trailblazer for the hospitality market.

Jude says some of the challenges faced by the smaller retreats meant it was crucial to identify the right areas for commercial growth, without relinquishing their vision of high-quality experiences. She also quickly identified the need for additional income streams to supplement the model of limited room numbers, with extra features such



as restaurants, spas and activities added to the mix. Jude has also been realising the value in opening urban properties in Brisbane (Spicers Balfour) and Sydney (Spicers Potts Point) to attract more international visitors that are more likely to visit capital cities.

Both Spicers and FCTG have managed to intuitively tap into a growing trend in the travel industry: the desire for 'experiences', as well as a nice place to stay and a means to get there. "Today, travellers are looking for more >>



authentic experiences rather than manufactured ones," says Skroo. "With FCTG, we see our purpose as 'opening up the world for those who want to see' through a range of different travel experiences and having fun." Whether it's a safari tour in Botswana, a cruise beneath the Northern Lights, a pizzamaking class in Napoli, or exploring ancient ruins on the Sicilian coast, Flight Centre posits that its purpose goes beyond making a profit to shaping people's lives.

"Within Spicers Retreats, the venues and locations are also experiences rather than just places to stay and eat," adds Skroo. "Jude tries to make each distinctive, with a real focus on the Australiana experience." Spicers Retreats has embraced the experiential travel model, recently introducing a four-day hike and mountain biking

experience in Queensland known as the Scenic Rim Trail, with luxury glamping accommodation along the trek. Visitors are not only taking part in a fun and challenging physical activity but are exposed to an array of local wildlife, history and conservation efforts on trails freshly carved out by the Turners themselves.

"There's more focus on the environment now too, and we're in a unique position to capitalise on this since we've always had it in our core values," says Jude. "As working lives become more hectic, people need a place they can get to easily and where they can be rejuvenated for both themselves and their businesses — and there's no better way than getting in touch with the natural environment. We offer a world-class experience close to home for Australians, and a high-quality

Australian experience to overseas visitors." The emphasis on physical activities also stems from the couple's own love of biking.

Jude says she enjoys few things more than a day riding with friends followed by a glass of wine or two at the end of the day, while Skroo's cycling roots stem from his childhood when he would ride six kilometres through the bush each day to attend primary school. He later discovered mountain biking in his thirties as a form of fitness and was quickly hooked. "I believe nothing is better than riding through the bush and the mountains on single-track trails," he says.

The nickname 'Skroo' also originates from his schooling years as a sub-senior boarder at Toowoomba Grammar School (TGS) in 1965. One "Today, travellers are looking for more authentic experiences rather than manufactured ones. We see our purpose as 'opening up the world for those who want to see' through a range of different travel experiences and having fun." - Graham Turner

housemaster, Mr Turner, was referred to as 'Screwdriver' by the students, after the Turner hardware brand. Sharing the same last name, Graham was called 'Screw' as the younger version, later changed to 'Skroo'. "I loved boarding at TGS. It was such an easy life after the orchard, a lot of friends and plenty of sport — suited me down to the ground."

Skroo goes a step further in making us all seem like lazy couch potatoes with his regular participation in marathons. "Running marathons is something I do for fitness. A focus on fitness and health is important in any organisation, and the leadership team should set the example," he says. "Also, mountain biking and big events like marathons are great for colleagues to do to build teamwork as well as fitness." Environmental sustainability is also a key value of the Turners, whose love of Australian geography has seen them championing the conservation of bush and farmland. Together they've established 5,500 hectares of perpetual nature refuge areas across Hidden Vale, Thornton View and Spicers Peak in South East Queensland in a bid to sustain country hospitality, outdoor recreation, livestock production, and wildlife habitat in perpetuity and balance.

As part of this, the couple joined forces with Ipswich City Council to place



more than 3,000 hectares of rural property at Hidden Vale under a Nature Conservation Agreement. They've also signed an agreement to reintroduce koala habitat at the site to help protect the region's threatened koala population. "We hold strongly to our commitment to a sustainable environmental policy and our early days of looking after the bush. It's very important to me that each Spicers property is sympathetic to its location and the environment around it. All our retreats are designed to be eco-accredited," says Jude.

"I really believe that guests come for the comfortable beds, great food and wine, but what they really gain is a feeling of rejuvenation and relaxation from being in a location close to nature." In addition to scouting out new locations for retreats, Jude says she's now looking to implement even more eco-activities, similar to the Scenic Rim walking and mountain biking trail offerings, so guests can enjoy a fully immersive experience with the local flora and fauna. She also hopes to grow Spicers by increasing the number of rooms for

existing properties to a minimum of 20 where possible, without exceeding the 20–50 room model.

"We're also focused on becoming an employer of choice in the hospitality industry so we get to employ the best and the brightest," she says. "Growing up within Topdeck and Flight Centre for the first 20 years, I helped create the culture of a team where we all work together and respect each other's expertise and differences. I hope I encourage personal growth and expertise in my staff, where each person can be proud of their own and the company's combined achievements."

FCTG too is pursuing an ambitious growth strategy for 2022, but one which Skroo believes is very achievable. "As well as growing and expanding our country footprint, we have several major areas we'll focus on: leisure travel, including youth and student travel, corporate travel, as well as destination tours and ground handling," he says. "Travel is a great industry to be in. It has a terrific and expanding future and we're right at the heart of this growth."



# The future of the digital economy

These three concepts will shape the digital economy for the next 30 years.

WORDS FIBENDALL

rystal ball gazing can be fraught with danger, especially when it comes to predicting future business trends. Too often, what comes out looks like a badly sketched episode of *The Jetsons*, the 60s TV cartoon series set in a jetpack future.

However, based on the technological progress of the past couple of decades and the educated opinions of business leaders and technologists, we can sketch a reasonably plausible picture of the ideas that will drive and disrupt society and business activity over the next 30 years.

Three key concepts emerge when talk specifically turns to the future of the digital economy: the Internet of Things (IoT), big data and its applications, and intuitive modes of communication. Underlying these concepts will be advances in areas including nanotechnology, robotics and automation, optic computing, and neuroscience to name a few.

The way these developments interact, and how they're adopted and adapted by entrepreneurs and consumers, will form a picture of what life might look like 20 or 30 years from now. Out of this fusion will come opportunities as fertile and rich in possibility as those we've seen emerge over the past two decades of digital innovation.

As always, the successful entrepreneurs and business leaders will be the ones who can make these technological advances work for people: to make people healthier and happier, enable them to communicate and connect, delight them, and to generally make customers' lives richer and more fulfilled.

### THE INTERNET WILL DISAPPEAR

It seems counterintuitive for the head of the company that has become almost synonymous with the internet to say it will disappear, but Google's Eric Schmidt said just that when he addressed an audience at the World Economic Forum in 2016. "The internet will disappear. There'll be so many IP addresses because of IPv6, so many devices, sensors, things that you're wearing, things that you're interacting with, that you won't even sense it. It will be part of your presence all the time," said Eric.

With virtual reality about to take off and the IoT continuing to grow at exponential rates, Eric's statement Internet capability will be woven into the fabric of our lives ... There won't be an online or an offline; we'll just almost always be on in some way. That's a little scary, but it presents some incredible opportunities for how we do business and transact with our customers.

points to the reality that the internet is still only in its embryonic stage. We're seeing wearables become increasingly popular, but soon enough internet capability will be woven into the fabric of our clothes and into the fabric of our lives. There won't be an online or offline; we'll just almost always be 'on' in some way. That's a little scary, but it presents some incredible opportunities for how we do business and transact with our customers.

### WELCOME TO THE INFOSPHERE

The IoT will generate almost infinite amounts of data about all manner of things, from our own interactions through to the reams of data generated by industrial applications. But how do we use all that data? What's the point of it all?

Luciano Floridi is not as well known as Eric Schmidt, Bill Gates or Mark Zuckerberg, but the Oxford professor has earned the title of 'The Google Professor' for his work on data, information and what he calls the 'infosphere'. Luciano sees humanity moving into a phase of evolution where how we think about information will be totally transformed by such technologies as artificial intelligence alongside the often mind-numbing capacities of 'big data'.

Luciano views this "fourth revolution" as having the potential to redefine

humanity to the same extent as the discoveries of Copernicus, Darwin and Freud: "As inforgs [informational organisms], humans are transition systems in the infosphere. We are intelligent inforgs in charge of the infosphere, and this is the fourth revolution." It's difficult to draw any concrete commercial implications from such a fundamental shift, but there's no doubt it will present a unique set of challenges and opportunities for business.

## THE POWER OF TELEPATHY

Almost equally visionary as Luciano's infosphere idea was Mark Zuckerberg's statement last year that seemed to imply he thought telepathy was a distinct possibility for communications technology. At a panel event in 2016, with guests such as Stephen Hawking and Arnold Schwarzenegger, the Facebook founder told the audience: "First, people are gaining the power to share in richer and richer ways. We used to just share in text, and now we post mainly with photos. In the future, video will be even more important than photos. After that, immersive experiences like virtual reality will become the norm. And after that, we'll have the power to share our full sensory and emotional experience with people whenever we'd like."

Mark, still only in his early 30s, is venturing far and wide in his endeavours to grow his social network into one of the pivotal companies of the twenty-first century. His desire to take Facebook's mission statement to connect people to as many others as possible, and go as deep as possible, points to the continuing importance that social factors such as connection and recognition will play, opening up all kinds of opportunities for leaders who can tap into these very human needs and desires.

# KNIGHT FRANK'S 2017 GLOBAL WEALTH REPORT IS LAUNCHING SOON.

2016 was a year in which more questions were posed than answers offered.

Polarities and deterioration in political debate, exponential shifts in globalisation and multiculturalism, the widening gap between UHNWI and the financially disadvantaged, the rise of a new middle class, the rise of cities, the fall of face-to-face conversation.

Knight Frank offers a data-led perspective on the impacts that macro causes have on global wealth trends. Launched in 42 cities through a global series of exclusive client briefings and press events, insights from The Wealth Report are presented to selected private clients and their advisors. We would now like to share these insights with you.

To secure an invitation to the 2017 launch in Sydney or Melbourne, or to arrange a corporate briefing, please contact wealthreport@au.knightfrank.com

KnightFrank.com.au





# CONNECTING PEOPLE & PROPERTY, PERFECTLY.





# Open your world

Heineken has long been a firm favourite with Australia's premium beer lovers. Now it's lifting the bar even higher with a bevy of innovative product launches and partnerships.

IMAGES SCOTT EHLER

hat do you do with a product that's already recognised as the world's largest international premium beer brand available in 192 countries worldwide? If you're Heineken, you keep pushing the boundaries. For starters, it's boldly backing the launch of its new mid-strength beer, Heineken 3, with a money-back guarantee in off-premise locations Australia-wide. It's also forging new partnerships for its Heineken Saturday initiative with Formula One and the Royal Croquet Club; and it has recently opened a flagship venue at Sydney International Airport called Heineken House. It's all in a bid to stay at the leading edge of a fast-changing consumer landscape. We chat to Australian Managing Director Andrew Campbell about what's next for the brand Down Under.

### The CEO Magazine: Can you tell us about your professional background?

Andrew: I spent the first 12 years of my career in banking and finance at the Bank of New Zealand and NAB before I moved into the wonderful world of beer. Since then, I've spent 11 years with Heineken in New Zealand, Sri Lanka, and Singapore, working in roles across sales, marketing and business development before becoming managing director of our Australian operation in October 2014.



Name Andrew Campbell Company Heineken Lion Australia Position Managing Director HQ Sydney, Australia



# What opportunities did you identify when you came onboard?

I saw several opportunities. First, to deeply understand what the Australian consumer is looking for and to meet needs by bringing some of the global Heineken innovations to the Australian market. Second, to reinforce the premium nature of the Heineken brand and its position as the world's leading international premium beer. The Heineken brand has consistently been in the top three beer brands across Australia in terms of brand awareness and adoration. The obvious opportunity, therefore, was to work

with a team of great people and drive growth from this extremely strong brand position.

# What's your main area of focus right now?

The launch of the new Heineken 3 — a mid-strength beer that we've launched in response to the changing consumer landscape. We want to provide an easy-drinking product for those consumers who are looking to complement their modern, active and spontaneous lifestyles without compromising the taste or quality of their beer. It's our biggest launch in

Australia for 20 years, and we're the first market around the world to launch this brand.

In an Australian-first initiative, we've unveiled a money-back guarantee across off-premise locations around Australia. In essence, for anyone who buys a pack of Heineken 3 and doesn't like it, we'll give them their money back. That's how firmly we believe Australians will love the quality and taste of Heineken 3. It's a bold move, but one we hope will create intrigue and make people curious to try it. It's also an example of how we like to challenge the conventional marketing status quo whenever we can.

# What are your plans for the future growth of Heineken Lion Australia?

Innovation is a key focus of mine: there's a reason it's called FMCG! You have to be moving faster than the competition. People want to drink premium products. They're prepared to pay more for them. But, for example, in the on-premise environment, when they pay more, they expect the Heineken brand to be presented in a premium way. They want the beer to be poured well and presented in a premium branded glass. I believe that in a bar environment, the only reason someone orders a second Heineken is because of the quality of the first one. We've embraced this in a big way. I've sent staff to Amsterdam for a week of training so they can graduate as a Draught Beer Master and then train our bar staff around Australia. This is paying big dividends for consumer experiences and sales.

We've also just launched Heineken Extra Cold in Australia to ensure consumers can enjoy beer at the optimal temperature through our innovative frozen draught columns and glasses.



"In a bar environment, the only reason someone orders a second Heineken is because of the quality of the first one." – Andrew Campbell

# Can you tell us about your new marketing initiatives, such as Heineken House?

I want to ensure we share the story of our brand with a lot more consumers and build their connection with the brand to drive growth. My vision is to continue to evolve the legendary experiences we've become known for, such as Heineken Saturday. It became an institution in our previous partnership with the Australian Open.

We've now invested in a major new partnership with Formula One to take our experience to a new level, and Heineken Saturday will be coming with it. Whether you want to watch the racing or not, people will want to be at Heineken Saturday during the Australian Grand Prix this month. Heineken Saturday has also become a national property as we move it around the country for the first time

through our strategic partnership with the Royal Croquet Club. This is the first time consumers will enjoy the legendary experience that comes with Heineken Saturday.

We also have Heineken House, our first flagship venue, which has now opened at Sydney International Airport Terminal 1. The venue gives us our own destination to offer a unique Heineken experience to travellers and a platform to be able to showcase all of our latest innovations, including Heineken 3 and Heineken Extra Cold. I'm also delighted to partner with Emirates Leisure to bring this brand experience to life.

# Heineken has a long family-run history. How does this impact the day-to-day running of the business?

Heineken is the second-largest brewer in the world and is still controlled by the Heineken family. This is a great asset for our brand and enables us to take a long-term view and grow the brand in the right way for the future. We don't make decisions based on hitting this year's targets — it enables us to be true brand builders.

# What sets Heineken apart from your competitors in the marketplace?

Heineken is the world's largest international premium beer brand, available in 200 countries worldwide. For more than 150 years, Heineken has been focused on quality and creating a premium brand identity. It enables Australian consumers to enjoy and participate in some of the world's leading international events such as Champions League, Rugby World Cup, and now Formula One.

We have a global mandate around moderation, and this is a message I'm very passionate about. We've run a number of moderation campaigns around the world to deliver the message about enjoying Heineken in a responsible way, without compromising the sense of occasion. The Formula One campaign spreads the powerful message: 'When you drive, never drink', which is championed by British Formula One legend Sir Jackie Stewart.

# What do you love most about your job?

I love the Heineken brand: it was born in Amsterdam and raised by the world. Now in Australia we have a great team of people bringing brand innovations to life in a way that's relevant to Australians. For me, the most rewarding moment is when you see a group of people enjoying a well-deserved ice-cold Heineken with friends or family. This means we have played a small role in enhancing the sociability of people in our world.

# Untangling the Web

With Managing Director Julie Ryan at the helm, Custom D has hit its stride, creating customisable, easy-to-use online solutions that help businesses stand out from the crowd.

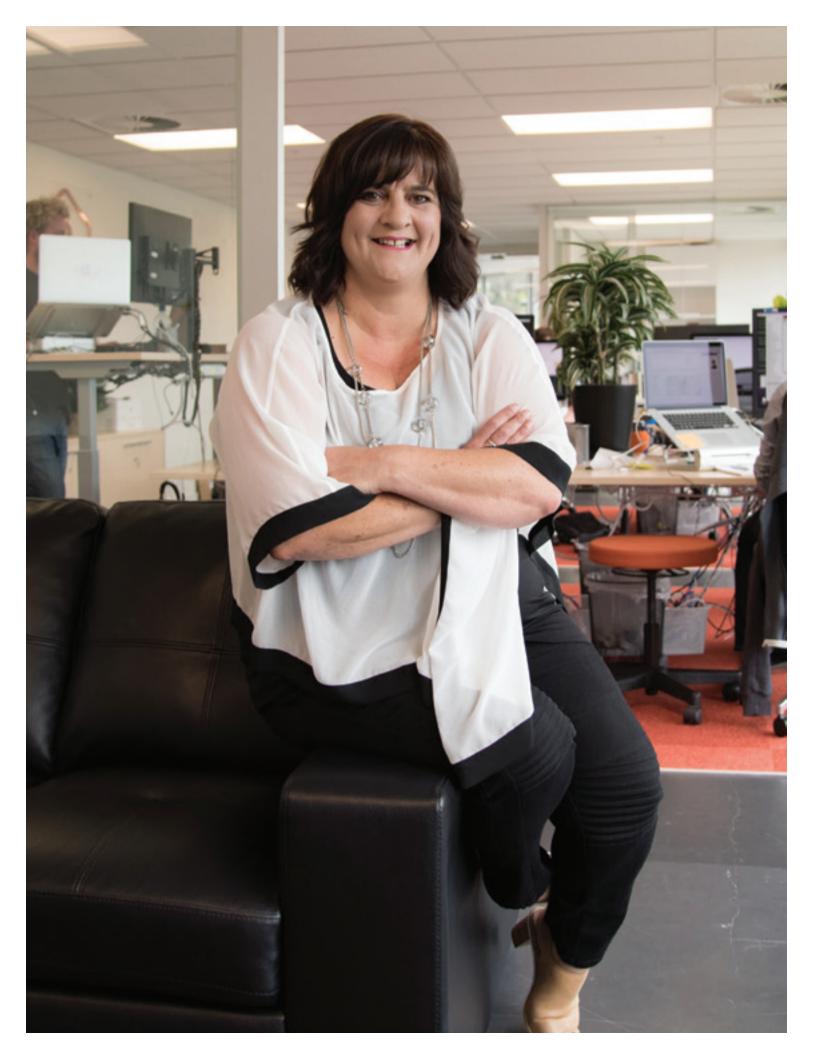
IMAGES CUSTOM D

ulie Ryan, Managing Director of web-development business
Custom D, "fell into" the technology industry while working her
way up from administrative roles to the top of the ladder. Without
a technical background, it was a steep learning curve trying to
understand the terminology, but she pulled it off with aplomb.
"In every single job I've ever been involved in, I've always pushed
very hard and progressed myself each time," she explains.

Formerly the operations manager at Digital Fusion, a company that specialises in developing custom iOS and Android apps using the FileMaker platform, Julie stepped into her current role two years ago when Custom D became a separate entity. The decision was made to divide the business after an increasing number of clients began clamouring for online tools to complement the FileMaker apps. >>

CUSTOM (D)

Name Julie Ryan
Company Custom D
Position Managing Director
HQ Christchurch,
New Zealand
Employees 13







"Customers either wanted to take some of the services online or create a portal for their clients. So we started adding the odd web developer to the team, and then that whole aspect of the business started to grow and become its own thing," says Julie. "It was a case of figuring out how to make the most of that team. So we decided to split the business in half, and that's how Custom D came about."

She describes the past two years in the role of managing director as a period of "enormous personal development". As a straight-talking person with high

expectations, Julie has had to massage her management skills to develop a leadership style that brings out the best in people. When she discovered her team wasn't feeling valued or supported, Julie realised she needed to be more understanding and involved. "Sometimes you have to force yourself to put away your natural tendencies, to be more empathetic towards the people you're working with so that they can actually do better work, because ultimately that's what you want."

She was also new to feeling solely accountable for the outcomes and success of a business. While Julie had plenty of responsibility in previous management roles, it was certainly an adjustment to become the person in charge making the final decisions. She confesses, "I was somewhat naïve about the switch from senior management to managing shareholder. This was my first time at being in the office where the buck stops."

That's not to say that Julie hasn't risen to, and enjoyed, the challenge. One of her favourite parts of the job is seeing the difficult decisions pay off. "Sometimes you talk about it and you think about it, but if you don't effectively introduce changes, then it's very difficult to see any difference in the outcome," she elaborates. "When you really commit to changes in approach and process, you see just what kind of benefit they have — not only for us as an organisation, but also for our people and our clients. It's fantastic."

One of the key changes Julie saw the need to introduce was a switch in focus from billable hours, budgets and revenue to simply building great online solutions for clients. As a start-up of sorts, with a "fairly green" management team, Custom D had some teething problems at the beginning.

"We had a good stable of clients, but the work was unreliable and erratic. Sales were lumpy; we didn't have a niche or vertical market, which meant we struggled to get new clients and projects," explains Julie. "We had systems, but they were incomplete and didn't work end to end. And while we talked loftily about building a reputation for producing high-quality work, in practice all focus was on simply keeping our head above water."

This led to unhappy clients, disengaged staff and a stressful work environment. Moreover, Julie says, buggy products and communication failures meant Custom D had difficulty attracting new business. "Understandably, we weren't getting much in the way of referrals," she admits. Julie realised something had to give. "About a year ago, we started changing everything," she says. "Fundamentally and deliberately, we moved away from a financial focus and talked more about what we were doing for our clients."

The company worked on enhancing communication both internally and externally. It introduced team messaging app Slack, which made "conversation between developer and client free-flowing, relaxed, efficient and effective." Client relations significantly improved as a result. Custom D also better developed a project management structure and quality-control practices. A senior team member was persuaded to step into a supervisory role, and the additional support made developers happy, while added code checking and peer review processes made for more reliable products and satisfied customers.

Now the emphasis for Custom D is on building up its client base. Although happier clients have led to more work and new referrals, the company has yet to find its niche in the market. Julie says convincing new clients to come onboard can be tough because not everyone realises the impact that efficient internal and external online systems can have on the growth and prosperity of a business.

"In such a transient world of employment, staff retention is hugely important, so if you can do things that make your staff happier and their job more enjoyable, then it's going to benefit your organisation."

- Julie Ryan

"You need to make an investment in better systems, because using an antiquated, inefficient or problematic system is frustrating and takes some of the pleasure away from your work. In such a transient world of employment, staff retention is hugely important, so if you can do things that make your staff happier and their job more enjoyable, then it's going to benefit your organisation."

She adds that it's equally important to have user-friendly online tools for customers to access. "Businesses are always looking to get that edge. When customers are accessing companies online, the ones they want to go back to and use are the ones that have really good sites which are easy to interact with."

Ultimately, Julie says, the technology industry is "still pretty immature," so it can be prone to confusion and misunderstanding. "I think that sometimes there's a misconception that technology companies are just big cash cows and that anyone in the industry is all but guaranteed millionaire or billionaire status. But it's just not like that. We're essentially no different to any other professional service where you're billing your time," she says. "It's still an industry with so much jargon in it that people still don't really understand it. There's so much all wrapped up in the word 'technology' that to actually try to disseminate that



in a way that's meaningful without overwhelming people is quite difficult."

But when Julie looks ahead, she sees growth in the company's future. Custom D is working on rolling out a customisable task-management system, based on a very successful project for Australian industrial design firm Design + Industry. With fantastic developers making great online tools, the end user always in mind, and a focus on quality, Custom D has a lot to offer its customers.

"We're not here to be the biggest or the coolest company in town. What we want is to be the company producing the best work for our clients."



# Go west

While Dyldam helps evolve Parramatta into Sydney's second city, it's definitely a labour of love for Managing Director Sam Fayad.

IMAGES PAUL HENDERSON-KELLY

gutsy, ambitious young Sam Fayad had no qualms about telling his in-laws he should be involved in the family business. Even if it was the iconic Dyldam construction company and even if Sam had no experience whatever in property development. But after checking out operations for just a few weeks, Sam decided "this building thing" was easy and suggested to the Khattar family they set up another site and put him in charge.

The reaction from Dyldam founders — Sam's father-in-law, Naim, and brother-in-law, Joseph — wasn't positive. "They told me it was a definite no," he remembers. "They said, 'What would you know? You've only been here three weeks!' I pointed out that the subcontractors doing the building work knew what they were doing, so all I had to do was supervise. And I told them I'm good at supervising.

"They still said no, but I insisted, asking them to give me a small job and promising I'd surprise them. So they gave me a small job and they kept checking on me every couple of hours, then every couple of days, then every couple of weeks, then every couple of months. Now they don't check on me at all because I run the whole show," he laughs. >>



Name Sam Fayad Company Dyldam Position Managing Director HQ Sydney, Australia Employees 350





That was more than 30 years ago, and clearly Sam has proven to be an excellent supervisor, directing operations today from the managing director's chair. It's a long way from his first job in a plastics factory as a non–English-speaking 17-year-old, having just arrived in Parramatta from Lebanon with his family. "I started as

a process worker. Three months later, I was a leading hand; one year later, I became the supervisor. It was 1978, I was 18, and a Lebanese kid with no English, supervising. "But that's Australia, the land of opportunities," Sam adds. "When you're here all the time, you can't see anything else; you have to be born somewhere else, or at

"We believe in our products and we stand behind them; we like to be able to explain to our buyers exactly what they are." - Sam Fayad

least travel, to realise how good this country is. It's a very lucky country and such a peaceful place."

Dyldam launched in 1969, specialising in residential properties, its first contribution to the Sydney streetscape a red-brick block of six units in Auburn. While the award-winning business has evolved into a multimillion-dollar company and is gradually building more commercial properties, family is still very much at its heart. There are about a dozen Fayads and Khattars involved in all areas of the business from construction to accounts, and like most Australians interested in property, the family has stuck to one fundamental principle: location, location, location. The location for Dyldam is Sydney's west, Parramatta in particular.

"It's all about control," Sam explains.
"Control in the way that we want to be able to inspect our projects every day, every minute, every hour. If I have to go and inspect something on a site, I can be there. We did do a couple of projects in Melbourne, but we only got to visit every three months," Sam says. "It didn't succeed, mainly because we gave it to somebody else to build, so it wasn't our product. It's just not the same. We believe in our products and we stand behind them; we like to be able to explain to our buyers exactly what they are."

While Sam may insist Dyldam's HQ in Parramatta is all about convenience,

there's no denying the underlying passion he has for the city he's called home for nearly 40 years.

"My dream is to build Parramatta," he admits. "It's a great second city and we're here to build it. Our families are here, our friends are here, our lives are here. We absolutely know what we're doing, and we're helping in a big way to build the great Parramatta City.

"Obviously, Parramatta and its surrounding suburbs have always been the heart of the first-home buyer's area, and that's been the key to our success. That's why the west will never fail: there'll never be a shortage of people wanting to buy in affordable areas. I don't believe the property boom has even hit yet," Sam adds. "Australia is very underdeveloped; there's no way the market is going to slow down. There are still a lot of people ready to buy."

Meanwhile, the great Australian dream of owning a home has been skewed by practicalities. Increasingly, first-home buyers are steering away from three-bedders with a yard housing the kids and a Labrador. Sam concedes Dyldam has played a large part in altering that psyche, adding more than 5,000 apartments predominantly to Sydney's western skyline.

"We all have busy lives, and not many people want to spend their weekends mowing the lawn or clearing the gutters," Sam says. "Australians have adapted to high rise. They're happy to spend their Saturday and Sunday afternoons with their friends on their balconies. Dyldam takes all that into consideration in the design of our apartments."

Meanwhile, Sam has dreams of his own, and one was realised when Dyldam

snapped up the old Cumberland Press site in Parramatta's Macquarie Street at the edge of the CBD three years ago. The 1.25-hectare site housing the heartbeat of Sydney's major local newspapers will be converted into a \$500-million multi-use project featuring residential, commercial, retail and open space for the community to enjoy. "That was a dream site I never thought I'd end up buying," Sam admits. "When I made an offer, I was lucky to be right on the money — a couple of hundred thousand more than anyone else. I was also lucky to get some Chinese investors to help, because who am I to get \$42 million to buy a site like this?" he adds with a smile.

Another dream Sam harbours is to construct Parramatta's tallest building. He came close to securing the tender for a 92-level building in the city centre, but money, lots of money, got in the >>







# THINKJOINERY

Your complete joinery solution!

With over 20 years experience, Think Joinery is dedicated to partnering with our customers in providing quality joinery and cabinetry solutions.

Focused on the customer needs we have the people, the knowhow, the hands-on experience and the technology to bring our customers' ideas and passion to life.

We embrace modern technology, continuously reviewing processes, supplies and machinery to improve the efficiency and effectiveness of our business.

Our customers know that when they work with Think Joinery, they enjoy the highest level of integrity and honesty. We strive to ensure our customers receive a first class product on time, every time!

# While Dyldam's building focus is entrenched in Parramatta, Sam's proudest legacy is hundreds of other constructions scattered all over Sydney.

way. And this time there were no Chinese investors to help. "We were asked to reach a \$400-million guarantee. That stopped us," he laughs. "But my older son, in charge of construction at Dyldam, will build a 100-level in Parramatta. I have faith he'll do it, and hopefully in my lifetime."

While Dyldam's building focus is entrenched in Parramatta, Sam's proudest legacy is hundreds of other constructions scattered all over Sydney. Everywhere he looks, from north to south, from east to west, he sees 'his boys'. "When I joined Dyldam in 1983, I joined with all my heart to make a difference, and I'm proud to say I've made a difference for generations," Sam says. "There are probably a hundred builders all around NSW who are my boys, Dyldam apprentices. Some stay with us and work their way up; others leave to experience opportunities themselves, and we encourage that. Wherever I go, builders call out, 'Hey boss, hey boss,' because we used to work together. That's my proudest legacy."

Another relationship Sam has cultivated is the essential one with local governments. Admitting that town planners and councillors with a lean to the green were often at loggerheads with developers, Sam says the relationship has improved dramatically due to concessions from both sides.

"Local government in Parramatta wants what's best for its city, this second city we're building," Sam says. "Now if council



agrees to a plan of ours, it expects us to contribute, to give something back to the community and, of course, address environmental concerns. We have to work very closely together.

"I recently learned something very valuable from a town planner when I submitted a plan to convert a commercial building into residential. She pointed out that while she appreciated Dyldam specialised in residential developments, the ultimate plan was to make Parramatta a second city, and you couldn't build a city on residential developments alone. She was right, so I crossed that plan off and promised her I'd never ask to build residential on that land again.

Wehave to start thinking commercial." There is one particular street in Parramatta that will never be zoned commercial, however. It's where the house that Sam built sits, surrounded by homes his family built. "Yes, I built my own house there, and the whole family lives in the street in 12 homes. My mum and dad, all my brothers; my daughter's next door to me, a son on the other side, another daughter is across the road, and another son up the road."

It's a far cry from a busy construction site, but there's no doubting who'll be in charge of that street for decades to come. After all, Sam's good at supervising. He's proved that. ■





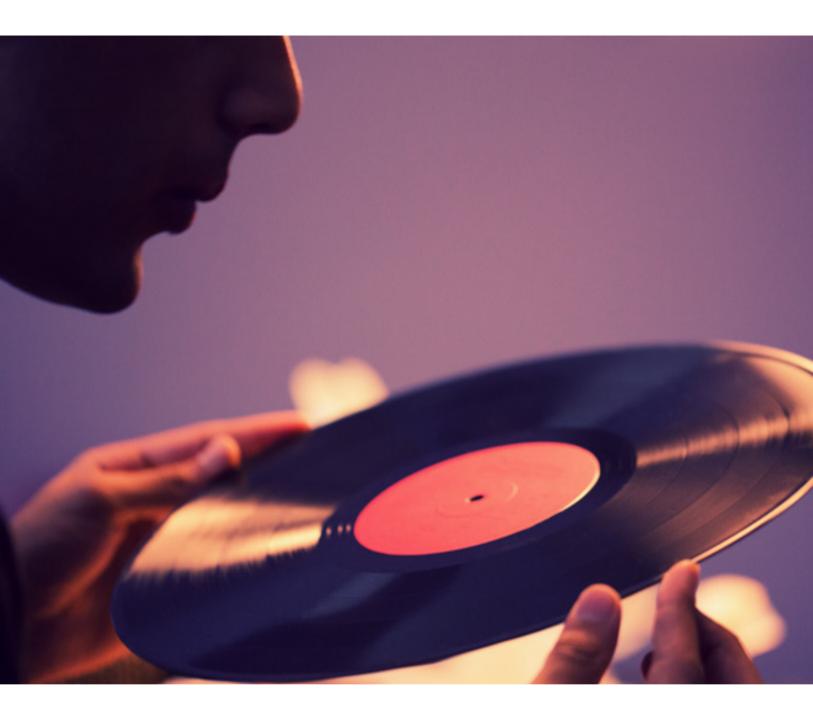
Sarraf Strata is honoured to service Australian property pioneer, Dyldam.

Setting industry
benchmarks in strata
management for
Dyldam's awardwinning developments.



"Our valued partners, such as yourself, have been instrumental in our growth and success."

- DYLDAM DEVELOPMENTS



# Nostalgic innovation

Disruptive and incremental innovation appeals to existing clients, but what if there was another option that would attract new customers?

WORDS AJ KULATUNGA

love sports cars and I love television comedies, so imagine the smile on my face when I saw Matt LeBlanc (Joey from Friends) test drive the new Porsche 911R on Top Gear. After thoroughly enjoying the car's capability, Matt started comparing it to its closest rival, the Porsche 911 GT3 RS. The RS is much faster, handles better, and costs six grand less, so why would anyone buy the R in the first place? According to Matt, the R has one serious advantage over the RS. The 911R is all about giving driving back to the driver.

Matt's statement got me thinking about car technology these days. All supercar manufacturers are obsessed with first-to-market strategies that leverage technology to make their cars safer and faster. But what Matt said was true. Driving enthusiasts are completely ignored in the pursuit of this goal, so it's encouraging to see that Porsche has made a car that caters to that forgotten segment. In fact, it made me wonder what other forgotten markets are out there.

### THE PROBLEM WITH INNOVATION

Innovation can be categorised into two types. There's disruptive innovation that advances product standards by leaps and bounds; then there's incremental innovation that is about making small changes to existing products. Either way, innovation involves bringing something new to a market, to advance it in some way, shape or form. But doing so causes a problem. It ostracises those who fail to embrace these innovations. For example, advances in online banking systems have made life a lot easier for tech-savvy individuals; at the same time, they have caused nightmares for those who are not. These customers are abandoned in the name of progress and the pursuit of new markets.

Now, for a switched-on organisation that embraces its entrepreneurial mind, this presents an outstanding opportunity for new revenue streams. There is quite a lucrative market in pursuing forgotten customers with modern interpretation of old products.

## OLD INNOVATION IN THE TWENTY-FIRST CENTURY

Cast your memory back to the days of vinyl records, when music sounded exactly how it was recorded. Real DJs today have returned to using that analog technology because uncompressed sound offers a much better audio experience. In other words, a market that found serious problems with innovative technology created a demand for old technology. Companies such as Pioneer and Audio-Technica have been more than happy to supply modern versions of this old technology, and have done so quite profitably, while still looking after their digital audience.

Nike is another company that won over old hearts with the invention of its self-lacing shoe technology, first seen in the 1989 movie *Back to the Future II*. It decided to build a working prototype of the shoe from the movie, and in doing so it created the HyperAdapt 1.0 sneakers. Retailers have anticipated huge demand among tech-gadget consumers, a market that shoemakers have traditionally ignored.

# HOW TO TAKE ADVANTAGE OF FORGOTTEN MARKETS

So how does a company take advantage of a market that has been forgotten? Well, the first step is to find a market that has been ignored in the pursuit of innovation and then design products that solve problems for that segment. This sounds elementary, but there is a lot more to launching a profitable venture within these niche markets.

Pursuing forgotten market segments can be quite lucrative, as Porsche, Pioneer and GE have found.

GE is one such company that has nailed nostalgic innovation. When it came to creating a new line of kitchen appliances for a younger demographic, conventional wisdom suggested it should prioritise internet and social media connectivity. Instead, GE did something smart and counterintuitive. It commissioned a young designer to conceptualise products for his own generation. What he produced went completely beyond traditional perceptions of what young people want.

Industrial designer Tomas DeLuna is the brains behind GE's Artistry kitchen collection, a line of appliances that exploits modern technology and also incorporates retro styling such as chrome handles, rounded edges, shiny finishes, and analog clocks. Even the GE logo that appears on Artistry appliances is the retro version that was retired decades ago. Design authenticity was paramount in the success of the project, but the Artistry line has succeeded in the marketplace because the appliance platforms are based on today's technology. This makes the white goods highly appealing to young consumers who are struggling with student-loan debts, entry-level salaries and static wages.

Nostalgic innovation can provide organisations with viable additional revenue streams if they have the courage to pursue it. In this highly competitive environment, such courage is an imperative.

# The SILVER tsunami

With the ageing population outnumbering the workforce, can taxpayers and government really continue to support aged pensions?

WORDS IAN LLOYD NEUBAUER

y 98-year-old grandmother lives in palliative care in a private facility. Her accommodation. along with medicine and consultations with specialists and therapists, is financed by my father, who is recently retired and draws the funds from his superannuation. Yet, as my grandmother continues to age, the cost of her care increases exponentially while my father's superannuation shrinks. If and when the day comes that he can no longer afford it, the responsibility of paying for my grandmother's care will fall onto me. And if my father lives as long as my grandmother, I might have to meet the cost of his palliative care too, at the expense, potentially, of my children's college funds.



It's a pessimistic scenario. But it paints a human face on the massive financial burden many of us will have to face as a result of the rapidly ageing population. According to the UN economic division's most recent 'World Population Ageing' report, the older generation is "poised to become one of the most significant social transformations of the twenty-first century, with implications for nearly all sectors of society, including labour and financial markets, the demand for goods and services, housing, transport and social protection."

So how fast are we ageing? Between now and 2030, the number of people in the world aged 60 years or over will grow more than 50 per cent, from 901 million to 1.4 billion. By 2050, the number will hit 2.1 billion. Latin America and the Caribbean will be worse hit, with a 71-per-cent increase in the population aged 60 years or over within the next 13 years. Europe will be least affected, with only a 23-per-cent increase. Oceania sits at the middle with a projected 47-per-cent increase.

In Australia, the number of people who are 65 and can qualify for the age pension has grown from 1 million people 50 years ago (about 8 per cent of the population) to 3.6 million today (15 per cent of the population). On the present trajectory, one in four Australians will be eligible to apply for the age pension in 2050.

Therefore the question begs: if the pool of taxpayers keeps on shrinking, who the hell is going to pay for all those pensions?

### **BALANCING THE BUDGET**

Future generations — that's who. But now they finally have some relief in sight. Over the past 12 months, Australia's Department of Health The older generation is "poised to become one of the most significant social transformations of the twenty-first century."

announced the first in a series of painful but necessary cuts to aged care and health programs to mitigate "much higher than anticipated growth in funding claims," and establish "a more sustainable" model. The controversial cuts amount to a sizeable \$2.5 billion over the next four years a decrease of 11 per cent in spending per resident. UnitingCare Australia called the cuts "arbitrary", saying they would have a "devastating impact" on the care of frail and older people in Australia. Another major aged care provider, Amana Living in Perth, warned that the cuts would simply "increase the burden on an already overstretched hospital system."

Public-policy think tank the Grattan Institute believes there are less painful solutions the government could have tried first. In a report released in November 2016, it stated that \$1 billion a year could be saved by winding back unduly generous tax breaks for older Australians. "The rise of the 'taxed-nots' is in part due to age-based tax breaks," the report said, pointing out that "age tax breaks for seniors are a relatively new invention — not provided to previous generations." >>

### Did you know?

In the UK, the ageing workforce is generating huge demand for personal assistants. More than I million PA roles will exist in the country by 2025.

An even simpler solution yet is to increase the size of the taxpayer pool relative to the number of pensioners. But to do that, we need to forgo the economic assumption held since the end of WWII that we can retire on a government pension at age 65 as a fair reward for all the tax we've paid over the years. The thing is, when that assumption was made, the average life expectancy in Australia was around 60 and few people were expected to live long enough to draw the pension. Today, life expectancy in Australia is 80 plus and one in three Australians born in 2017 will live past 100.

In its wisdom, the coalition plans to raise the minimum age of retirement from 65 to 67 by 2023. But according to former editor-in-chief of *The Economist* Bill Emmott, it's not enough. Seventy,

## Did you know?

Many wealth advisers recommend investors steer clear of shares in aged care companies, pointing to convoluted accounting practices and over-dependency on government funding.

he says, would be a better number, or better yet, index the pensionable age to life expectancy. So far only one country, Denmark, has taken that dive. "In the meantime," Bill warns on his website, "Western welfare states will remain financially unviable, economically sickly, and politically strained."

### THE GREY DOLLAR

The metaphor of the silver tsunami is rich with apocalyptic imagery. Yet it's also flush with cash. Take my grandmother, for example. Whenever I visit her, I go in an Uber. I often stop off at the ice creamery around the corner and buy my grandmother her favourite coffee ice cream. And I'm not the only one in the family who indulges her. Trips with Uber and sales of ice cream to family and friends who visit my grandmother are the tip of the iceberg of the grey dollar — a raft of everyday economic opportunities and untapped markets underpinned by the new demographics of an ageing population.

The healthcare, insurance and pharmaceutical sectors are obvious beneficiaries, though financial services and property are where the real silver dollars lie. According to the Grattan Institute, over 55s control 58 per cent of the total wealth in Australia — wealth that came from housing, or, more specifically, from the huge increase in the price of property in the country, the latter having grown in real terms by a whopping 121 per cent over the past 20 years.

And contrary to stereotypes, older people are more spendthrift with their money too. Australia's 'grey nomads' cough up to \$160,000 for top-of-the-range Winnebago RVs, plus boats, kayaks, camping equipment and bicycles before heading out on self-drive holidays across the country for months and years at a time. As a result, they're keeping hundreds of towns in parts of regional and remote Australia afloat. "Aged care, hip and knee replacement, and successionplanning would be good businesses to be in, and travel such as Rhine River cruises," says Bernard Salt, a futurist who uses demographics to interpret how business might change. "Any business attached to servicing those surging demographics must do well in business."



## **THREE OF A KIND**

## How are governments and industries responding to the silver tsunami in other parts of the world?

### New Zealand

The power of New Zealand's grey dollar should not be underestimated. Baby boomers earn 35 per cent of total earnings and control around 45 per cent of national wealth. And just like Australia, they're the driving force behind NZ's housing boom. Grey nomads and their RVs also drive the country's tourism sector and NZ is the only developed country other than the US where drugmakers can advertise directly to consumers. But the country is not immune to the downside of an ageing population. According to a Human Rights Commission report, the number of citizens qualifying for national super has grown by 450 a week since 2011, while the number of people old enough to enter the workforce has grown by only 200 a week. Treasury recently warned that unless the government makes changes, NZ's net deficit will rise from the 25 per cent to 200 per cent by 2060. How will the government react? We think by reviewing the tax system, austerity measures and raising the retirement age to 67. Indeed, in an ironic twist of fate, Prime Minister John Key, who pledged to resign rather than raise the age of retirement, will retire from politics.

### UK

Baby boomers in the UK who bought property when they were young have struck gold - \$1.5 billion worth, according to over-50s magazine Saga. Coupled with new laws that allow over 55s to draw from their retirement funds, it's created one of the richest grey markets in the world. This

grey market also likes to travel. According to the Association of British Travel Agents, they are the only age group in the UK to have increased the average number of holidays they take every year. The fitness industry is another winner, as are motorbike manufacturers (retirees account for nearly a third of spending on motorbikes) and cinemas — older folk are the most avid cinema-goers in the UK. A recent study by Bowling Green State University found people aged 60-plus are the fastest-growing users of online dating.

### **Singapore**

Singapore has one of the fastest-ageing populations globally. One in five Singaporeans will be aged 65-plus by 2030 – a demographic that will bring with it profound economic change. Fears of an increased financial burden on the state and future generations are valid, however, Singapore is making important changes to stymie the rot. First, it is introducing MediShield Life, a universal healthcare insurance to help cover large hospital bills for life. Second, they're investing in infrastructure that keeps the elderly mobile, happy and independent – things like public transport, public housing and parks. And third, there are plans to raise the minimum retirement age to 67. "By doing this we can minimise the burden of ageing and maximise the contributions that old people can make and make sure they feel an inclusive part of society," said Singapore Prime Minister Lee Hsien Loong at the APEC Economic Leaders Meeting in Lima in November.



# Fixing fast food

Founded on philanthropic roots and a philosophy to flip the stigma of fast food on its head, it's no wonder that Guzman y Gomez Mexican taquerias are being embraced by consumers all over Australia, as well as overseas.

IMAGES GUZMAN Y GOMEZ

hen Mark Hawthorne stepped down from his role as CEO of McDonald's UK in 2014 — after working with the fast food chain in some capacity since the age of 15 — he thought he was done with the food sector. But then he saw the "holy grail": a company that was delivering great food, served quickly, and he just knew he couldn't let the opportunity slide.

"I'd been working overseas in New Zealand, Singapore and the UK for nine years and decided I wanted to come home," tells Mark. "Once back in Australia, I was introduced to one of the founders of Guzman y Gomez (GYG), Steven Marks. He's an energetic character who is very passionate about his food. I'd seen plenty of people who were passionate about their products and brands before, but I decided to go down to one of the GYG stores to see what he was talking about and trial the food myself."

POPPAR PROMAT

Name Mark Hawthorne
Company Guzman y Gomez
Position CEO
HQ Sydney, Australia

As soon as he set foot in the casual dining restaurant, Mark recalls, he was "genuinely shocked". First, it was an authentic Mexican taqueria-style eatery. It had a great look and feel, and helpful staff. Second, he couldn't believe how quickly the food came out after ordering. >>







"In a world where you rarely see great food done fast, it was very impressive," Mark notes. "I hadn't seen anything like it before. I felt it was something that didn't exist anywhere else in the marketplace. I wanted to be a part of it." Mark was subsequently appointed CEO in May 2015 and has been enjoying the journey ever since.

One initiative he's particularly proud to be supporting is the Fix Fast Food movement, which is all about flipping fast food as we know it on its head. GYG is dedicated to serving up ingredients of the highest quality, and never taking short cuts because it might be cheaper or more convenient.

"I'd recommend anyone to check out fixfastfood.com.au, a movement we started to encourage fast food players to pick up their game. We want outlets to act in a manner that's responsible, clean and nutritious. We're very clear about what our position in the marketplace is: fast food that's fresh, healthy, delicious and cooked on proper kitchen equipment, not in microwaves. People tend to think quite badly about fast food and we want to change that.

"Pure sales of fast food remain the quickest-growing food segment in Australia, despite most people not really liking what they get served and knowing that it's not good for them. I think it's a very positive line for GYG. For us, it's about proving that fast food doesn't need to be bad. We can make it good. That clarity was important for me as CEO: we have to continue to give great food and also concentrate on giving a greater level of convenience to our customers."

#### "People tend to think quite badly about fast food and we want to change that."

– Mark Hawthorne

GYG is certainly leading by example in this self-initiated Fix Fast Food movement. It recently launched free-range chicken in all of its taquerias, a bold move considering that the protein is its biggest seller on the menu. "That was an investment we made worth more than \$1 million annually across our systems and franchises," Mark notes. Then there's the move towards sow stall-free pork, and 100-per-cent grass-fed and hormonefree beef and steak. "There are lots of things we're doing around nutritional food, clean food, and animal welfare, which is very important. It's an exciting time for us and a clear demonstration that we're a strong player in a fast-food market that's dominated by a small number of large brands."

And the customers seem to be loving it. A CREST survey on eating trends showed that GYG was the fastest-growing fast-food brand in Australia, while Roy Morgan Research revealed that it had the highest consumer satisfaction levels out of all of the brands in the sector, at 92 per cent.

Part of the popularity might also come down to the fact that GYG was built on philanthropic foundations. "Steven and fellow co-founder Robert Hazan have been supporting Misión México for many years," Mark says, "and they're extremely passionate about it. It's a children's refuge run by an Australian couple, Pamela and Alan Skuse, in Tapachula, Mexico. They care for about 50 children a year, and there are some pretty rough stories that come from these abused kids in that part of the world. I think customers want



companies today to be philanthropic; they want companies that genuinely care, and they want to see them doing good things. GYG is a fantastic example of that."

GYG has been operating for more than 10 years. Its story began in October 2006 when Steven and Robert opened their first taqueria in Newtown, Sydney. From there, the business quickly gained popularity and new stores started to pop up all over the country. Today the business boasts 79 taquerias, 14 owned by GYG, the rest owned by franchisees. Mark admits he's a big fan of the franchise model for several reasons. "While some chains see it as a source of equity and funding, I see it as a massive talent investment. If you have some franchisees with entrepreneurial smarts, they can bring so much collective thinking into the business. In fact, our first drive-through in the

Gold Coast resulted from an idea pitched by a franchisee. I think that's a great testament to the benefits of franchising."

There are now three GYG drive-throughs in operation, and Mark says they've been so well received that there are plenty more in the pipeline. The plan is to open 20 taquerias a year, 20 of which will be drive-throughs. Overseas expansion is also on the cards, particularly in Asia, with new store openings set for Singapore and Japan. "Our first opening in Singapore was in 2014, so we're now a couple of years into our international growth strategy," Mark shares.

"That was around the time Steven and Robert started looking into the idea of hiring a CEO. I mean, when you're a start-up with only a few taquerias and then you grow to the point of having 65 taquerias, you know you're onto something big. They wanted to make sure they didn't stuff it up, so they looked to appoint someone who had CEO experience, as well as experience in running a larger organisation — someone who knew what a 300-plus unit operation looks like. So appointing me as CEO was quite a big move."

Mark is enthusiastic about what the future holds for GYG, and is thrilled to be leading a brand he truly believes in. He says he loves the concept, the values and, of course, the food. "I'm a spicy steak–salad man. I'm probably going to be hassled by my mates for saying that," he laughs. "However, I do throw in an extra protein serving of spicy chicken. I reckon I can get away with salad if I'm doing double protein. Then I also add guacamole, as well as red onion and chipotle salsa from the salsa station. That is one very good meal."



# Technology in healing hands

A computer deciding your treatment and a health professional being alerted when you haven't taken your medication are two healthcare advances that Dr Richard Ashby is welcoming.

IMAGES ANDREW PORFYRI

n a medical career spanning four decades, from intern to chief executive, it would be safe to assume Dr Richard Ashby has seen it all. But apparently he hasn't. While Brisbane's Metro South Health chief executive admits he's witnessed some of the most astonishing advances ever discovered in medicine, he promises there's much more to come. And one of his hospitals, ironically where he completed his internship all those years ago, is leading the way.

Princess Alexandra is Australia's first public digital hospital, one of only a dozen throughout the world, revolutionising healthcare to make it safer, more accessible and more accountable. Since the digital transformation in November 2015, nearly 400 health service executives and clinicians from around the world have visited to learn from the project, which was awarded the 2016 Queensland Premier's Award for Excellence in Innovation.

As a former director of emergency at Royal Brisbane before becoming executive director at the Royal Brisbane and Women's Hospital (RBWH) and a district manager for both the RBWH and Princess Alexandra, Richard is candid about being at the helm. "Being an executive is harder than being a doctor," he admits, "but it's a very exciting time to be in a health leadership position in >>

#### Metro South Healt

Employees 13,000



Name Dr Richard Ashby AM Company Metro South Health Position Chief Executive HQ Brisbane, Australia



Australia. Healthcare is the most complex of industries, but our system can be rolled out in cookie-cutter fashion to other hospitals around Australia and internationally. With our partnerships with research institutes and universities growing, more problems will be solved, more health issues will be identified, and human errors will be overcome."

A leading tertiary hospital, Princess Alexandra shares South Metro's 3,500-square-kilometre patch with Logan, Redland and QEII Jubilee hospitals, along with mental, oral and community health services — all of them responsible for the care of 1.2 million Queenslanders, a quarter of Queensland's population.

It's a responsibility Richard doesn't take lightly, and there's no mistaking the medical man behind the administrator. He has that quiet, reassuring, confident voice of the GP we all yearn to have, and healthcare is first and foremost in his mind.

Granted, he now has considerably more patients on his books, but his motivation remains unchanged. He just wants to make people better, and understands technology is the way forward.

The enormous challenge of bringing 6,000 staff at Princess Alexandra up to speed with the digital process in just 10 weeks, and integrating nearly 3,000 devices, was met head on by Richard and his team. "We trained 250 people a day over extended shifts, seven days a week," he remembers. "Big tertiary hospitals are very tech-savvy, and the leadership from the senior staff, on top of an already very strong culture and morale, led to our overall success. Hospitals can be electronic, but digital is entirely different — it's integrated. Active and passive decision support is built into the system, so if somebody prescribes you a drug you're allergic to, the system will trigger an alert; or enter the condition of a patient and the computer orders all the treatments and tests required.

#### "The digital world is the big enabler of the future of healthcare; it's not something to be scared of." – Dr Richard Ashby

"Then there's precision medicine, a mega health trend, which individualises treatment based on the patient's genetics, biology, lifestyle and environment. We can predict the response to a drug through genetic testing, ideal for expensive drugs that can cost up to \$100,000 a course. We don't give it to people when we know it won't work, but ensure we give it to people where it will work."

The advances in technology are endless - some might say alarming - with treatments on the horizon defying comprehension, unless, of course, vou're Dr Richard Ashby. "Digital medication is one very exciting area," he enthuses, "and will be particularly effective for people with mental health issues or epilepsy. There's a new patent pending for tablets that have a device attached to them activated by stomach acid. It sends a communication to your iWatch or phone, which in turn sends a message to your case manager that you've taken your medication. If you haven't, your case manager will send you a text reminding you. If you still don't take it, you might have someone arriving at your house to talk to you about it and prevent you from becoming sick and ending up in Emergency. The digital world is the big enabler of the future of healthcare; it's not something to be scared of."

"It is an honour and a privilege to work with leaders in an organisation who exude innovation and courage in all that they do, in order to make a difference in the lives of others. Thank you for all of your support." – Kieran Gay, Senior Area Sales Manager ANZ, Vocera Communications Australia Seamless Communication.

Effortless Collaboration.

High Quality Care.



Unlike other technology vendors, Vocera offers a single enterprise-grade communication platform that delivers integrated, intelligent communication solutions that adapt to the context of dynamic, mobile situations in the healthcare environment. The platform enables intelligent, role-based workflows, integrations with key clinical systems, and secure, reliable connectivity for anytime, anywhere communication. In addition to this, Vocera offers a unique hands-free communication device that has been designed from the ground up to meet the requirements of highly mobile workers who need to stay connected while keeping their hands free to perform their regular duties for patient care.

Thousands of hospitals and healthcare systems around the world rely on Vocera every day to help save steps, save time, and save lives.



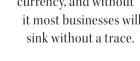
Phone/Fax:+61 447 040 387 | Email:kgay@vocera.com www.vocera.com



Forget your brand. Today's CEO needs to focus on building a solid reputation and the rest will follow.

WORDS CATRIONA POLLARD

eople's trust in brands is diminishing and therefore CEOs can no longer rely on them to do the talking for them. Nor can they represent their organisations only in times of crisis. Reputation is the new currency, and without





Smart leaders know this and they understand the power of proactively positioning themselves to manage the reputation of a business. Leaders such as former Westpac chief executive Gail Kelly, who actively promote women in finance, are regarded as business figureheads, but how do they get to that point? Well, it's more than just being the CEO of a corporation; it's also about stepping forward to share your voice.

In today's world where news is immediate, social and 24/7, a CEO's reputation, credibility and actions are scrutinised more than at any other time in history. Some CEOs, such as Sir Richard Branson, know how to use this to their advantage, while others still refuse to see how their profile makes a financial impact. A CEO's reputation and that of the brand is more than a marketing strategy; it's also financially important. When

ANZ CEO Mike Smith publicly launched himself into social media, he made himself accountable. As a result, he established trust, and public opinion of ANZ improved. Crafting a reputation is now a business imperative for every CEO. Here are the steps to achieving a strong and lasting reputation.

#### 1. DEVELOP A PERSONAL BRAND

Personal branding is how you market yourself to others. Your personal brand is what people say about you when you're not around. It's what you're known for. Think about some of the world's most influential leaders and you will notice they bring to mind certain traits. Steve Jobs was known for innovation, Nelson Mandela for unity, and Aung San Suu Kyi for peaceful resistance in the face of oppression. These were and are their personal brands.

You need to be very intentional about creating a brand that resonates with your audience, otherwise other people will create one for you. It's worth taking some time to consider who you are and what you stand for. Have a think about the one thing that sets you apart from your peers.

It's also important to think about your area of expertise. Define your niche and stick to it. Don't be vague when determining this, as it will dilute your personal brand and confuse your audience. Owning your niche will add value and consistency to your brand. It will also build credibility and trust with your audience. This personal trust flows over into trust in your business.

#### 2. BUILD YOUR PROFILE

While you may already have a personal profile within your own professional

sphere, creating a lasting and positive reputation requires a profile that goes further than your immediate network. While a personal brand is all about how you want people to see you and think about you, building your profile is about getting that message to the people and influencers who matter most. These could be company and industry stakeholders, customers, shareholders or the media.

A profile can be built in a number of ways. For instance, a blog is a powerful platform on which to demonstrate thought leadership and expertise. You have complete control over what is published, so you can share your ideas more precisely. This allows you to differentiate yourself from competitors and showcase your personal brand.

Social media is another channel CEOs can use to build their profiles. LinkedIn is particularly good for demonstrating thought leadership and communicating with a carefully selected audience of influencers and connections.

While traditional media might be seen as yesterday's way of building profiles, it still packs a powerful punch and can provide the trusted third-party credibility that few other platforms can offer. Print, television and radio love experts and thought leaders. They need them for articles and programs as they provide the credibility, opinions and commentary needed to make stories more relevant.

#### 3. BE AUTHENTIC

Any successful thought leader will tell you that sharing useful and interesting information helps build a positive reputation and solid credibility. But sometimes, just sharing information is not enough and, like the old marketing

Owning your niche will add value and consistency to your brand. It will also build credibility and trust among your audience.

adage says, "You should show, not tell." This is where the art of storytelling comes in. Storytelling allows you to paint a mental picture of a scenario to help illustrate a point. It's a more relatable and engaging way to share your expertise. To work properly, however, storytelling must be done in a way that is authentic. It may even require you to be vulnerable and share your fears and failures. This type of storytelling is intensely brave and powerful.

Having the courage to be honest and exposed when you tell your stories through the old media or social media will give them so much more impact. Your stories will resonate with people in a personal way. When you start telling your stories authentically and sharing your expertise with the motivation to help others, you will be amazed at the emotional connections you build with people and the relationships you start developing, because you are positively impacting their lives.

There's no denying that reputation is the new currency. In a world where the public can crowdfund a new venture into reality almost overnight, where companies can suffer collateral damage from a misworded tweet, and where there is an increasing degree of transparency surrounding businesses and their representatives, the way a brand and its CEO are perceived can have a significant financial impact. •



### MEDIA AND ENTERTAINMENT

#### **SOCIAL INFLUENCE**

Social media is now not only impacting our entertainment preferences and how we consume news; it is also having a powerful influence on our buying decisions, according to the fifth incarnation of Deloitte's annual 'Media Consumer Survey'. It shows that, for the first time, social reviews and recommendations have outstripped television advertising in terms of influence on purchasing decisions.

Niki Alcorn, Digital Strategy Leader at Deloitte Consulting and co-author of the report, said Australians spend 21 per cent of their digital entertainment time on social media — creating content, reading or commenting, uploading photos and videos — and that is having a bearing on what we choose to buy.

Word of mouth remains the primary influencer on purchase decisions for three-quarters of respondents. However, Niki says, "More respondents [58 per cent] have ranked 'reviews from people within their social media circles' in their top three influencers for buying decisions than TV adverts [55 per cent]. This is the first time this has happened — and notably the influence of advertising has fallen for the first time in four years. Adverts on social media are also affecting us more than ever, with a 17-per-cent compound annual growth rate [CAGR]

over the past four years in people's perceptions of them having a high or medium impact on their purchasing decisions."

The advance of virtual reality (VR) and social and subscription video-on-demand services (SVOD) is also having a substantial impact on the landscape. The number of people paying for SVOD has almost doubled since 2015, up to 22 per cent, reflecting the introduction of three new services in that year.

Deloitte's Financial Advisory Leader Clare Harding said respondents are experimenting with services, with 18 per cent of SVOD subscribers using more than one, and two-thirds of multi-subscribers expecting to use two or more in the future.

Virtual reality is also poised for take-off. Although only 4 per cent of respondents own a VR headset, the majority (58 per cent) believe VR will enhance media experiences and 10 per cent are intending to buy a headset this year. As Clare points out, more VR applications are hitting the market, adding: "Stated purchase intent for VR is around the same level as it was for fitbands and smart watches when they first became available, which are now at penetration rates of 21 per cent and 11 per cent respectively."

#### TIMF OUT

Australians spent 18.7 billion hours watching television in 2016, according to Roy Morgan's Single Source research into how the nation spent its total 173 billion hours. Listening to radio also absorbed a lot of time (15.1 billion hours in the past 12 months), as did time online (13.6 billion hours). Other top ways we spend our leisure time: going out for food and drink (more than 1.25 billion times); playing sport or doing exercise (853 million times); visiting or entertaining family and friends (846 million times); playing video, computer or board games at home (661 million times); and going to the beach (189 million trips).

#### **BLOCK PARTY**

With selling online subscriptions proving challenging for news organisations, they have been hoping to fill the gap with online advertising. But this too is being thwarted by the use of ad-blockers. In Australia, according to the University of Canberra's News and Media Research Centre 'Digital News Report: Australia 2016', about a quarter of the respondents use a blocker (23 per cent), with heavy news users and younger age groups most likely to use them. Most of those who have downloaded a blocker use them regularly on their laptop or desktop computer. But globally one in eight (12 per cent) also block ads on their smartphone.

#### ASIA'S MUSIC BEAT

The digital music industry is likely to move to an Asian beat, according to *McKinsey Quarterly*. It reports Asian consumers have switched from downloading to streaming far quicker than their Western peers. About 56 per cent of digital music revenue in the region comes from streaming, up from negligible rates only two years ago. Despite the presence of Spotify, regional players such as Joox are capturing a significant share of the music-streaming downloads via their local editorial teams and user interfaces.

About 56 per cent of digital music revenue in Asia comes from streaming, up from negligible rates only two years ago.

- McKinsey Quarterly

#### TIME-SHIFTING TV

The average Australian home now has 4.5 connected screens in addition to their television sets. This is up from 3.9 screens four years ago. The Regional TAM, OzTAM and Nielsen Australian 'Multi-Screen Report' for July–September 2016 also revealed that the 'longer tail' viewing of television is growing. While the majority of TV material is played back through the television set within the first seven days of broadcast, 1.7 per cent of all broadcast television watched on in-home sets in any four-week period is time-shifted between eight and 28 days later. In prime time, the proportion of eight-to-28-day playback is 1.6 per cent.

#### NZ FAVOURS DIGITAL

Digital media in New Zealand will grow by 10 per cent annually in the five years to 2020, compared with just 0.12 per cent for non-digital publications, according to PwC's 'Global Entertainment and Media Outlook 2016-2020'. The rise of subscription-based digital services that charge users a monthly fee is offering an alternative revenue model for content producers that have traditionally relied on advertising, reports PwC. At the same time, subscription services are shifting from satellite-based service to digital. It predicts that satellite-based subscriptions will still be dominant in 2020, but they won't have the same growth trajectory as predicted for digital services.



# Switched on

If you take every stick of furniture, every swathe of fabric out of a building, what is left? To Andrew Johnson, it's the most important element of all in creating beautiful, functional spaces: lighting.

IMAGES AURORA

ow many entrepreneurial stories begin with a kitchen table? Someone sketching designs, sending emails, writing business plans. It would be inspiring, perhaps, to gather all those kitchen tables together into one big display, illustrating the journeys the various entrepreneurs went on to make and the amazing global businesses that were born of their early efforts. Andrew Johnson and his firm Aurora could light such a display. Who better? His Aurora group of lighting companies also started at a London kitchen table in 1999. Today it is an internationally recognised brand, the only privately owned, vertically integrated, LED organisation in the world with manufacturing facilities in China and England, and distribution facilities in every continent. His designs have been awarded and applauded, and now, as he moves into yet another new era with lighting that can sense, feel and control — and with everything internet-connected — he has never been more excited.

"I don't want to say I'm a Steve Jobs, because we're humble; we're not like that. But in a way, my role has been quite similar to his in that at Apple, Steve was very much at the forefront of developing technologies, coming up with ways to grow the business and be disruptive in other industries, and I also am >>

#### **VUSOSV**

Name Andrew Johnson Company Aurora Position CEO HQ Hertfordshire, UK Employees ~900





deeply involved in the product development," Andrew says. "We have completely reinvented ourselves five times in the past 17 years."

But let's return to that kitchen table. Andrew set himself up there after having spent many years travelling and living in Asia doing extensive product development and learning about the lighting business alongside Taiwanese "Innovation is everything. You can't grow a business from a kitchen table to where we are today unless you are constantly at the forefront and bringing unique product to the marketplace." – Andrew Johnson

business partner and friend Jack Huang, who had a small OEM (original equipment manufacturing) business selling electronic transformers. "We really didn't have anything — no computer system, no office, no bank accounts. We actually did start from zero and I'm proud of that," Andrew says. "We did a deal, my partner and I, whereby I sold product in the UK and he sold it to the rest of the world. Mainly, at that time, we focused on halogen lighting. We were basically the first people to properly solve some of the technical issues associated with electronic transformers and electromagnetic conformity. At the same time, we also bought a small share in a material-processing factory in China, so we had an early footprint over there."

From the outset, Aurora — named after the Aurora Borealis, Mother Nature's greatest light show — demonstrated it had what it takes to survive in this fast-changing world: agility. Very soon, Andrew had spotted a problem and recognised that solving it would be key to driving growth. At the time, the British were going mad for stainless steel accessories in their kitchens, and halogen downlights were the perfect partner. However, this meant cutting holes in their ceilings, therefore destroying their 90-minute fire rating. Andrew says they developed a core patent that involved putting a material around the housing of the can which, when in contact with fire, blocked the hole and enabled the ceiling to maintain its fire-rating integrity.

The business was thriving and Andrew was enjoying his success when the global financial crisis hit and the whole world ground to a halt. Andrew, however, refused to be held back. Once again, he sought out solutions rather than dwelling on problems. The company moved into projects and began an acquisition program, and then, since everyone was short of money, it responded by moving into energy saving. "I looked at LED lighting and thought: 'This technology is at its early stages, but it's a great light source, an outstanding product, and it has energy-saving capabilities'," he recalls. "I think we were one of the early adopters of LED lighting, and we moved aggressively from traditional lighting into semiconductor lighting solutions." This sprint from the blocks took competitors by surprise. Even five years ago, they were nowhere near catching up in adopting LED.

"What that did was enable us to avoid burdening the company by developing a product that wasn't going to last," Andrew continues. "We realised, however, that we needed economy of scale. It's very much a volume-related business, so we made an acquisition in Australia, set up our own business in South Africa and in the US, and went from being just trade focused in the UK to having our footprint on all continents."

The flexibility that comes with being a privately owned company has always served Aurora well, and as it sets itself up for yet another transition into smart lighting, it will clearly serve it well again. But what is it that has seen it survive and prosper not only in the face of a global recession but also, more recently, against massive interventions from large semiconductor companies and the Chinese government? For a start, it's a strong, internationally recognisable brand, something which they are, in Andrew's own words, "quite paranoid" about protecting. "We've invested heavily in it, and from day one

we've had our own in-house marketing company. We care a lot about how we present ourselves as a company," Andrew says. This also extends to its charitable arm, The Aurora Light Foundation, an organisation in perfect synergy, as it builds sustainable light solutions for the underprivileged 20 per cent in the world who live in darkness. With the Life After Dark program, the company also supports initiatives that promote education and entrepreneurial endeavours. "We have a strong social responsibility."

In addition, Aurora has strong manufacturing capabilities, both in Asia and the UK, and a swathe of loyal talent — many of the core people who started when the company first set up are still on the team. Meanwhile, selling product all over the world means Aurora is switched on to what is happening globally. The business

is financially stable and also, perhaps most importantly, it has never lost its entrepreneurial panache. Andrew certainly still sees himself as a visionary with a talent for spotting the next trend and preparing the business accordingly. "I think innovation is everything," he says. "You can't grow a business from a kitchen table to where we are today unless you are constantly at the forefront and bringing unique product to the marketplace. Aurora is never worried about what other people are doing or launching. We have always had our own program of where we see the market and made sure we differentiated ourselves from everyone else." >>

"Working with Aurora means we have the certainty of market acceptance on our high light and color quality LEDs. We trust Aurora's sense and deep knowledge to foresee the future of the lighting market." – Navid Delassaee, Senior International Account Manager, C-E Deutschland GmbH

#### **CITIZEN**

What if a LED light could reproduce the subtle beauty of the world?

We did it.

#### Citizen CoB LED Vivid

brings out the subtle beauty of colours.





"Every time I fly over a city, I look down at all the buildings, and very few of them are actually smart buildings." – Andrew Johnson

That is, of course, more correct — and more important — now than it's ever been. Lighting in the era of the Internet of Things (IoT) will no longer merely be about illumination. As well as making lamps, luminaires, transformers and controls, Aurora will now ratchet up its connected lighting push, leveraging Gooee's enterprise scale IoT lighting system. Gooee was also founded and is headed up by Andrew and basically allows LED luminaires to monitor

physical conditions and human activity in a building or shop and to tie that information into cloud computing. This will allow retailers to offer promotions and assistance to shoppers, and can also help intelligently control lighting, as well as keep track of any maintenance issues. It uses tiny sensors to monitor motion, occupancy and climatic conditions, using wireless Bluetooth Mesh to route information to the internet.

This year, Aurora will roll out a smart home solution into Australia. After that, it will launch the next generation of conscious, connected luminaries with Gooee Inside, delivering 'Value Beyond Illumination'. This is the core of the organisation's next big transition from a product-toproduct and service business.

As it moves forward lighting up the world, Aurora is working with other partners. It has grown its partnership with FEGIME, one of the largest groups of wholesalers in the world, and it's also been developing smart bulbs for British Gas Hive connected home solutions, which allow users to wirelessly turn lights on and off and brighten, dim, and even change their colour from anywhere via an app. It has also not forgotten its roots and will continue to service its trade channel with its Enlite brand.

It's clear that Andrew is as excited as he's ever been. "We love the industry and we understand it. It's been a great business to be involved in because it keeps evolving and we've kept moving forward, reinventing ourselves to be a leader in creating the best, affordable, smart, energy-efficient LED lighting solutions available," he says. "It's been such a wonderful journey — and, you know, every time I get in an aeroplane and fly over a city, I look down at all the buildings and very few of them are actually smart buildings. I think about the scale of the market, the opportunities, and the small number of people who have the technology and capability that we have, and I think we have a huge and exciting journey ahead." •

"Aurora Lighting has always been a technology leader in LED products. By integrating the Gooee operating platform, Aurora will accelerate its move into Lighting 3.0, the next generation of lighting, and reposition the brand as a leader in smart LED solutions."

– Jan Kemeling, Chief Commercial Officer, Gooee

# "Every building has an existing lighting infrastructure capable of becoming a sensory network."

- Andrew Johnson, CEO & Founder Gooee

Gooee

**ENTERPRISE IOT LIGHTING ECOSYSTEM** 

LIGHTING ANALYTICS • BUILDING INTELLIGENCE • BEACON MANAGEMENT

gooee.com



# Chemical attraction

Once a small-scale chemical plant, today Italmatch Chemicals is a global leader in lubricant additives, water and oil additives, plastics, and personal care. Having already gone from strength to strength, the company remains on a growth trajectory.

IMAGES ITALMATCH CHEMICALS

hances are that by simply going about your daily routine you've been the beneficiary of products whose chief ingredients are produced by Italian-based speciality chemicals company Italmatch. Chemicals. Manufacturing a wide range of reactive chemicals and intermediates used in numerous applications and product lines—some as simple as deodorant or shower gel for personal use, and others as specialised as phosphorus- and nitrogen-based flame retardants for thermoplastic polymers or lubricants for windmill turbines—Italmatch Chemicals offers advanced and highly technical solutions for a wide range of industries.

Sergio Iorio has been the CEO of the company for more than 20 years, in which time he has both facilitated and borne witness to extensive change. "In 1995, when I was fortuitously sought out to become the CEO, Italmatch was not a stand-alone company but was part of a larger group called Saffa, listed on the Milan stock exchange," explains Sergio of the company's history. "Then, in 1996 the main shareholders of Saffa decided to sell all of their industrial assets, >>



Name Sergio Iorio Company Italmatch Chemicals S.p.A Position CEO HQ Genova, Italy Employees 500+

## "Inventing and patenting this product was definitely a breakthrough for the company, and it enabled us to develop a broader portfolio of products."

- Sergio Iorio

including Italmatch, to third parties in the market." At this time, Italmatch comprised a chemical division in addition to a consumer product division. "As CEO, I was involved in the sales process of the company," says Sergio. "While the consumer product division was sold to an Italian investor, the chemical division remained."

Regrettably, Sergio recalls, the chemical component of Italmatch was rather small at the time of the sell-off; however, after speaking with two private-equity investors and some initial reluctance from Sergio, he ended up co-investing in the company. "I was actually about to leave for a position in a large company, but speaking with those private-equity investors and learning about the basics of investment — the leverage, the core investment of managers, stock options — made the venture quite appealing to me."

Thus Italmatch's name was altered to Italmatch Chemicals, and on 1 January 1998, Sergio co-invested in the company alongside two mid-size Italian private-equity funds. He recalls, "This started my adventure with Italmatch Chemicals as CEO, but also as an investor in the company."

In a new beginning of sorts, Sergio set about managing what was a very small chemical plant producing phosphorus and sulphur compounds. With a staff base of about 40–50 people and sales of roughly €20 million, Sergio found himself "doing everything", from

registering invoices to paying suppliers. "It was a very challenging, interesting time," he says.

When the organisation wholly separated from Saffa, Sergio's biggest goal was to develop Italmatch into a robust, standalone company. "In order to stand on our own two feet, we had to achieve supply security on elemental phosphorus which, critically, had to be sourced. So, in the 90s, I went to China where we ended up making two joint ventures. However, immediately after we made the joint venture, we started to face some industrial problems. The government stopped the supply of electricity to heavy industry in the central-southern part of China — where our production was based — and they moved the electricity supply to the new industries that were emerging on the east coast, in Guangzhou and Shanghai."

To mitigate what was a significant problem, the company built its own power station to feed its phosphorus plant, making it independent of the electrical grid. This both secured Italmatch's supply security and gave the company a tremendous advantage over its competition, which was forced to buy from the market.

According to Sergio, the second step to Italmatch becoming an independent, standalone company was diversifying its product range. "Although our background was in phosphorus and sulphur chemistry, we started to develop new molecules that enabled us to make engine oil additives," says Sergio. "We developed environmentally friendly flameretardant additives that went into the electronic application in thermoplastics. So we were able to stop fire developing without emitting toxic smoke in products like switch gears, personal computers and

electrical switchboards. Inventing and patenting this product was definitely a breakthrough for the company, and it enabled us to develop a broader portfolio of products."

By 2004, Italmatch had both achieved supply security and diversified its product range, solidifying it as a company in its own right. "Between 1997 and 2004, we more than doubled in sales and tripled in profitability at the level of industrial operating margin," says Sergio. Not willing to rest on his laurels, Sergio was determined to impel the company into another phase of growth. A large investment fund, Investindustrial, acquired 90 per cent of Italmatch in 2004 in a move that afforded the company the ability to build an R&D and innovation team in chemical synthesis and applications. At this time, Italmatch also started to develop its global partnerships with large multinationals, with which it has established numerous long-term relationships. "They saw in Italmatch a small-to-medium sized, flexible supplier that could deliver value on certain critical raw materials or intermediates," says Sergio.

Sergio reveals that since then Italmatch has been able to secure eight acquisitions and boasts total sales of roughly €350 million. The company is a leader in lubricant additives, water and oil additives, plastics, and personal care, and employs more than 500 people around the world. Furthermore, it has 12 manufacturing plants across the globe and profitability in excess of 15 per cent.

Perhaps most tellingly, however, the company has not had a single staff turnover since it divested in 1997. "People are the engine of the company," Sergio says. And putting people first extends beyond Italmatch's staff, with Sergio citing the company's

stakeholders — suppliers, customers and communities — as equally integral to its success. "We are in the chemical business, and sometimes our chemistry is dangerous," explains Sergio, "so external stakeholders, like communities, are important to us and we want to have a dialogue with them to make what we do transparent."

Looking to the future, Sergio has his sights set on even more growth, supported since 2014 by the new shareholder Ardian — the largest European fund with more than  $\epsilon$ 60 billion in assets. In the next three to five years, he wants Italmatch to have a strong presence in Asia–Pacific and North America, and for it to be turning close to  $\epsilon$ 1 billion in sales. With his track record for advancing the company, there is little doubt these objectives will be achieved.  $\blacksquare$ 



#### TRADITION AND INNOVATION IN LOGISTICS





"Our company was founded in 1956 and since then the growth has been nearly constant." — Dani Sem CEO Giuseppe Dani.

We overcame the challenges of road transport by combining road, rail and ship for the transport of chemicals. We have focused on integrated logistics, investing heavily in the construction of new industrial halls, up to 40,000 square metres in size. Dani Company has a strong identity and an undeniable ability to penetrate the market, always aiming at customer satisfaction.

t:+39 0744 744287





# Breaking Nu ground

With good business acumen and a charitable spirit, Nu Skin Enterprises' president for Asia–Pacific has helped set new and exciting milestones for the company and its people.

IMAGES NU SKIN ENTERPRISES

he direct-selling industry has seen no shortage of critics, with everyone ranging from the average punter to major media figures sharing their analysis of the business model. Few are more familiar with this than the president of one of Asia's leading direct-selling companies, Nu Skin Enterprises' Melisa Tantoco Quijano.

As head of Nu Skin Enterprises' Asia–Pacific division, Melisa says she prefers to see this challenge as an opportunity to keep the quality of Nu Skin Enterprises' work above average. "This industry is highly scrutinised, but there are bad elements in every industry, not just direct selling. Because we're aware of that, we make even more effort to educate our employees and distributors to do business the right way, all the time, because there are a lot of people looking at us." With a vision to become the world's leading direct-selling company, Nu Skin Enterprises specialises in the supply and distribution of anti-ageing skincare and nutrition products, in particular its patent-pending ageLOC brand. Melisa oversees 13 countries, including Japan, Korea, seven markets in South East Asia and four markets in the Pacific. She also manages nearly 1,000 employees and more than 27,500 distributors and has served in various leadership capacities in her nearly 20 years with the company, including as >>



Name Melisa Tantoco Quijano Company Nu Skin Enterprises Position President, Asia-Pacific HQ Utah, US Employees 4,960 regional marketing director for South East Asia, general manager for Nu Skin Enterprises Thailand and Malaysia, and vice-president for global market services based in the US.

Melisa also works hard to instil company values around doing 'good', encouraging the hard work and success of her employees and distributors as a means to also support more worthy causes. "Nu Skin Enterprises is very enthusiastic about doing good; we've institutionalised it so it reflects a lot of the culture of the company. Our founder would say it's 5 per cent of what we do, but it's 95 per cent of who we are," says Melisa. "We want to engage our people in something that has more purpose than just business. It's also created another reason for us to do well, because then we can do more good."

One area of interest for Melisa is providing access to free medical care for children suffering from heart conditions across South East Asia. She serves as an honorary Board member of the Pediatric Cardiac Surgery Foundation of Thailand, a Board member of the Child Health in Life and Development (CHILD) Foundation in the Philippines, and a Board member of the South East Asia (SEA) Children's Heart Fund.

"We've partnered with these kinds of charity organisations since 1998 to fund heart surgeries for children who have congenital heart conditions and can't afford treatment. Our employees and distributors rally around such programs; so far we've helped save the lives of more than 8,700 children in South East Asia," she says. "The giving mentality generates a higher morale among employees, an increased sense of corporate culture and value, as well as a stronger and admired reputation."



"The giving mentality generates a higher morale among employees, an increased sense of corporate culture and value, as well as a stronger and admired reputation." – Melisa Tantoco Quijano

Doing 'good' is obviously good for business too: research by the UK Small Business Consortium reveals 88 per cent of consumers are more likely to buy from a company that supports and engages in activities to improve society. Meanwhile, 78 per cent of employees would rather work for an ethical and reputable company than receive a higher salary. Meanwhile, direct selling, and Nu Skin Enterprises in particular, hasn't seen any shortage of newcomers, both in clientele and distributors.

A report by the World Federation of Direct Selling Associations (WFDSA) found the industry's sales volume generated in 2015 was 7.7 per cent higher from the previous year, and Asia–Pacific remains the world's largest direct-selling region with a 46 per cent share of sales overall. The most popular area for direct selling in 2015 was wellness and cosmetics — Nu Skin Enterprises' main product categories.

The company's growth under Melisa's leadership has earned her the accolade of Best Asian Executive at the 2010 International Stevie Business Awards. The award came after Nu Skin Enterprises' APAC region saw growth for 10 consecutive quarters and reported consistent year-on-year growth since 2008, making it the

fastest-growing region in all of Nu Skin Enterprises' global markets. The achievement was particularly impressive considering the challenging global economic circumstances that surrounded her appointment in 2006. Regardless, by 2009, the division had generated \$109 million in revenue — a 17.2-per-cent improvement over the previous year, as well as a 16-per-cent increase in independent distributor count.

Beginning her career in 1980, Melisa spent 10 years in retail consumer marketing for multinational corporations before transitioning into the direct-selling industry. She's stayed in the latter for more than 25 years and has held executive roles within large companies such as Tupperware and Sara Lee. Melisa says switching industries was quite a challenge. "It was a very difficult

transition from where I was before." she explains. "Having spent more than 10 years in retail at the time, moving into direct sales was a culture shock. In those big, established companies, the programs and planning were more measured. With them I launched a couple of new products over five years. When I moved to direct sales, I'd launch hundreds of products within a year. There were so many moving parts, but I was also really happy with how we were accomplishing so much in such a short time."

Melisa's recent promotion to president for all of Asia-Pacific has seen her remit extend to Japan and Korea. "It's been a great opportunity for me having two more vast markets in North Asia: the whole of Asia-Pacific now accounts for almost half the business at Nu Skin Enterprises globally. It's quite a significant, and welcome, new

responsibility for me, and shows a vote of confidence from management."

Over her career, Melisa has helped hundreds of other female entrepreneurs build successful businesses. She's an advocate of mentoring and empowering women in the workplace and serves as a role model with her executive achievements. "My goal, more than building business, is building people," she says. "I'm really excited about taking a lot of people with me as I tackle greater responsibilities. I'm also delighted to see colleagues I've known and mentored in the past start to play a bigger role in the organisation."

"Partners with Nu Skin Enterprises since 2001, Senses aims to deliver our best. Working with Nu Skin Enterprises allows us the opportunity to push the envelope further with creative concepts and state-of-the-art technology. We are grateful and honoured to work with Nu Skin Enterprises and look forward to a successful future." - Chin Yoong Seong, Project Consultant, Senses Marketing











# STAYING

It's a dilemma faced by most start-ups: how do you stay agile in a time of rapid growth?

WORDS RENATA COOPER

n a constantly disruptive market, most organisations desire agility — the kind that start-ups are born with. But replicating the agile nature of a young start-up with about five people is not easy as organisations begin to grow. That's when agility collides with the need to scale the business.

Many start-ups still lack a clear framework for scaling without losing their ability to stay nimble and continue to disrupt their field. As *Harvard Business Review* notes: "Scaling doesn't mean that ventures should disavow their start-up identities and embrace large-company dogma once

they're poised for growth. But those prepared to manage that growth — and to learn new ways of operating and behaving — stand a much better chance of making it in the long term."

Agility is not new; it's a vital part of start-ups and the entrepreneurial DNA. Most start-ups are born with a culture of agility, a desire to be responsive and evolve with the changing needs of customers and the market.

But for many growing start-ups, it's often a struggle between maintaining agile development and scaling the business. Very few manage both well.

Accelerated organisational growth often puts much of this agility bravado on the back burner, with focus shifting to a fixation on plans and procedure to structure the scaling process, or trying rapid adoption with unnecessarily costly repercussions.

It's a paradox, as the lack of corporate structures within start-ups is their common appeal — the reason big conglomerates like GE, IBM and many others look to work with, integrate and purchase dynamic start-ups. Tomasz Tunguz, a former Google employee and now a venture capitalist at Redpoint Ventures, notes that when a business gets to about eight people, a leader must emerge to shepherd the growing team so that the first management layer is created. This is a pivotal point where the leader can shape and maintain agile development or start fixating on plans and goals.

The need to stay agile is not just from development and growth perspectives. With futurists such as James Canton indicating that at least 90 per cent of millennials prefer working at a start-up to a conglomerate, the war for talent is real. To get the best, you have to be relevant and current.

#### Most start-ups are born with a culture of agility, a desire to be responsive and evolve with the changing needs of customers and the market.

An analysis of successful companies such as Google, Facebook, Apple and others shows that with growth, their focus doesn't shift too heavily into structures and patterns. Instead, they establish a climate for continuing innovation and responsiveness to market trends and testing or implementing fresh ideas. Continuous agile thinking is their regular routine.

Here are a few examples of start-ups that have successfully maintained their agility.

• In 2011, Facebook launched a coupon service as competition to Groupon. It closed after four months. Likewise, it tried a string of other failed experiments. But this hasn't stopped the company continuing to test. Testament is Facebook's significant investment in virtual reality (VR) before many people realised its potential.

Not all experiments will work for start-ups. But the successful, nimble ones are those that have the ability to evolve quickly if things don't work. Agile development also helps start-ups minimise risk by testing small and then adapting quickly.

After adding more than 600 million users between 1 April 2009 and 28 December 2011, Facebook's growth rate slowed. Users, especially the younger ones, were trying new and different things. It comes as no surprise then that Facebook purchased Instagram in April 2012 to capture the growing market of people engaging with pictures.

An agile start-up leader is one who can continuously and deeply review the market for change and then quickly work with the team to translate it into opportunities.

 Surrounding yourself with the right team is of utmost importance everything hinges on the ability of the team to move quickly and still maintain their passion for the endgame. Discussing its entry into the challenging Columbian market, Virgin talks about using 'smart agility' and keeping the fun in everyday activities, despite growth.

Virgin notes that it's easier to cheer up a bunch of people who fit into a minivan than hundreds spread over many facilities and cities. In chasing big dreams, it's important to remember that often the small things make a big difference to people.

 "Stay hungry. Stay foolish," Steve Jobs famously said this at his speech to students at Stanford University in 2011. Maintaining the drive and passion that sees entrepreneurs start in the first place will ensure continuing focus on aspirational purpose instead of getting caught up in specific goals.

Agile organisations such as Apple have dynamic strategies that evolve in response to change and have a sense of purpose beyond profitability.

A final thought to consider: agility is not merely the ability to change or adapt. It's the ability to accept change and deal with it quickly in the best interests of the start-up, and in a way that will make a difference. As Martin Luther King once said, "If you can't fly, then run; if you can't run, then walk; if you can't walk, then crawl. But whatever you do, you have to keep moving forward."

# International departures

As one of the 180,000 small to medium enterprises that are driving the Singaporean economy, Yang Kee Logistics is preparing to depart for its next destination: the world.

IMAGES YEW KWANG

urn on any business channel in Asia and chances are you'll see Yang Kee Logistics Group's CEO Ken Koh singing the praises of Singapore's small to medium enterprises (SMEs). The country may be a regional hub for leading multinationals, but a quick glance at the facts demonstrates just how significant the contribution of local SMEs and micro-enterprises are to the economy: they employ 70 per cent of the workforce and contribute to almost half of the country's GDP. The significant role native SMEs play in building a stronger Singapore was the driving factor behind Ken's decision to join the company founded by his father, Koh Yang Kee, in 1990.

"I graduated with a degree in electrical engineering from Nanyang Technological University in 2000 and went to work for Hewlett-Packard," Ken says. Although he always had the intention to join the family company — Ken believes there's "more opportunity to grow in a homegrown SME than a multinational corporation" — he admits his father pushed him into the business sooner than he hoped. By the age of 24, Ken found himself learning the ropes in the IT department before gradually moving up through the company ranks. He was appointed managing director in 2011. >>



Name Ken Koh
Company Yang Kee Logistics
Position Group CEO
HQ Singapore, Singapore
Employees 400+ globally





Refreshingly open about the difficulties he's faced along the way, Ken acknowledges his rise to executive management has been accompanied by its fair share of trial and error. "The problem with lots of family businesses is that there's no fixed career path or training program," he says. "There's no structure in place to help the second generation understand and ease into the business." As a result, Ken refers to his induction into the business as the "school of hard knocks".

Despite the challenges, father and son have grown Yang Kee Logistics from a small transport company with two trucks to its name to a complete logistics provider encompassing freight forwarding and warehousing solutions primarily for the chemical, consumer and retail, industrial, and oil and gas sectors. Its head office is strategically located in Singapore's Jurong Port district. The 900,000-square-foot site includes a purpose-built chemical logistics hub, which opened in 2012.

This site is set to be complemented by a five-level, multimillion-dollar development in Tuas South that is currently under construction and due to be completed in early 2018.

One of the winners at the SME 100 Awards 2016, which recognises Singapore's fast-moving companies, Yang Kee Logistics currently employs more than 400 people and has offices in seven countries across the Asia-Pacific, including Cambodia, Thailand and Malaysia. Labelling Singapore a "saturated market", Ken is quick to emphasise that his sights are set on expanding the company's global presence. "Currently the majority of our resources, our capital, is deployed internationally. We're not spending much on local acquisition, in local expansion. Singapore is too small," he says. "I would say that in three years time we'll be a billion-dollar company, the majority of this raised from interests outside of Singapore, with a global network and our own offices

"Traditionally, logistics has been seen as a blue-collar job, but we've been using technological advances to help attract talent to the industry and nurture that talent." – Ken Koh

all over the world, especially in key markets like the US and Europe," he says when asked what his overall vision for the future of the company is.

The first step towards this international footprint was achieved early this year when Yang Kee Logistics completed the purchase of an Australian company based out of Melbourne, the details of which are yet to be made public. "This acquisition will give us a presence in Australia, including 200 people, three warehouses in four cities, and a revenue of \$150 million." A hop across the Tasman is the next stop. "By the end of the first quarter in 2017, we plan to have acquired another company in New Zealand, and after that our focus will turn to Europe," he says, predicting that by the end of the year the company will be sitting on revenue of around S\$370 million.

This growth has come with the backing of the Singapore government, which encourages its SMEs to develop capabilities to better compete in the global economy and, where possible, establish a presence in international markets. "The government has actually subsidised part of our expansion," says Ken. "We work with International Enterprise (IE), a government agency which has a mandate to help Singaporean companies expand overseas." Part of IE's assistance is the Internationalisation Finance Scheme (IFS). "The IFS helps businesses looking to grow internationally by >>

#### Our heartiest congratulations to

Yang Kee Holdings Pte Ltd on the completion of the erection of the new 7-storey warehouse inclusive of 1 level of carpark at 8 Jurong Pier Road.

We are proud to have played a part as the main contractor.



- BCA CW 01 Grade A1 Contractor
- Strong in-house design capability
- Winner of multiple BCA BIM Awards
- Incorporating BIM modelling during construction

- Able to undertake D&B projects of more than 200,000m2 or S\$200M
- Employ in-house skilled workers for all structural RC works and architectural wet trades to ensure quality and timely completion



Your preferred design & build specialist contractor for rampup warehouse and other customised industrial buildings.

Block 165 Bukit Merah Central #08-3687, Singapore 150165
Tel: (65) 6227 7927 | Fax: (65) 6225 2146





under-writing some of the loans and the risks associated with overseas expansion," he explains, before adding that the business also draws upon IE's Manpower Development, a program designed to offer support to attract the right C-suite and executive-level talent to lead an international drive. The current CEO of Yang Kee, Jos Raaymakers, is Dutch and previously

held the title of managing director East Asia for an MNC.

He believes internationalisation and manpower are two of the three key areas in which SMEs are contributing most to Singapore's economy; productivity and innovation round out the list. Using innovation as an example, he explains each element

## "The wonderful thing about Yang Kee Logistics is that we give personalisation to our customers." – Ken Koh

complements the other. "Traditionally, logistics has been seen as a blue-collar job, but we've been using technological advances to help attract talent to the industry and nurture that talent," he says. Although his profile serves to inject personality into the company and industry as a whole, Ken admits that "labour-intensive jobs such as ours are often perceived as unexciting and unglamorous. All the young people want to be in finance, banking or consultancy. In response, we're implementing new technologies into our businesses that require an increase in value-added work. So it's not as simple as it was previously."

When asked, he doesn't hesitate to name robotics as the most exciting innovation in the industry today. The robotics, which come in the form of automated guided vehicles (AGVs), facilitate the transport of cargo from the containers and loading bays to the warehouse. "As our use of robotics in the warehouse environment increases, the need for labour reduces. It's enabled us to negate the need for drivers, as the forklifts are now completely automated," he says. "We're also heavily investing in software, including enterprise-level systems to help us monitor our operations on the ground. This gives our people real-time visibility into the movement of cargo in and out of the warehouses. Of course, each innovation we deploy reduces our need for manpower," he concedes,

"LCH Lockton has had a longstanding relationship with Yang Kee Logistics since its humble beginnings as a trucking company. Yang Kee has since grown significantly into a global organisation, having expanded rapidly, and we are indeed very fortunate to continue to partner them in the expansion covering all insurance needs."

although employees see a tangible benefit. "We have a policy that, with what we save from the reduction in manpower costs, we reinvest in our people through training and increments. Their salaries are higher and they have the opportunity to do more value-added work."

The company is recognised for the number of employee initiatives it has in place. "Our in-house logistics academy offers internal training, especially at a senior management level. With this further education comes an increase in overall income level," Ken says.

Yang Kee Logistics participates in the SkillsFuture Earn and Learn scheme, a 12-month program that helps graduates from Singapore's Polytechnic and the Institute of Technical Education (ITE) transition into careers in their



chosen field. In its first intake, the company took on six recruits from the program. For mid-career hires to the industry, it also runs a professional conversion program. "We also invest heavily in corporate welfare and events such as annual fitness days and family days," he adds. An onsite crèche and nursing rooms for mothers who have returned to the workforce further reflect the importance of family in the overall company structure.

Ken admits that the rapid pace of Yang Kee Logistics' growth has not come without its challenges.

"Some of our most long-serving employees have struggled to keep up with changes in the organisation," he says. Integrating existing staff with new recruits has occupied much of his tenure. "As we expand, we're bringing in professionals from multinational >>

## Delivering insurance broking excellence through experience and innovation

LCH Lockton has been a leading local insurance broker since our inception in 1978 as LCH. With our veteran team having over three decades of experience, we have built a deep understanding of our clients' insurance needs across a broad range of industries. Coupled with our long-established relationships with key local and international underwriters, we pride ourselves in being able to deliver customised risk solutions, combining our experience with constant innovation to maximise the value provided to our clients. Our decades-spanning relationships with many of our clients are testament to their trust and confidence in us.

62213366
general@lchlockton.com.sg
www.lchlockton.com.sg



companies who are equipped with a multinational mindset and a professional way of managing things," he explains. "It's been quite a challenge for my existing people to learn from them and to change with them."

Communication has underpinned his approach to the issue. "I've held a lot of meetings," he laughs, before recapturing a more serious tone. "I talk our people through the reasons why we're doing all this: to offer a better future for everyone. I try to explain that if we remain where we are, our market share will not be enough."

At the senior management level in particular, retreats are used as a tool to bring both old and new staff together. "Activities such as breakout sessions allow everyone to become familiar and comfortable with each other," he says, concluding that he does a lot of

listening. "I'm still very involved in the company. I listen to my people and adjust as I go along."

Ken credits service and people for distinguishing Yang Kee Logistics from its competitors in the saturated Singaporean logistics market. "There's no way we'll ever be as big a company as DHL, nor do we want to be. The bigger an organisation becomes, the more complicated it is to control," he cautions. Acknowledging that "we cannot work with everybody," Ken explains that the business is very selective of its customers. "When we work with our customers, we emphasise our people, our service, and our ability to get things right. "The wonderful thing about Yang Kee Logistics is that we give personalisation to our customers." Offering a corporate governance on par with the big industry players and a level of

personal attention the industry "giants", as he refers to them (DHL and DB Schenker are the two he names), are unable to offer, the company has been "receiving a lot of traction with multinational companies."

For any business hoping to succeed in the logistics industry, 'reliability' is one word that clients must associate with it. Ken believes cultivating healthy relationships with suppliers and partners is crucial to ensuring his customers receive the seamless service they demand. "Supplier relationships are very important to me," he says. "We always take care of our suppliers, and I think we're an unusual customer, in a good way, because we don't squeeze our contractors. We want to make sure they enjoy working with us and make a profit as well. That's our main motive because, once we earn their loyalty, they support us in offering excellent

## Brighton Maintenance & Cleaning Services

Your trusted partner for one-stop solutions.

Brighton Maintenance & Cleaning Services (BMCS) founded in 1989 by Mr.V.Anan than, shoulders more than 28 years of experience in its field, established primarily to meet the increasing demands and challenges of the 21st century in providing efficient & cost saving commercial housekeeping, maintenance and general services in Singapore and Malaysia.

BMCS is not only exhilarated but also honoured to be of utmost service to Yang Kee Group for many triumphant years. We take this opportunity to thank Yang Kee Group for the support they have given us all these years and we look forward to many more victorious years of business partnerships to come.

We applaud and congratulate Mr Koh Yang Kee, Mr Ken Koh, Board of Directors and Yang Kee Team in achieving this outstanding milestone and breakthrough of sustaining Yang Kee Group's global position as an effective total logistics solutions provider.



Tel (1): 6515 1526 Tel (2): 6515 1220

brightongroups@email.com

"Logistics touches every single aspect of our lives. From the food we eat to the clothes we wear, and even the thank you cards we send to our loved ones." – Ken Koh

customer service to our customers. So we value our supplier relationships very much, and our suppliers have all been long-term partners of ours." So what about Ken's vision, then? "To be the leading logistics partner of choice for our customers," he says. "When they have a problem, when they want a partner that is reliable, I want Yang Kee Logistics to be the first name they think of."

Ken enthuses what he loves most about his industry is that it makes things happen for everyone. "Unless you're



living alone in a cave on some mountain, logistics touches every single aspect of our lives. From the food we eat to the clothes we wear, and even the thank you cards we send to our loved ones, logistics makes every day we live move in its own way." The corporate tag line 'We Move Together' reflects this. "We have to make sure we help everybody move together, not just Yang Kee Logistics but also our customers, suppliers, employees, shareholders. This is the part that makes it most fun for all."



#### Challengers never rest.

Dentons Rodyk is proud to be a partner in the success of Yang Kee Logistics, which has set the standard for all-in-one solutions for its clients.

Like Yang Kee Logistics, clients choose Dentons Rodyk to provide business oriented solutions across Singapore and around the world.

We look forward to continuing to partner with Yang Kee Logistics in their innovation, drive and growth.

Because challengers never rest.



dentons.rodyk.com

© 2016 Dentons. Dentons is a global legal practice providing client services worldwide through its member firms and affiliates. Please see dentons.com for Legal Notices.

# Skincare for the planet

The Body Shop has never been more determined to help the planet flourish, and CEO Jeremy Schwartz is making bold statements to make that happen.

IMAGES ALEX KING

hile Jeremy Schwartz may not have smeared mud over himself, or rigorously demonstrated against multinationals, he has gone looking for nuts in Brazil. As the chairman and CEO of The Body Shop lay huddled in a tiny canoe smack bang in the middle of the dense Amazon jungle, his thoughts must have wandered back to the antics of his principled predecessor, Dame Anita Roddick. Tough footsteps to follow, but surely bobbing up and down along the Amazon River was a good start. "I was looking for new ingredients for our products," he explains. "We did find a nut that had never been talked about, or related in any way to cosmetics. We've studied its properties and the properties of others, and will be launching a product this year directly inspired by the ingredients found on that trip."

Although a little more refined than the notorious Dame, Jeremy lacks none of her conviction. His trip to the Amazon triggered two new environmental projects for The Body Shop, the first inspired by a story told to him by a local villager. "We were walking through this heavy Amazon jungle when he turned around and told us that everything we could see, all the forest, didn't exist years before," Jeremy says. "It had been destroyed by local villagers cutting it down to sell the wood. Sure, they were making a nice income and were very proud of themselves, until they came to the edge of the forest and realised there was no more wood to be had. Naturally, that meant no more income. They had to allow the wood to regrow and learn to regenerate." >>



Name Jeremy Schwartz Company The Body Shop Position CEO HQ Croydon, UK Employees 20,000





Massively impacted by the story, Jeremy returned to the UK determined to help local communities live more sustainably by regenerating damaged forests around the world and also create corridors of natural habitat to prevent threatened wildlife populations being cut off from each other. The Body Shop launched its Bio-Bridges with World Land Trust last year, starting with 14.5 million square metres in central Vietnam, and aiming to restore and protect 75 million square metres worldwide.

Jeremy was standing on the side of the Amazon River wondering how he could sum up his Amazon experience from a company point of view when he had his second epiphany: enrich, not exploit. "These three words flashed into my head," he remembers. "Our products enrich, they're good for the skin, but we don't exploit our suppliers, our farmers or our customers. We will

"The Body Shop is the most ethical and sustainable global company worldwide, and we want to help this planet flourish. That's a big, rather hairy, rather bold statement for a relatively small company like ours to make." – Jeremy Schwartz

never model incredibly thin women
— we show real women, not
airbrushed. We don't test on animals;
more than 60 per cent of our products
are vegan, in fact. We don't exploit."

'Enrich Not Exploit' became the company's manifesto, a re-energised statement for The Body Shop and one that Jeremy challenges other companies to make. "The Body Shop's aim is to be the most ethical and truly

sustainable global company, and we want to help this planet flourish. That's a big, rather hairy, rather bold statement for a relatively small company like ours to make. And it's not something many companies would dare make public. Enrich not exploit? They wouldn't write the word 'exploit' because they fear it implies they perhaps are exploiting.

"I wanted to create a new campaign that perhaps might be laughed at now, but in 20 years time people will remember there was a guy who was trying to do something everyone thought was wacky but has become mainstream. Just like they laughed at Anita when she campaigned against animal testing."

The Body Shop has 3,000 stores in 66 countries — 1,112 staffed by company employees and 1,942 run by franchisees. Although the product is increasingly popular among men, women remain its core customer.

"Women who engage with us are smart, ethically concerned, and digitally savvy, and we see this type of woman everywhere in the world, no matter their language or culture," he says. "Also, people I speak to in developing countries are far more concerned about the environmental changes to the world than the people in the West. Business people in suits in the West probably don't go home to a farm at night, whereas those in Sao Paulo, Shanghai or Taiwan are first-generation business people returning home to their families living on the farm, experiencing firsthand environmental changes.

"We work very closely with our suppliers, understanding their culture and context in depth as a basis for a responsible and mutually profitable relationship. That's The Body Shop vision."



## Mr ZEISS Guy

Thinking of an optical and optoelectronic expert? Think ZEISS. The company's approach to innovation and customer service is a sight for sore eyes.

IMAGES YEW KWANG

ith an extensive business portfolio that extends across medical, manufacturing, metrology, optics, microscopy and more, ZEISS has been innovating with vision since 1846. The German-founded optical systems specialist has an expansive presence across South East Asia, working hard to serve its niche clientele with the most cutting-edge solutions. Ven Raman, Managing Director at ZEISS, first became associated with the business after working for one of its Malaysian distributors as an engineering graduate fresh out of university.

Seven years later, he was reunited with the business to take up the general manager role in Malaysia, before moving to Singapore within two years to head up the Medical Technology Business Group for South East Asia (SEA). After many years heading up the medical unit, spearheading the expansion into India, tripling its top-line revenues, integrating the eye-glass unit with mainstream business, and setting up representative offices in Vietnam, Indonesia, and the Philippines, Ven's key focus is now on the SEA markets. His aim? To simplify a very complex and varied 10-country market in order to create a lean, nimble and borderless operating model.

We chat with Ven about his time with the business, noteworthy innovations, and new works in the pipeline. >>



Name Ven Raman
Company ZEISS
Position Managing Director,
South East Asia
HQ Singapore, Singapore
Employees 415



## The CEO Magazine: ZEISS has a wide range of business functions across SEA; how do the markets vary from region to region?

Ven: When operating in SEA, you quickly learn that each business is strongest in one market. With the metrology business, where we make coordinate-measuring machines for manufacturing sites, our main clients are in the automotive sector. In SEA, Thailand is the hub for carmakers, so 50 per cent of our metrology business comes out of Thailand. Then if you take microscopy, which is primarily addressing the research market, Singapore is a hub for research activities for SEA, so that's where the biggest business for microscopy is in the region.

However, then you have the medical business, which is the largest across the whole of SEA, representing almost 50 per cent of all ZEISS business in the region. This means the work we do across each market is more equal because we see that healthcare demands from all emerging countries is growing. We see quite substantial growth happening in the new emerging markets in the medical industry, and that's across the board.

### What do you enjoy most about working with ZEISS and the industries it targets?

My fundamental values marry very well with what the company involves, so it's a very good match for me. I've been with the company 22 years, and I think that's partially because of the uniqueness of ZEISS. The business is owned by a foundation, so we don't have shareholders breathing down our necks and looking at quarter-to-quarter results. We can think more in the long term and take a longer view of the markets and the businesses we're engaging with. The profits from the organisation go back into the company, mostly into



"We're also always seeking out quality partnerships with research facilities and companies to expand our outreach and continue to produce the same high quality and innovation well into the future."

- Ven Raman

new technology developments, and I'm a freak for technology.

I love the innovation that happens across all our business sectors and portfolios; we spend 10-12 per cent of our revenues in innovation, which therefore allows us to keep our edge in terms of the technologies we work with and create. That makes it very hard to get disrupted. You see many other companies going through those challenges today, but here we enable the disruption. From that angle, I still see a long and successful future ahead. ZEISS is also a strong brand, so everywhere I go, from Alaska to the Indian jungle, people know the company, or they've used our products, which makes me feel a sense of pride.

#### With so much focus and investment on innovation, have there been any new products you've been most proud of?

I can certainly pick a few of my favourites from over the years. In the

domain of refractive surgery for a procedure called SMILE — an acronym for Small Incision Lenticule Extraction — we were the pioneers in coming up with technologies where you don't have to flap the whole cornea during the procedure, so in a sense we keep the eye intact, which makes the recovery much faster. It's a very simple procedure and technology-dependent, so surgeons are more competent and patients can get perfect vision within a day.

Our primary focus is always to get better clinical outcomes for patients — in this case, better vision post surgery. In our eyeglass products, we've also come up with a 'digital lens' for people who are forced to be glued to computers and gadgets for significant periods of time. It has a special coating that cuts away the blue light and prevents eye strain. We've also produced the DriveSafe lens, which helps drivers to see better in difficult conditions, and ensures a driver's vision is not compromised despite

having to constantly look at maps, mirrors and traffic. These are quite simple and yet very innovative.

#### What key elements of ZEISS make it stand out among its competitors?

Our main focus has always been on maintaining a strong brand, using cutting-edge technology to create lasting, high-quality products. We're focusing more on how we can embrace digital solutions in both our customer interactions and overall product offerings to relieve some of the burden on industries like healthcare. We also work in a very niche market; therefore, the expectations of our customers is extremely high. When they buy from ZEISS, there's no compromising the quality. Because of this, we put a lot of emphasis on our people: we need them to be the expert at everything that they do.



Most of our microscopy application specialists are PhD holders; with our refractive lasers, our application specialists are qualified ophthalmologists, so a lot of emphasis is on growing our talent pool.

"We're also constantly seeking out quality partnerships with research facilities and companies to expand our outreach and continue to produce the same high quality and innovation for our customers well into the future, always with our customers' success in mind."

"ZEISS is truly a company that puts people first. ZEISS's leadership, led by its CEO and COO in South East Asia is visionary. Jigyasa's collaborative journey with ZEISS began in the year 2005 and we are privileged to be their partner on this journey of people development. We wish ZEISS continued success in the years ahead!" – Deepa Balaji, Principal Consultant, Jigyasa.

## INSIGHT 360

Introducing the 360-degree feedback system, representing a dramatic shift from the traditional ways in which feedback is given in an organisation.

Through the system, the feedback provided by those with whom the employee interacts regularly at work has greater validity, accuracy and credibility.

Feedback, a cornerstone in **Individual Development** and **Leadership** can be used effectively to transform the culture within the organisation too. A culture that encourages **transparency** and **openness**, **a mindset to improve** and a **willingness to change** will enable an organisation to grow in these times where the only constant is change!

Use Jigyasa's time-tested and proven 360-degree-feedback instrument to assess leadership and interpersonal skills.

jigyasaconsulting.com +65 6726 6107





Big supermarkets may offer low prices, myriad products and convenience, but experts say they also promote unhealthy eating and are contributing to surging global obesity rates.

WORDS SAM MCKEITH

here's no sugar-coating it:
we're in the grip of a
worldwide obesity crisis.
Over the past 40 years, the
number of people classed
as obese has skyrocketed, jumping from
105 million in 1975 to 641 million in
2014. The problem is so bad that today
nearly 13 per cent of the globe is obese,
compared with just over 9 per cent
who are underweight. While larger
portion sizes, lack of exercise and
more sedentary lifestyles are
undoubtedly part of the problem,

Deakin University's Adrian Cameron points to another, often overlooked contributor: the supermarket.

As the place where so many people now make their daily food choices, the grocery giants, represented in Australia by the likes of Coles and Woolworths, possess inordinate power over the food we choose to consume, Adrian says.

The situation is similar in other developed nations where a small number of grocery giants control most of the market. In the UK, for example, five major retailers control just over 70 per cent of the market, while in the US, Walmart alone holds 25 per cent. In China, the five largest retailers are said to control approximately 40 per cent of the nation's market.

The big problem, in Adrian's eyes, is that too many big operators use this privileged status to shift junk foods like soft drinks, chocolate and sweets instead of assisting people to make healthier eating choices.

#### HUNGRY FOR MONEY

Adrian says there's one word motivating the big supermarkets' love of junk food: profit. "The supermarkets don't care what they sell in terms of the health profile as long as they sell a lot of it," he says. "Junk food makes the money because [companies] can sell space and sell promotions ... multinationals are the ones that have the money to pay for this stuff." Junk food's profit power is clearly obvious when strolling down supermarket aisles. "When you look at the promotions in stores, things that companies pay for like in-aisle displays and space in the catalogue, much more than you would hope is unhealthy foods," Adrian adds.

Research backs this up, too: one Australian study found that four out of every 10 end-of-aisle displays promote unhealthy products.

#### Fast fact

Sixty per cent of
Australians are likely to
buy unhealthy food and
drinks when they are on sale
or promotion, with chocolate
(67%), chips (66%) and
sugary drinks (65%) the
most popular with
consumers.

The study, published in the journal *BMC Public Health*, also found that of 35 surveyed Melbourne supermarkets 30 had 100 per cent junk food at their checkouts, most of which was chocolate.

Australian supermarkets

are not the only ones spruiking unhealthy high-margin foods to unwitting consumers, but they are global leaders. This, too, is backed up by data, with statistics showing Australian supermarkets are worse than the US, Canada, Denmark, Sweden, the Netherlands and New Zealand when it comes to marketing junk food at checkouts and aisle displays. The only nation that spruiks processed snacks more heavily than Australia, Adrian says, is the UK. That's nothing to be proud of, he says, noting

The scourge of junk food is also
on the rise in the developing world
as emerging consumers shift from
traditional diets to Western-style
ones. According to a recent
report by Oxfam and the >>

that the UK has one of the world's

data rating 62.9 per cent of British

adults as overweight or obese.

worst obesity rates, with official 2015

Institute of Development Studies, it's nations such as Kenya, Bolivia, Vietnam, Indonesia and Pakistan that are increasingly in the sights of marketers as millions of people in poorer nations get a taste for foods rich in sugars, salts and fats.

Meanwhile, in developed nations, supermarkets are becoming increasingly sophisticated in how they market to consumers, Adrian says. Indeed, junk food is such a huge earner for supermarkets that, somewhat counterintuitively, it's probably even factored into their fresh food strategy, he says. The recent emphasis on fresh produce at some large chains is likely a calculated strategy to boost sales of profit-rich junk food by getting consumers to do all their shopping in one location, according to Adrian.

"The healthy food ... encourages consumers to buy all their food in the store," he explains. "If people are buying meat, fruit and vegetables instore, then they're going around the whole store and choosing all their food there; that's really what they want. It also looks good for customer perception."

Profit is also behind big supermarkets' long-time love affair with unhealthy soft drinks, according to Adrian's Deakin University colleague Gary Sacks. Gary, a big supporter of tax on sugary drinks, says such a move is not likely to gain much support from the major supermarkets because of how much they earn from stocking full-strength fizzy drinks on their shelves. "We know supermarkets get a lot of money from soft-drink makers, or their fees for stocking their product in prominent places, so from that point of view supermarkets may be wary of something that is going to upset the soft-drink manufacturers," Gary tells The CEO Magazine.

#### **CONSUMERS VS MARKETERS**

Amid an onslaught of marketing, it can be hard to make smart, healthy choices at the supermarket, says Gary. That's why he supports governments stepping in with regulation aimed at assisting consumers to make better food choices, and hopefully in the process putting a dent in higher obesity rates. "We know that you can't just leave it up to individuals to make these choices," says Gary, whose research focuses on policies for the prevention of obesity.

"We live in a world where junk food is heavily marketed. We're surrounded by it all the time, and it's an environment where it's very hard to make those types of choices. The government runs a few ad campaigns and encourages people to act healthily, but we know that's not working; we need to try something different."

Fast fact
Unhealthy food
accounts for around
35 per cent of Australians'
daily energy intake, according
to official data, while most
Australians do not meet their
recommended minimum
number of serves
for any of the five



This may sound like common sense, but the comments remain controversial amid a debate that is often framed around consumers making 'free choices'. Adrian explains: "You get a lot of people who are anti 'nanny state' saying they don't want the government to get involved and that we should have free choice [on food]. But in reality, everything that goes on in the retail world is designed to impact choice in one way or another — not necessarily restricting it, but influencing it."

Adrian argues that a more helpful way to look at the debate may be to ask who we want guiding decisions in the supermarket — marketers or government. "Do you want it to be companies like Coke, Nestlé and Cadbury who have the profit motive, or do you want someone who has the motive of society at heart, such as government and public health advocates?" he asks.

#### **ACTION PLAN**

Jane Martin, Executive Manager of the Obesity Policy Coalition, acknowledges the pressure supermarkets put on consumers to eat unhealthily. But she sees some signs of a turnaround from the industry. According to Jane, these include some Australian supermarkets introducing junk-free checkouts and others starting to hand out fruit to children in store. However, she concedes that such initiatives are usually due to shareholders and consumers demanding action from the big players, not from industry itself.

"Groups like Parents' Voice have put pressure on companies to make their checkouts junk-food-free, and it's good to see that some supermarkets are providing, say, free fruit to children," she tells *The CEO Magazine*. For shoppers keen to make healthier choices, Jane urges concrete consumer action like

sticking to a shopping list, shopping online, and trying to avoid going to the supermarkets with children.

"We know that in supermarkets children often pester their parents countless times, and it can be a bit of a nightmare," she adds. "A lot of the placement of the products is at their eye level and can be made to appeal to children with cartoon characters. These are very persuasive things, and a lot of the time they can even be putting junk items in the trolley without you even noticing."

Tougher government policy is also needed, Jane says, describing current self-regulation in many regions, including Australia, as inadequate. She also advocates a crackdown on the advertising and promotion of junk foods and drinks to children, urging as a first step official monitoring of children's exposure to unhealthy food advertising on television. She also wants changes in law to the Health Star Rating system so that it is mandatory for supermarkets, not just a voluntary code.

That would bring Australia closer to other international jurisdictions that have recently toughened up laws on marketing sugar-filled food to kids. In December 2016, authorities in UK announced that junk-food advertising aimed at youngsters would be outlawed online and in print — directives that were made after campaigners stressed the damage caused by urging children to eat high-calorie processed food.

Jane also recommends introducing a tax on sugary drinks, which she says is a good place to start in the fight to improve healthy consumption and cut obesity. Gary agrees, saying raising the price of sugary drinks represents an easy and effective way to improve public health outcomes. "Clearly, for



Adrian Cameron argues that a more helpful way to look at the debate may be to ask who we want guiding decisions in the supermarket — marketers or government.

any government looking to do something about this problem, price can always be used as leverage to try to influence what people are buying," he says. "We know that there's no nutritional value at all in sugary drinks. They are a prime target for intervention, so from the community's point of view if you're looking at what you can do about healthy eating, sugary drinks are probably the easiest and most obvious starting point."

International examples indicate that taxing sugar can work, if implemented correctly. In 2016, the UK announced it would enforce such a measure following on from success in Mexico. Like Britain, Mexico was struggling to keep a lid on obesity and in 2014 became one of the first nations to introduce a tax on soft drinks. Pleasingly for campaigners,

recent research seems to show that the move has paid off in the Latin American country, leading to a decline in purchases.

Jane says whether it's the industry or government, what's clear is that something needs to happen to address obesity, and fast. "I'd like to see the supermarkets responding to community concern," she says. "There are huge problems with overweight children and obesity and poor diets. We've got 25 per cent of kids overweight or obese. This is really shocking. Supermarkets have a crucial role to play, and if they want to be seen as 'fresh food' people and supporting families, I think they should take this more seriously. They're a very important part of the food system and they have the power to really shift how people eat."



## Set in stone

When Putzmeister developed a long-term strategy to achieve sustainable profitability, taking care of its customers and their needs was at the top of the list.

IMAGES PUTZMEISTER

he company was going through troubled times when Dr Gerald Karch joined Putzmeister in 2009. "I joined at the very bottom of the GFC," he explains. "The company's turnover had dropped by 60 per cent." What followed was a "painful phase of restructuring" for the concrete- and material-placing equipment manufacturer. Then in 2012, Sany, the Chinese multinational heavy equipment manufacturer, took over the company. "That was a time when we focused heavily on internal issues," says Gerald. When he took on the chief executive role in 2013, it was time to look outward again.

Putzmeister develops, produces, sells and serves customers worldwide with high-quality, service-oriented machines across a wide range of areas. These include the placing of concrete, truck-mounted concrete pumps, stationary concrete pumps, stationary placing booms and accessories, concrete mixing, industrial technology, pipe delivery of industrial solids, and the removal of >>



Name Dr Gerald Karch Company Putzmeister Position Chief Executive HQ Aichtal, Germany excavated material in tunnels and underground. Its focus also spans robot and material-handling technology, mortar machines, plastering machines, screed conveying, and injection and special applications. Putzmeister counts among its markets the construction industry, mining and tunnel construction with major industrial projects, the pre-cast industry, power stations, sewage treatment plants and waste burners.

What Gerald wanted to develop was a long-term strategy that would deliver robust, sustainable profitability for the company. "When I took over the CEO position, it was more about the strategic set-up of the company rather than seeking out opportunities for growth." There were, however, some immediate opportunities, such as improving the parts business which had been "neglected for decades".

The main focus of the strategy was to put the customer and their needs at the heart of the company's day-to-day activities. "We want to deliver better solutions than our competitors," Gerald says. "To make the most of our global organisation, we're improving our synergies, ensuring we have best practice, and clarifying our communication responsibilities and roles to empower our organisation to best serve the customer.

"It sounds like a simple goal, but as a company operating with more than 3,000 employees in 90 countries around the world, we are continuously confronted with a wide variety of cultures and legal frameworks. I'd say the biggest challenge we've faced, and are still facing, is over capacities and intense price pressure in a niche market with restricted volumes. The key focus for me is what I'd call the survival of the smartest. Global economies are increasingly more volatile, and in that



"The biggest challenge we've faced, and are still facing, is over capacities and intense price pressure in a niche market with restricted volumes." – Dr Gerald Karch

environment the company's success depends on its flexibility. The business needs to be able to react to whatever comes up and to anticipate the demands of our customers now and into the future. Thus we start the development early and are ready when the demand arises.

"The integrated development process we've established provides machines with the highest performance quality and reliability for global markets. Continuous improvement is our way of life; responding to our customer needs and solving their pain points is at the centre of our preoccupations."

Another of Gerald's primary targets has been improving and professionalising the company's internal operations, particularly its procurement organisation. The aim was to ensure the business was making the best use of its international distribution channels. "From my point of view, our partner vendors, in particular, are as essential to our success as the quality and >>

"Since 1983, HBC-radiomatic has been the strategic supplier of radio controls for Putzmeister machines. Our partnership has proven highly successful due to our shared common values: outstanding quality, innovative technical solutions, and close collaboration with common business partners and employees."

– Wolfgang Brendel, President & CEO, HBC-radiomatic GmbH

## Unlimited possibilities.





#### Quality in Control.

technologies and tailor-made designs, HBC radio controls







perfectly fit your specific needs.





functionality of our product. Putzmeister is embedded, and it's relying on a network of suppliers from consulting companies to engineering partners and dealers."

While he admits the business relationship isn't easy, the cornerstone of its successful collaboration with partners is trust. "Our vision states that we treat our partners with absolute respect, and conduct our business with fairness, integrity and trust at all times," he says. Gerald highlights a project the company undertook to deliver environmental benefits by saving hydraulic oil. "We significantly reduced the need for hydraulic oil in a machine by developing new filter technology with the company HYDAC in Germany."

Gerald describes the technology as a typical example of the "win-win



## drive solution. **HUMAN MACHINE INTERFACE (HMI)** MATCH **CONTROL LEVEL MACHINE LEVEL**

#### **HYDAC International GmbH** Industriestraße, 66280 Sulzbach/Saar, Germany

Phone: +49 6897 509-01, Fax: +49 6897 509-577, info@hydac.com, www.hydac.com

#### From the components to the intelligent

Hydraulic and electronic components, subsystems and finished functional solutions that can also include the corresponding application software.

With the AMATCH (Mobile Application Tool Chain) development environment, HYDAC offers a tool chain for system-level software development by the customer that is specially suited to the requirements of mobile machinery.

- Displays for the most demanding visual requirements
- Peripherals, e.g., joysticks
- Controllers in various classes
- I/O expansion modules
- Standard version and versions with increased functional safety

#### Sensor level

- Pressure, temperature, distance, position, angle, inclination and level, speed, flow rate
- Oil condition
- Standard version and versions with diagnostics and increased functional safety

#### **Actuator level**

- Pilot-operated and direct-acting valves
- Control blocks (monoblock/sandwich)
- Pilot and primary control systems
- Intelligent axes
- Cylinders, pumps and motors

#### "At Putzmeister, the people are unbelievably loyal to the company."

- Dr Gerald Karch

situation" it aims to develop with its vendors. "We're now leading with this technology, and HYDAC has developed its technology even further; it's now applying it to more products with other customers."

The engagement and loyalty of its staff is also key to thriving in a competitive environment. "At Putzmeister, the people are unbelievably loyal to the company. It seems to be a genetic code of this company because all of the new people we hire are directly infected." The vision he revised and developed when he stepped into the CEO role can be seen everywhere within the company. "It doesn't just state what we want to be; it reflects the mentality of our people."

Asked about one of his proudest moments since he took on the CEO role at Putzmeister, Gerald nominates the efforts of his team at BAUMA — the world-leading construction machinery fair held every three years — in Munich in 2016. "The company presented itself in an exceptional show, and people from all over the world gave us clear and unmistakeable feedback that we're number one. The whole team and I, after an extremely tiring week on the show, came back happy and very motivated."

The strength of the Putzmeister brand in the marketplace is something that's been recognised by its parent company, and it has no plans to dilute it. "Our parent company has promised that Putzmeister will keep its identity and independence," says Gerald. "The Putzmeister brand has been built over almost six decades, and our customers rely on the values of that brand."

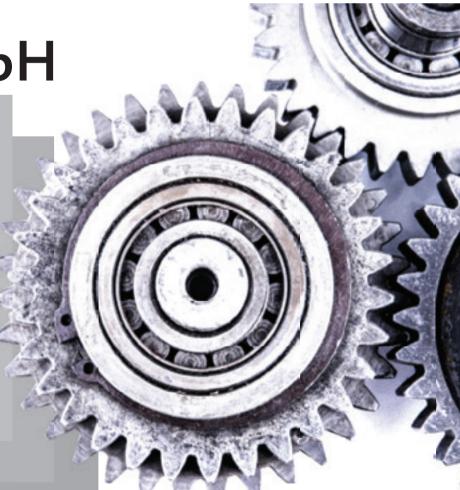
Looking ahead, he predicts that fierce global competition in the concrete construction business will lead to consolidation in the industry. "I expect there'll be a consolidation process, especially among our Korean competitors. There are too many players in the market at the moment.

"At Putzmeister, we've proved that we're capable of remaining on top even during difficult market circumstances," he says. "With our improvement programs and our strong network of partners, we're confident we'll maintain our leadership position and overcome whatever issues show up."

Klingel GmbH

Outstanding quality, absolute precision, technical skills and a strong customer orientation ensure that our customers remain competitive on the world market. This also includes a bundle of useful services that you can efficiently support:

- A constant, competent partner
- On-site consultation
- Absolute deadline
- Engineering using state-of-the-art production methods
- Flexible and solution-oriented development of the most cost-effective processing alternatives
- · Fair, open and honest style



klingel-gmbh.de



## Seeing green

While DyStar provides all the colours of the rainbow to brighten our clothes, our cars and our homes, it recognises green as the colour of the future, and culture the core of good business.

IMAGES YEW KWANG

u Yalin knows all about chemistry; he has degrees in the subject to prove it. Armed with his Bachelor's and Master's and a fierce passion for all things that mattered, he launched a career in science three decades ago. Today, however, the managing director of DyStar in Singapore is more committed to two words probably never heard in the same sentence as chemistry during his years at university: sustainability and culture.

Yet Yalin is convinced these two words should not only go hand-in-hand, but are pivotal to the future of industry and business. "Sustainability is no longer an option, but essential," Yalin enthuses, "and without the right culture at the core of a company, business won't grow."

Surely, a lean to the green and a commitment to compassion is at odds with a man driven by science, business and profitability — a man with an impressive pedigree in marketing and development around the world during his years at Unilever and Ciba Specialty Chemicals, and a man who turned DyStar's fortunes around dramatically just two years after joining the textile company in 2010. >>



Name Xu Yalin Company DyStar Position Managing Director HQ Singapore, Singapore Employees 2,000



"For 15 years, DyStar was not profitable, and of course the challenge I faced from the very beginning was to turn that around," he says. "The first thing I saw was that, like many other multinational companies, DyStar had a very complicated system. In particular, it had a complicated product range, with probably only 20 per cent of the products making about 60 per cent of the sales revenue. I knew what I could do to improve this, and the first step was to reduce the complexities to improve efficiency and productivity by simplifying the process."

Yalin's simplification process catapulted an almost crippled DyStar facing insolvency in 2009 to earning US\$15 million in 2013 and US\$100 million in 2016, jumping closer to where this company with such a rich history in textiles should be. Founded in 1995 as a joint venture between Hoechst AG,



#### JIANGSU TAIFENG CHEMICAL INDUSTRIAL CO. LTD.

Proudly the global leader in indigo production and sales.

taifeng-chem.com



No.9 Hongqiao Avenue, Hongqiao Town, Taixing, Jiangsu Province.

Tel: 0523-87983208 87983150

Int Tel: +852 27980118

Bayer Textile Dyes, and Mitsubishi, DyStar entered into another partnership five years later with BASF, AG Textiles and Mitsui, inheriting a legacy spanning more than 100 years and boasting some of the most remarkable innovations in the chemistry of synthetic dyes.

Over the past 10 years, DyStar has expanded further, completing a series of strategic acquisitions including Color Solutions International, Yorkshire Americas, the Rotta Group, Texanlab, The Boehme Group, and Lenmar Chemical Corporation, before being jointly acquired by Zhejiang Longsheng Group and Kiri Industries in 2010.

It now employs about 2,000 people in more than 50 countries, running production facilities in 12 of them. Initially launched as a colouration specialist for the textile and leather

industries, DyStar has evolved into a one-stop shop providing solutions to dozens of consumer and supplier demands. Naturally, it still offers a complete range of colourants to enhance the latest in fashion or car interiors, but paper and plastic have been introduced into the mix, with additional services in consultancy, training and textile testing also available.

Along with the challenge of expansion, however, has come the even greater demands and pressure from governments, environmentalists and consumers for the textile industry worldwide to clean up its act — not really surprising in an industry that has one of the largest environmental footprints in the world. To put it simply, studies estimate that the net carbon footprint of the average T-shirt is six kilograms, about 20 times the weight

"Old chemicals are now of no use to the global textile industry, so we're continuously innovating to bring cleaner chemicals as substitutes." – Xu Yalin

of the product itself. It defies imagination to determine how many 'footprints' are stored in just one closet, in one bedroom, in one home, in one street, in every corner of the globe.

DyStar was under no illusion it had to act fast to mitigate the adverse environmental, social and economic impacts the manufacturing and marketing of its products was having, and met the challenge head on in 2003 with the launch of econfidence, a program tailor-made to deal with product safety and ecology issues. >>





"My personal philosophy, and as a company executive, is that both the company and the employees have to be treated fairly. I always encourage fairness and trust." – Xu Yalin

The econfidence program provided a long-term strategy to make dyes and chemicals compliant with Restricted Substances List (RSL) requirements, a huge call considering DyStar product components contain more than 5,000 individual chemicals, but one they successfully answered. As one of the first textile companies to not only tackle environmental concerns but also implement a dedicated game plan, DyStar also attracted the approval of regulators.

"Our econfidence program was meticulously developed to face increasing pressure from public regulators to clean up many parts of the world, and we met their expectations," Yalin says. "As environment regulations become increasingly stringent and more strictly enforced, some key brands and their retailers are moving to green the entire industry. In turn, their production partners are getting the message that sustainability is vital to maintain long-term business relationships. This is critical to the industry as well as for us, and we've responded proactively."

In 2011, DyStar expanded its commitment to the environment and released its first 'Annual Carbon Footprint' report. Based on 2010 emissions data, the company began implementing measures aimed at reducing the carbon intensity

progressively to achieve a 20-per-cent reduction by 2020. A commitment from everyone in the company is needed to manage this carbon footprint more effectively, with creative solutions required to ensure greater energy efficiency across all DyStar plants, laboratories and offices. A first step was to generate the Sustainable Textile Solutions (STS) division, which helped establish the company as a responsible partner for managing environmental issues for the entire textile supply chain.

"It's no secret DyStar is the most sustainable and responsible supplier of dyes," Yalin says. "Old chemicals are now of no use to the international textile industry, so we're continuously innovating to bring cleaner chemicals as substitutes to our customer so they can then comply with regulation requirements."

While it is crucial to Yalin that DyStar's environmental strategy has been one of the keys to the company's sustained business growth and working in partnerships with suppliers and customers to ensure environmental expectations are met, he understands the future of a company in today's competitive world lies fundamentally within the company itself. "You have to get the company's culture right," he says. "When I joined DyStar, it was quite complicated. A lot of people were working on their own without a clear vision: there wasn't much involvement. and it was too bureaucratic. I saw this as one of the key reasons why the company was not profitable for many years. So I changed a lot of things, and the first change was to get a good cultural fit."

In order to get this cultural fit, Yalin recognises that employees must feel

a sense of ownership, of belonging and pride in the company's success and profitability. He believes that employees who feel they're valued and seen as contributing to triumphs perform more efficiently than those who feel they're just working for the business. "They must feel they're not just working for the company, but also for themselves," he says. "So we've implemented an excellent incentive performance-related system. Our employees work knowing that if the company makes money and is profitable, they'll be rewarded.

Yalin also realises that trust and fairness are the keys to spreading that sense of ownership among all the DyStar companies and its thousands of employees across the world. "My personal philosophy is that both the company and the employees have to be treated fairly. I always encourage fairness and trust," he says. "I've set

up a lot of policy and systems in process to ensure everything is clear and talked about openly. So employees who contribute understand they'll receive good rewards. It's a system based on fairness, family and a sense of ownership. That's the core culture of the company."

As a company executive, Yalin leads by example. He's the only member of the Board based at DyStar's headquarters in Singapore, and he understands the responsibility and important legacy that goes with leadership. "To be a good leader, or a successful leader, you must be a missionary," he says. "You need to lead by example; you need to design good, achievable but also challenging targets and provide an execution plan for them to be implemented. Then you walk together with the employees to reach the goal; they can then enjoy the success and share in that success."

### COLOUR YOUR WORLD

Our company is the strategic cooperative partner of several world-renowned multinational companies. Yabang are a well-known brand in the Chinese dyestuff industry, producing anthraquinone series dyes and intermediates in China. Accredited as a national high-tech enterprise, we have been awarded by China's leading chemical authorities/associations as "China's chemical science and technology innovation model enterprise" & "Jiangsu province superior private technology enterprise."

ybdyes@gmail.com, ybdyes@vip.163.com www.ybdyes.com

Niutang, Changzhou city, Jiangsu Province, China.



## Poetry in motion

Specialising in motion science, Gates Corporation is powering the accelerated movement of its clients' specialist equipment, as well as the movement of their businesses.

IMAGES YEW KWANG

f you have something that moves within the automotive or industrial sector, then there's a good chance there's a Gates component for it. But it doesn't just move; it works. And if it's a replacement component, it probably works better. As a portfolio company of Blackstone and a leading global manufacturer of power transmission belts and fluid power products, Gates has long contributed critical components, systems and services for specialist clients the world over. The company's mission is to continually enhance the science of motion performance to improve productivity and reduce total cost of ownership.

Like a perfectly metered and considered piece of prose, a Gates component aims to always fit perfectly within the flow of its clients' needs and operations, whether it be first fit or replacement applications for its target sectors — namely, construction, agriculture, energy, transportation, and automotive. Its tagline, 'Gates: Powering progress', makes it clear that not only is this a company set on meeting client needs, but also in helping them to set the market trends rather than follow them.

To engineer Gates's continued growth and quality requires a mind especially equipped for building — not just leading — the company's products, quality control, clientele and reputation. In a region as innovative and competitive as East Asia, this is especially >>



Name Teng Seen Khoo Company Gates Corporation Position: President, East Asia HQ Denver, US Employees 14,000



so, and it's fortunate then that Teng Seen 'TS' Khoo, former software consultant and new-business transformation enthusiast, decided to interview for the role of president for the region one fateful day in January 2016.

"I realised many years ago that I'm actually a builder by nature," he says. "I'm not as interested in maintaining a business. When the dust is settled and everything is working well, I get a bit bored. I'd much prefer to continually build a business. I enjoy opportunities to architect and transform companies through new programs and initiatives. That's what attracted me to Gates — its history of innovation and its continually renewed ambition."

Throughout his career across various industries, TS has effectively built, grown and transformed businesses in a constantly changing and dynamic environment. He now puts this mentality to good use by leading the commercial teams as president for Gates East Asia operations, comprising five zones: Japan, Korea, South East Asia, Australia and India. Aside from his remit to drive demand for new and retained orders, and improve customer service, logistics, and warehousing, TS will help lead the evolution of Gates into a truly global and customercentric organisation.

"Our CEO, Ivo Jurek, clearly articulated his ambition for Gates, and listening to him during my interview made me a very strong believer in its success. I was looking forward then, and I'm looking forward now, to being part of his team and the exciting journey ahead," says TS. "This will be the fourth business transformation role in my career, though Gates has already established a really strong foundation over the past 40 years in the region, with a very impressive list of global



"I enjoy opportunities to architect and transform companies through new programs and initiatives. That's what attracted me to Gates its history of innovation and its continually renewed ambition."

- Teng Seen Khoo

clients and offerings. I see many opportunities for us to continue investing in growth and leveraging on our expanding product portfolio to drive new markets and segments."

Before joining Gates, TS was formerly the vice-president Sales, East Asia, at the global electrical firm Eaton, prior to which he spent almost eight years with Schneider Electric as vice-president, East Asia. But look back to the start of his career and TS was a software specialist working in management and consultancy across regional IT software industries in the US and Asia.

"I began my career back as a computer programmer with an SMB manufacturer in Malaysia, and then I joined a US-based ERP [enterprise resource planning] company as a manufacturing consultant." In this role, he moved to Tokyo for 18 months to build a local consulting practice, together with the support of a team of expats from Singapore, the US and Canada. Here he experienced for the first time his love of building up both businesses and people.

"I really love working with talent, stretching people beyond their own limits and helping them believe they're capable of much more," he says. "Over the past 18 years, I've always measured my success based on the number of people I work with who continue to grow on their own, well after they're no longer working as a team. That's what I love most about my job — seeing people grow." His efforts saw him promoted to director of consulting, before he moved into a senior director role for client services



with another firm in Singapore that covered all of APAC.

"I was in the software space for about 14 years, leading the service business including sales and operations, but I decided to make a change," says TS. He then joined a US-based electric power company, American Power Conversion — later acquired by Schneider Electric — as the APAC head of services and general manager. "I must say it was a steep learning curve changing industries, but I enjoy venturing out of my comfort zone. It's helped me gain a lot of valuable leadership experience, and I've had to adapt to different cultures and build strong teams and aggressive goals within them."

Looking ahead, Gates will be pursuing a range of new growth initiatives, ranging from refining the quality and variety of products, streamlining customer service, and focusing on globalisation to cater to customer expansion, while still maintaining regional excellence. TS says it has an advantage in utilising strong long-term supplier relationships, as well as its parent company's strengths in the market. "We have the opportunity to experience rapid growth with our Blackstone partnership. They see us as a long-term investment horizon, and we're compelled to transform and globalise our business," he says.

"Many of our customers have gone global themselves and are asking for integrated and connected customer experiences from design, procurement, manufacturing and supply chain," he adds. "My role here is now formulating strategies and execution plans; directing these multidisciplinary teams — of which some are local, some are regional, some are global — while also

working simultaneously as one global function, in a way that aligns our strategy not only with what customers need today but also what they need tomorrow."

The company is also looking to launch an exclusive retail distribution program to market a series of fluid power products and services around the world. "We want to bring our global knowledge base and expertise closer to our customers by launching new digital retail tools, and by acquiring a strong local network of partners to deliver the same quality we're known for," TS says. "On top of that we're looking to simplify customer engagement models and utilising a lot of new digital tools. This is a very vital part of us being able to plan global and have consistency but also be able to execute locally."

Though industry trends are forever challenging Gates to keep pace with demand, TS says this is what makes the job interesting, and he believes that Gates's long history of operation shows it's a business that's resilient and agile. "Gates has been around for well over 100 years, but it's really important for us to be a future-looking organisation. Innovation is a key part of what keeps us ahead of our competition, and helps us to understand and anticipate our customer needs in advance," TS says. "We have a very strong foundation in R&D and many programs that help us address the changing business environment by markets and regions, in what is a very diverse business." -

"Gates is an expert in the field of belt technology. We're honoured to be considered a key supplier and we will continue to develop our cord to meet their business needs and high expectations." — Alistair Poole, Head of Functional Products Division, Technical Glass SBU, NSG Group.

# Extra sensor perception

Semiconductor giant AMS has set some aggressive growth plans for the coming years. Achieving them will rely on a workforce with a will to win and out-of-the-box thinking.

IMAGES AMS AG

ensors are already all around us; they're used in everything from smartphones to smart homes, to industrial automation and all devices that comprise the Internet of Things (IoT). With new applications constantly being developed, they're only going to become more pervasive, according to Alexander Everke, Chief Executive at AMS. "Sensor technologies will be increasingly important in the future," he predicts, adding that they're replacing the human senses. For instance, "In the medical space, with bio-sensors we're able to measure heart rates and blood pressure at home.

"With an ageing population, it's so much easier to have the ability to measure someone's vital functions at home on a regular basis. The moment they're not going in the right direction, doctors can be informed that a check-up is necessary. We wouldn't have believed these things were possible 10 years ago." It's equally difficult to imagine how things might change in the next 10 years. Yet Alexander is confident that by working with leading companies, AMS will be well positioned to capture any early-adopter advantages. "I personally >>



Name Alexander Everke Company AMS AG Position Chief Executive HQ Graz, Austria Employees 3,300 globally



believe the sensor market is the most exciting market within the semiconductor industry," he says.

Since taking on the CEO role in March 2016, Alexander has been positioning the company to capture the market's growth. His attention has been directed towards three key areas. "The first is portfolio management. I strongly believe that if you position the company with the right portfolio, based on its strengths, you can really make a difference in the industry. The second one is leadership, creating a team which enables the company to execute good results. The third one is enabling a culture within the company to support the first two actions."

Having determined that sensors offered the strongest growth opportunity, Alexander focused on four core areas: optical sensing, imaging sensing, audio sensing, and environmental sensing. "We then redirected our investments into those core areas through a series of divestments and acquisitions," he says. The business divested the NFC booster technology and the RFID reader wireless product lines to STMicroelectronics. "At the same time, we acquired quite a few companies in the past 12 months." These have included a similar sensor business from NXP Semiconductors. "That enabled us to generate a leading position in temperature, pressure, relative humidity, and to some extent, gas sensing." Next, it picked up a high-end imaging sensor company based in Belgium. "This company is very strong in machine vision, optical inspection, and also in emerging medical applications, so that was about strengthening our footprint in imaging sensors and in the industrial and medical segments." The acquisition of CCMOSS in the UK added gas-sensing technology with a very small form factor to the company's capabilities.





"I believe the sensor market is the most exciting market in the semiconductor industry." – Alexander Everke

"Most of our market in gas sensing is used in the automotive or industrial space, but with those technologies we can address the mobile segment." It also acquired German company MAZeT to strengthen its spectral sensing activities, and optical packaging leader Heptagon to become a clear worldwide leader in optical sensing. "By acquiring very specific IT blocks, people, and access to customers, we strengthened our leadership in our four core market segments," Alexander says.

But he's not targeting growth for growth's sake. AMS has announced 30-per-cent yearly revenue growth for the next three years (based on 2016 figures), which is two times faster than the market. Alexander says what's important is the profitable growth that comes from generating higher gross margins and better EBIT margins. "In our four core areas, we feel we have better and more competitive technologies than our competitors; we have great customer access around

the globe in multiple vertical segments; and we can utilise those strengths to drive profitable growth." At the same time, Alexander is concentrating on building 'out-of-the-box thinking' in its leadership team through leadership training. "We want to develop a culture that drives unconventional thinking and creates a team spirit with a very strong passion to win within the company," he says. "It's important for us that we're pushing boundaries and that we're empowering our workforce by holding them accountable. When I joined AMS, I was impressed with our people: they really think about how we can help customers, engage with them in better ways and solve their problems. We want this company to be recognised in the market as a thought leader and a trusted partner."

"As a provider of semiconductor test solutions, Xcerra's goal is to work with customers that view it as partners in their success. AMS is the ideal customer for this type of relationship because of the collaboration that takes place at all levels."

– David Tacelli, President & CEO, Xcerra Corporation



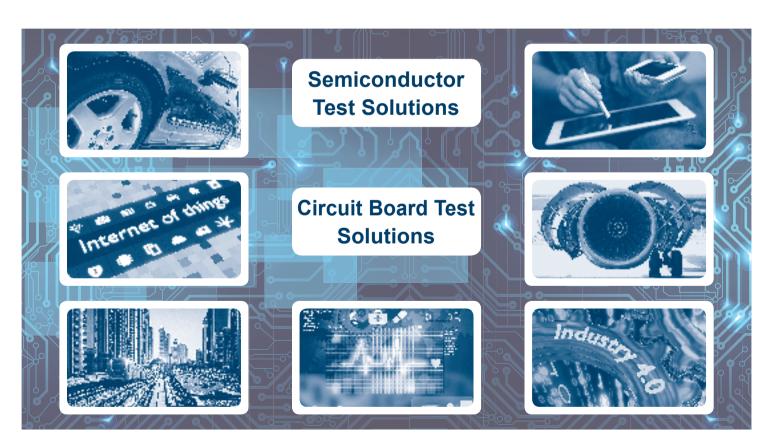
#### Four Powerful Brands In One Company











Xcerra.com



# An expanding footprint

Helping Coperion develop its operating model since she came on board as president in 2015, Kim Ryan is now focused on sustaining global growth.

IMAGES COPERION

he majority of us purchase everyday food items — breakfast cereals, chocolate bars, baby formula, chewing gum — so regularly that we've become detached from the process by which they so conveniently come into our clutches. Picking up a plastic container of instant soup prompts little more thought or action other than mentally ticking off an item from a list. However, even minimal contemplation about these food products provokes questions that a company such as Coperion is well equipped to answer: How are these products mixed without destroying them? How do we mix the plastic that ultimately wraps these products? How does baby food get processed and sealed so that it's hygienic and safe?

A technology leader in compounding systems, feeding technology, bulk materials handling systems and services, food conveying, production and packaging is but one component of Coperion's overall undertaking. The majority of its business is generated in the plastics and chemicals industry. Since 2015 Kim Ryan has been the president of this market-leading company, and, building on its 100-plus year legacy, she is looking to further cement it as a business with an end-to-end offering superior to its competitors. "We are a technology company; we set technology standards, and work hard >>

coperion

Name Kim Ryan
Company Coperion
Position President
HQ Stuttgart, Germany
Employees 2,500





### "We are a technology company; we set technology standards, and work hard to anticipate the needs in the marketplace." – Kim Ryan

to anticipate the needs in the marketplace," explains Kim. "We get in front in the industry by being very close to our customers and asking them what they see, and what their challenges are, but we also investigate the types of things customers see as future needs and those are the things that we address in a proactive manner."

While food processing and extrusion is perhaps the most relatable aspect of Coperion's undertakings, the breadth of what the company carries out in other industries like the plastics or chemicals industry is immense. In order to properly understand its scope, it's also necessary to comprehend the overarching business model of Hillenbrand, Inc., the US-based company that acquired Coperion in 2012. Hillenbrand is comprised of various brands that exist within two

business platforms: Process Equipment Group, the platform under which Coperion now sits, and Batesville Casket Company, where Kim first cut her teeth in 1989.

"I was the property accountant for Batesville Casket Company, so I worked across a number of different jobs in the company's finance departments, and worked within a lot of cross-functional teams during the first five years of my career," explains Kim. "Those early years enabled me to engage with some incredible individuals who ultimately pulled me into their areas of responsibility; specifically, strategy, and then over time I moved into other operational and commercial roles."

Moving up the ranks, Kim eventually became Vice President of Information Technology for Batesville, a role that

saw her manage IT and other shared services for Hillenbrand Industries. Then, in 2005, a decision was made to combine Hillenbrand Industries Corporation with Hill-Rom, the company's largest operating entity at the time. "I led that integration," says Kim, "and when it was complete I had the opportunity to run my first commercial division inside Hill-Rom. That was where I really found my love for acting as a general manager of a business." Having moved back to Hillenbrand — the spin off Hillenbrand Industries — in 2011 to be President of Batesville, Kim was next appointed as President of Coperion in April 2015.

Hillenbrand had only acquired the company three years prior, so one of Kim's first jobs was to develop clarity around the future of the company. "I really set about understanding where we were in the adaption of the Hillenbrand Operating Model. I needed to ensure there were no gaps in our adoption of that operating model," Kim explains. "For me, things like >>



Whether in heavy-lift cranes, ocean-liners, cement mills, or conveyor belts: Wherever the heaviest loads are to be moved reliably and efficiently, FLENDER® drive components are the first choice. They stand for specialist industry sector knowledge and application-related expertise of the manufacturer, as well as for operational reliability and availability of the plant.

The world's widest range of standard components always offers the perfect drive – whether individual components or as a fully integrated system. FLENDER drive components keep moving 24/7.



The world's widest range of mechanical power transmission equipment sets standards for operational reliability, performance, and flexibility. FLENDER drive components are an integral part of Siemens Integrated Drive Systems.



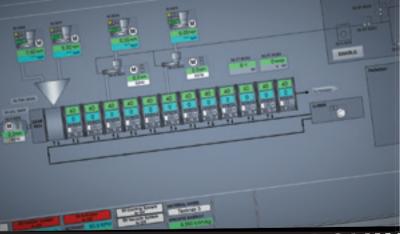
managing and optimising talent, seamless financial integration and transparency, and having a clear point of view on the M&A and how to use that to grow the businesses, have all been priorities. "Those are the things that I have been working on for the

past year-and-a-half with the leadership of my division presidents, and I think we have a pretty clear path for how we want to grow our business for, not just the next couple of years, but the next five to 10 years." Given Coperion's longstanding history as a market leader,

"Other companies can partner, but we can control the entire pipeline for those who are really trying to be progressive in the polyolefins, plastics and chemicals industries."

- Kim Ryan

particularly in the plastics industry, Kim's vision for the growth of the company is daring. "When we purchased Coperion it was comprised of Werner & Pfleiderer, Waeschle and K-Tron, which were all leaders in the industries they serviced; compounding and extrusion, materials handling and feeding technologies," she reflects. "When we brought all of those businesses together, we felt we could create a type of offering that no one else in the marketplace had. We felt







### PETRONIK Automation PROBLEM SOLVING THAT KEEPS THE WORLD REVOLVING

Petronik Automation has been a specialist in the automation technology market since 1986 — and at home around most of the world.

Our activities involve the entire engineering and development of your measurement and control plant, as well as the implementation of our in-house developed software into our handcrafted control cabinets. With our customised single source solutions, we closely support you as a partner to realise your project — any time, any place!

Since 2000 Petronik Automation GmbH has been partner to Coperion. We can proudly say we have successfully commissioned some of the world's largest plants together.



we could take our expertise and technology in each of those individual areas to really differentiate ourselves in the way we design systems so that they are much more coordinated and much more cohesive. Other companies can partner for these capabilities, but we can control the entire pipeline for those customers who are really trying to be progressive in the polyolefins, plastics and chemicals industries."

Kim's optimism for Coperion's growth stems as much from the company's superior technical capacity as from its longstanding culture of perceiving each customer and their requirements as unique. "We use a comprehensive system and process expertise that doesn't just react to an RFP [request for proposal] from a customer, but we actually engage in a consultative relationship with them," she says. "Across all of our product offerings

we ask customers: Is this the best solution for you, and does it give you the most flexibility for the future?"

The esteem in which Kim, and her team more broadly, holds for her customers is demonstrable. "These are customers who don't necessarily have a project with us every year, but they do count on us every day, so we need to be able to deliver," she says. "The projects that we put in last 25, 30, 40 years; they last for generations. So the kind of service that we offer to our customers is paramount."

Kim attributes the company's constant success in delivering for its customers to the 2,500 people who make up its employ. "I am very, very fortunate to have so many people focused on the fact that we've got to deliver every day in order to turn the vision that we have for growth in the future, into a reality."

Closely linked to this, Kim believes that the other crucial element connecting Coperion to its customers is the company's global footprint.

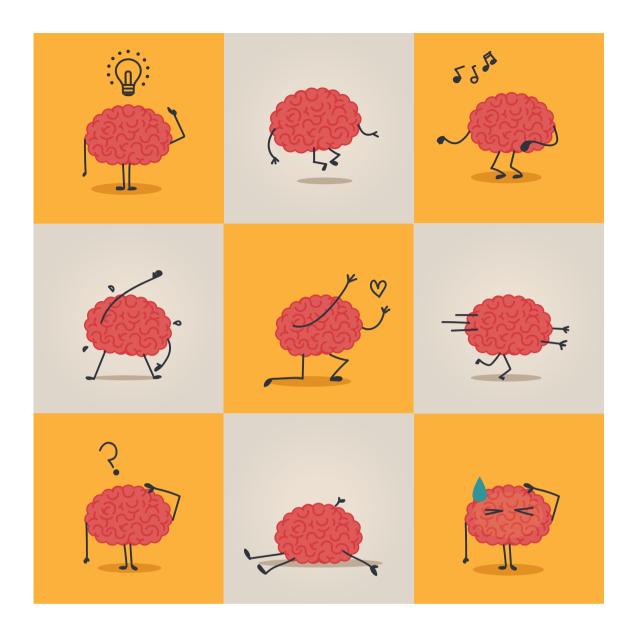
"We've got about 1,500 associates located in Germany, and the rest of the 2,500 associates are located around the world. So we don't just visit the markets that we want to operate in, we live in them. We use the local resources who live in these regions to help feed back any unique needs that we then incorporate into our strategy."

Overwhelmingly, the acquisition by Hillenbrand, Inc., in conjunction with Coperion's existing operational strategies, is strengthening the business and helping it to expand beyond its tradition of plastics and chemicals. Under Kim's guidance, the company's product offerings and global footprint look set to grow.

### Safety Clutches for Extruder Drives







## BRAIN FITT for work

The key differentiator for top mental performance is greater cognitive health.

WORDS DR JENNY BROCKIS

irst the bad news: we reach the pinnacle of our cognitive prowess around the age of 24, with some aspects of it starting to deteriorate by 27. To stay sharp and at the top of your game requires a high level of brain fitness — which is why many business leaders are looking to incorporate what neuroscience has validated to ensure they have the tools and strategies to always bring their best selves to work.

The good news is that our massively pliable brain provides the opportunity to maintain or upgrade our thinking prowess through a conscious choice of focus and a willingness to invest in our neurobiology. Cognitive health is how well we think, learn and remember. It's about having sufficient mental stamina and stress resilience to successfully navigate and thrive in our increasingly complex and complicated world.

While business success requires hard work, effort, commitment and time, the missing part of the equation is how to adequately address the physiological and psychological needs that lead to consistently higher mental performance. Cognitive health feels new because until the past few decades, we knew relatively little about the brain, and much of what we thought we understood turned out to be wrong.

The brain's natural plasticity — its ability to rewire itself in response to changes in our environment — has several major implications. First, we are lifelong learners, always capable of taking in new information, laying down memory, embedding new habits and changing self-limiting beliefs or other unhelpful thinking patterns. Second, by identifying what the brain perceives as a potential threat or reward, it becomes easier to shift individual and collective mindsets to be more growth-oriented, leading to greater possibility thinking.

Brain fitness starts by addressing the fundamentals that we have understood intuitively to be important but have not always chosen to prioritise. The synergy of all lifestyle choices is what counts: how we eat, move, sleep, manage stress and stretch our mental muscle. Greater organisational health is about creating a workplace culture that values brain fitness as the starting point for more effective teams, change agility, communication and collaboration.

At the individual level, brain fitness starts with greater brain awareness. Understanding how the brain has evolved to keep us safe and is concerned with (mental) energy conservation provides the framework necessary to establish lifestyle habits essential for best cognition and memory. The role of nutrition in determining mood, focus, memory and cognition is important at any age. Studies show that eating higher levels of trans fats in middle age is associated with reduced verbal memory.

Exercise increases cognitive energy as well as mental agility and wellbeing. The global cost of lost productivity and healthcare expenditure due to insufficient activity was estimated at US\$67.5 billion in 2013. Standing improves attention by up to 40 per cent, and the focus is now on increasing

To stay mentally sharp and at the top of your game requires a high level of brain fitness.



physical activity across the day in addition to 30 minutes of aerobic exercise. Sleep deprivation leads to poor decision-making and cognitive fatigue, diminishing focus and memory. Promoting a culture that values sleep is associated with greater performance, increased creativity and reduced stress.

Our best cognition is underpinned by having access to our full spectrum of emotion and is best served when the two are in balance. However, the rapid pace of change, globalisation and technological advances have in some instances led to higher levels of stress. When accompanied by greater emotional intensity, this reduces access to the prefrontal cortex, the part of the brain used for conscious thought, logic, reason and analysis. This is where greater brain fitness can facilitate a leader's ability to retain their cognitive capability, through effective emotional regulation. The brain-savvy leader recognises the importance of taking time off and time out to reflect, think more deeply and stay future focused.

Greater mental flexibility, creativity and innovation paves the way to more effective problem-solving and helps identify potential opportunities. This is where stretching the mind to learn new skills enhances big-picture thinking, broadens perspective and leads to stronger intuition and insight. From here, it's about challenging long-held notions about the best way to work and choosing to stay in good cognitive shape by creating a fit and healthy brain optimised to work at its best, even when under pressure.

How we think, our perception of the world and the state of mind we bring to any situation is influenced by how well the brain is functioning. That's why brain fitness is a must, not a maybe, for best cognitive performance.

### Download *The CEO Magazine* app for FREE today



Available on Apple, Android, and Kindle smart devices.

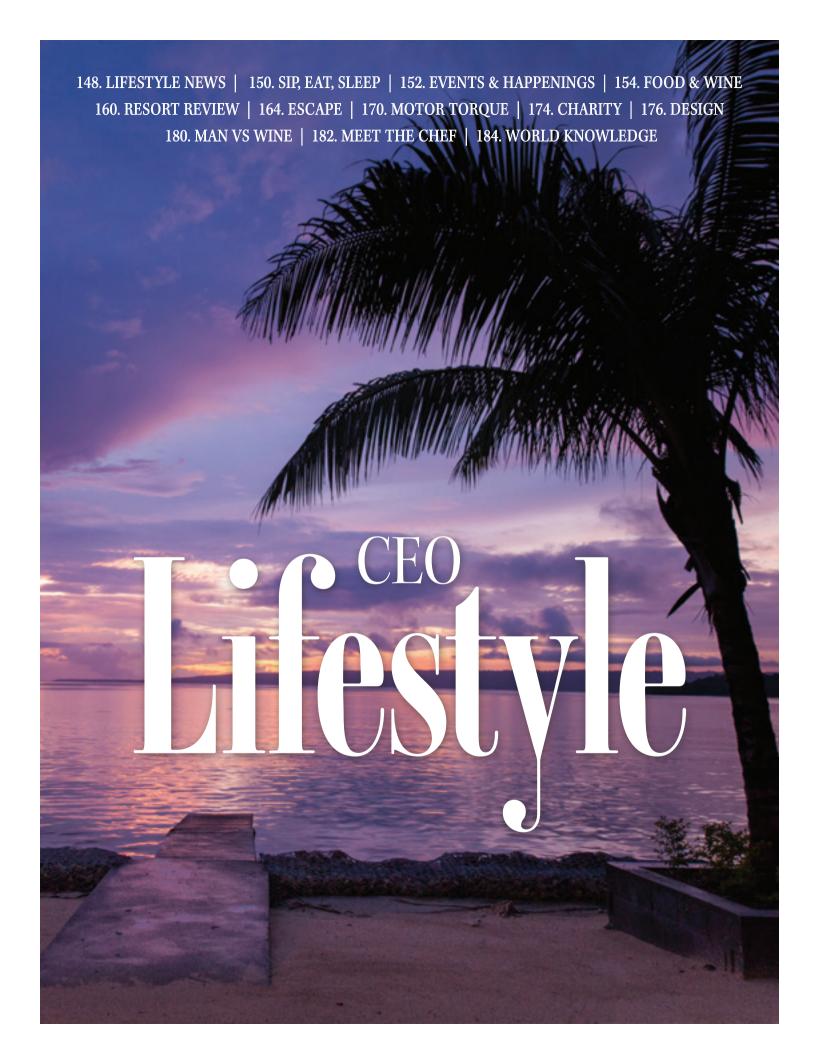
### SUBSCRIBE NOW AND SAVE













### THE GREAT WHISKY EXPERIMENT

It's only through trial and error that innovation happens. When it comes to whisky, Glenfiddich has been at the forefront of experimentation, never afraid to try something new to surprise the aficionados.

Recently, the distiller launched its Experimental Series, proving the brand's dedication to change.

The first whisky in the series is IPA Experiment (\$129.99). It's the world's first single-malt Scotch to be aged in ex-India Pale Ale (IPA) beer casks. The result is a drop with a slight bitter edge and a tang that pairs perfectly on the rocks with a slice of blood orange.

The second release is Project XX (\$139.99), for which the distiller sought advice from 20 experts, resulting in a spicy and subtly sweet concoction.

glenfiddich.com

"Satisfying our growing desire to rejuvenate and revitalise, Greenery symbolises the reconnection we seek with nature, one another and a larger purpose."

 Leatrice Eiseman, Executive Director of the Pantone Color Institute on the 2017 Colour of the Year.

### News, reviews points of view

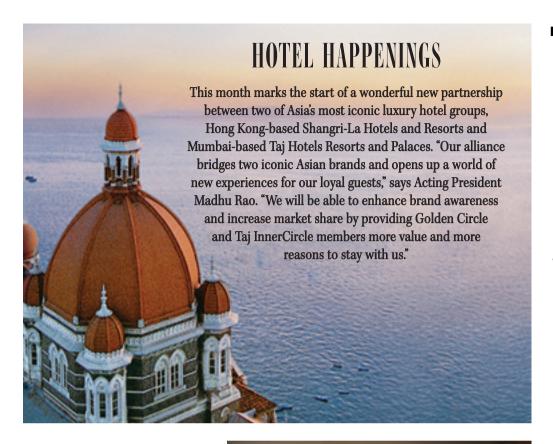
65,000

The number of hopefuls signing up to EliteSingles dating site per week.



### **RIGHTS FOR ROBOTS?**

The rise of artificial intelligence (AI) has prompted the European parliament to look at the legal implications of robots operating in our society. AI was once the domain of science fiction, prompting a series of laws created in 1943 to be called 'Asimov's Laws', after the famous writer Isaac Asimov. They stated that: a robot may not injure a human being or, through inaction, allow a human being to come to harm; a robot must obey the orders given it by human beings except where such orders would conflict with the First Law; a robot must protect its own existence as long as such protection does not conflict with the First or Second Laws; and a robot may not harm humanity, or, by inaction, allow humanity to come to harm. The EU has called for a review to establish whether robots should be given the same rights as humans.



### WHEN WILL WE ENJOY SMART HOMES?

It's a trend that forecasters have been touting for years: the Internet of Things (IoT) will connect all of our technology and turn our homes into something out of *Star Trek*. So why are we still waiting? The problem has been largely about too much competition and not enough collaboration, but now that the big guns such as Apple, Google and Amazon are getting involved, they will bring their expertise to the table and the tech revolution will begin.

### FIGHT FROM THE INSIDE

Animal rights activist organisation PETA has struck a blow in the fight against Louis Vuitton's use of unethical crocodile skins by buying shares in its parent company LVMH, allowing it to attend shareholder meetings and question the board.



Harnessing its abundant data, bookings.com can see the future of travel. Here are its top five trends for this year:

### 1. Instant gratification 2.0

Apps will become like palm-held concierges, offering travellers tailored advice on where to eat, drink and soak up the culture.

### 2. Bleisure

Just like business travel, this trend is going to hang around. More and more people are taking advantage of business trips by tacking on holidays at the end.

### 3. Appetite to discover

Travellers are seeking out ever more exotic locations and little-known experiences. Perhaps they're just sick of the crowds at the hotspots. Newly desirable destinations include the Faroe Islands, Guatemala and Myanmar.

### 4. Mind, body, spirit

Many travellers will prioritise health-conscious trips that promise calm reflection and a restoration of peace and harmony.

### 5. Green and clean

More travellers are choosing options that offer eco-friendly services and carbon-offset information.

## City bites



In a city that can sometimes feel a bit cookie-cutter in its approach to menus, the team at Devon sends heads spinning with its innovative and quirky Asian-inspired creations. Head down to their new venture at Sydney's harbourside Barangaroo to sample breakfast like you've never had it before. The hero is Breakfast with the Sakuma's: melt-in-the-mouth,

miso-marinated king salmon served with a crunchy eel croquette, petite salad, 63-degree egg, kewpie mayo, and furikake. It's a perfect dish at any time of day, but extra special for Sunday brunch. Sweet tooths are catered for, too. There's a rich, creamy, matcha hot white chocolate and the adorably titled Little Lost Bread, which sees a thick slab of toasted brioche adorned with wild strawberry ice cream, vanilla mascarpone chantilly, ricotta, strawberry curd and gold leaf, as well as fresh and freeze-dried strawberry. Add bacon for \$3. Just because. Sure, you'll need to deal with the fact that everyone in the airy timber-lined space has their phone out madly Instagramming the delightful plates in front of them, but Devon is a must-see, must-taste, and must-shoot experience.

devoncafe.com.au



Housed in the large tin shell of an old panelbeating shop, King of the Castle Café has quickly earned itself a strong reputation with the brunch-loving crowd. The refurbished hole-in-the-wall space is airy and light-filled with living greenery scattered throughout. It's the brainchild of Geelong local Robbie Lecchino, who worked in Melbourne's cafe scene for several years before returning home to launch this super-hip cafe in Pakington Street in 2013. The menu is exciting: choose from Instagram-worthy smoothie bowls topped with edible flowers, Thai-inspired eggs and bacon, and matcha panna cotta for breakfast; brioche snapper burger, black rice and kale salad, and smoked salmon Bibimbap bowls for lunch. The sweet treats are equally tempting, with a range of sugar-laden slices and cookies to have dine-in or takeaway with a drink of choice, perhaps a Rushmore cold-drip coffee or a signature tea latte. King of the Castle Café injects a much-needed hit of cool to the heart of Geelong's casual dining scene.







## to settle into

### 2KW | ADELAIDE

The name refers to the address of this great new CBD hotspot. Perched majestically on the eighth floor on the corner of King William Street and North Terrace, 2KW boasts views across the city from its bars and restaurant. Bring a crowd, because the menu is designed for sharing and you will want to sample some of everything. For special occasions, there are even private cabanas for up to 10 of your nearest and dearest to settle into for a nice, long graze. The menu is divided into four

sections: raw, salad, field, and josper — which, for the non-foodies, is a charcoal oven. There is an obvious locavore angle, with Clare Valley chicken, Goolwa pippies, North Flinders lamb shoulder, and Mayura Station smoked Wagyu brisket all getting the josper treatment. Lighter dishes include asparagus with parmesan custard, cured duck egg and truffle oil, or plump and creamy local West Coast oysters, shucked to order. The wine list is similarly South Australian, with big-name winemakers like Prue Henschke and Ben Glaetzer also producing bespoke wines exclusively for 2KW diners. South Australians are rightly proud of their amazing local produce, and this restaurant provides the pedestal it deserves.

2kwbar.com.au

### **MEAT MARKET | MELBOURNE**

Located on Melbourne's burgeoning South Wharf Promenade and fronting the Yarra River, Meat Market, as the name suggests, is the place to go for fine meats with a fine view. Take a seat by the water or pull up a stool at the long marble-topped bar to see the chefs in action at the open kitchen grill — carving, curing and barbecuing the best meats

from Australia's best producers (and from local farms as much as possible). Think: enormous tomahawk steaks, grilled ribs, seafood platters, and lesser-seen produce on local menus such as venison, kangaroo and spatchcock, all cooked to perfection and beautifully plated up. A recently added ageing locker means the restaurant can smoke and cure its own meats. Try the charcuterie board, piled high with the likes of cold-cured meats, house-smoked kangaroo, deep-fried brie, freshly shucked oysters, and parfait. Wash it down with wine from the hefty storage room behind the bar. Or perhaps select from the four beers on tap and impressive selection of local and international bottled brews.



meatmarketsouthwharf.com.au

### Hamilton, New Zealand 22-26 March

Over five days, the skies will be full with hot air balloons in this spectacular free event on the edge of Hamilton's central city lake. Balloonists from all over the world are set to take part and experience the fun, friendship and warmth while demonstrating their skills in a range of competitive activities. Highlights include the dawn flights each morning and the Zuru Nightglow on 25 March — an evening of entertainment for the whole family with live music, amusement rides, various food options, a hot-air balloon glow show, and a huge fireworks display. Balloons over Waikato is a free community event and has won Best Waikato Event, as voted by the public of Hamilton, six times in the seven years since inception, as well as Best Established Community Event in 2015 at the prestigious NZAEP Event Awards in Wellington.





### Out & About





### AUCKLAND COFFEE FESTIVAL

## Auckland, New Zealand, 4 March Introduced to pay homage to New Zealand's buzzing coffee scene, the Auckland Coffee Festival is a must-add event to your calendar. Now in its second year, it is set to attract some of the country's best roasters who are itching to share their love of beans during the market-style day. Guests will sample different origins and types, learn more about their favourite caffeine fix, and browse stalls for souvenirs. As well as the coffee, there will be food and music to keep everyone entertained.

aucklandcoffeefestival.co.nz



### WOMADELAIDE

### Adelaide, South Australia, 10-13 March

This four-day outdoor festival in Adelaide's inner-city Botanic Park is all about showcasing the talents of the world's creative set. There will be performances and interactive workshops from a bevy of artists including musicians, DJs, dancers, visual artists and street theatre entertainers. Set in and among 100 food, retail and charity stalls, your eyes will be opened wide to the wonderfully diverse world we live in. You'll leave feeling inspired, taking the good vibes home with you.

womadelaide.com.au

### POP-UP GLOBE

### Auckland, New Zealand, until 14 May

It's been a year, and the world's first full-scale working replica of Shakespeare's theatre is back in Auckland, bringing with it four fresh productions — comedies *Much Ado About Nothing* and *As You Like It*, war epic *Henry V*, and psychological thriller *Othello*. Pop-Up Globe, a concept that was born in New Zealand, has a stunning three-storey Jacobean-style stage front and a hand-painted ceiling, taking guests to a bygone era of theatre. This time around, it is located in a pretty garden setting at Ellerslie Racecourse, complete with a pop-up restaurant and bar. Get the VIP experience by booking into one of the Royal Rooms, where you can enjoy a show with butler service and seating for up to six guests.

popupglobe.co.nz





### THE ATTRACTION OF OPPOSITES

### Sydney, Canberra & Melbourne, Australia, throughout March

The Song Company aims to pass on knowledge and culture through song, sharing music from across Western and non-Western art traditions. Its 2017 program 'The Attraction of Opposites' is packed with thought-provoking shows. In March, 'Sticks & Stones' will collaborate with the cross-cultural music project Road to Jericho from the UK and the Middle East, as well as with Oday Al Khatib's ensemble, Dal'Ouna, to tell stories of refugees, migrants

song.company/2017

and displaced persons.

# Tour Out of taste



Victoria's beautiful Mornington Peninsula might get all the glory, but there's another stretch of coastline worth checking out in the Australian state: the Bellarine Peninsula.

WORDS SKYE HOKLAS





he waiter gracefully places a bowl of salsa verde gnocchi with gorgonzola, broad beans and smoked walnuts right under my nose, but I'm not ready to tuck in yet. I'm dining at Jack Rabbit Vineyard restaurant in Victoria's Bellarine Peninsula and my eyes are transfixed on the view. Floor-to-ceiling windows offer panoramic vistas of greens and blues. I can see across the expanse of water that is north-facing Port Phillip Bay to Geelong. I spy the darkhued granite ridges of the You Yangs, and far away in the distance there is a blur of tall buildings — the bustling city of Melbourne. Never mind the award-winning food and well-balanced wines, this restaurant is certainly worth checking out for the stunning outlook best enjoyed from the seat at your table — although the food and wines on offer here are something to get excited about too.



Spend a night in the waterfront city of Geelong before making your way along the coast, stopping at quaint little townships such as Queenscliff, Point Lonsdale and Barwon Heads.

Jack Rabbit Vineyard has earned itself a solid reputation among locals and visitors to the Bellarine Peninsula. It offers a seasonal and refined à la carte menu that complements Jack Rabbit wines available at the adjacent cellar door. There's also a casual dining option, House of Jack Rabbit, which is so popular that bookings are essential. The venue is my first stop on the Bellarine Taste Trail — a handy guide to help you explore the peninsula, a stretch of headland that boasts more than 40 unique destinations for eating and drinking. From farmgate producers and provedores to wineries and brew houses, as well as low-key cafés and fine-dining restaurants, there's something to spark an interest in every type of traveller.

### **CRUISE THE COAST**

The Bellarine Peninsula is less than two hours' drive from Melbourne's main airport and is most easily explored by car. Spend a night in the waterfront city of Geelong before making your way along the coast, stopping at quaint little townships such as Queenscliff, Point Lonsdale and Barwon Heads.

The harbourside metropolis of Geelong has undergone a renaissance of sorts in recent

### Above, left to right:

Dine in style at Jack Rabbit Vineyard; Jack Rabbit seafood tasting plate; Geelong Cellar Door front; IGNI's delicate courses







years. Taking cues from Melbourne's creative scene, it is turning old industrial spaces into modern eateries and hubs, bringing great coffee to the fore, and introducing plenty of cultural offerings. According to Jon Helmer, the owner of Geelong Cellar Door on Little Malop Street, as part of this period of reinvention the city also needed to promote its growing wine scene.

Geelong was once a renowned region for quality grapes; however, in 1875 a Phylloxera infestation took hold and all of the vines were removed to stop disease from spreading. Jon tells me that these ripped-up vineyards were never replanted and it put a halt on the wine industry in Geelong for some time. It wasn't until the late 60s that a revival slowly took place, and now Geelong is on the path of return, showing some quality reds and whites. Jon's wine bar is all about showcasing that — every item on the wine list is a local drop, and he serves them with a side of tasty charcuterie boards or other bar snacks. It's a buzzing spot to start my evening off before I stroll a few blocks over to the much-lauded IGNI for dinner.

Housed in the backstreets of the city, through an inconspicuous grey door, is IGNI. It's a sophisticated but unassuming restaurant with chef Aaron Turner at the helm, and is making waves across Victoria and the rest of the country for its unique tasting menu with a focus on the flavours of a charcoal grill. Dinner begins with half-a-dozen snack plates, featuring items such as crackling chicken skin with whipped cod roe (my favourite), oyster leaf — a plant that tastes of the sea — and crunchy salt-and-vinegar saltbush. I'm then treated to ribbons of squid bathing in a broth of chicken fat, and a plump, grilled piece of marron served with fermented cucumbers and a butter sauce, among other small dishes. It's an exciting and atmospheric experience, perfect for an intimate date with a loved one.

With a full tum and a fuzzy head from too much local wine, I make my way home for the night — to Devlin Apartments, which is also walking distance from IGNI. As I slowly wander up the stairs to my room, I pause for a moment to inspect the images on the lobby walls. There are several black-and-white photos of school students and teachers from a bygone era who used to attend school in the heritage-listed building before it was transformed into luxury self-contained apartments for stylish short-term stays. It's a nice touch bringing the old and new together, and a great talking point with staff. >>

### **Fast fact**

Devlin Apartments, which opened in April 2016, is Geelong's first 4.5-star luxury accommodation offering.





### WEAVE YOUR WAY ALONG THE TRAIL

An early wake-up call is warranted because there's a lot to get through. I want to make the most of the Bellarine Taste Trail and tuck into as many local foods and drinks as I can muster up the courage to try. I hit the road, and 30 minutes later I'm approaching the small town of Queenscliff, but that's not my destination vet. I make a quick detour for breakfast at PIKNIK — a converted Golden Fleece roadhouse that serves up the peninsula's best produce, from tomatoes to figs to free-range eggs. Owner Dave Humphris is a friendly and welcoming face, enthusiastically sharing his recommendations for breakfast before pointing to the array of seasonal jams, preserves and pickled fruit and veg on sale. After two Allpress flat whites, a huge truck-stop-style plate of bacon and

Over the next four or so hours, I meander my way to some of the recommended hotspots outlined on my self-guided Bellarine Taste Trail map.

eggs with all the trimmings, and a handful of take-home jars, I'm ready to face the day.

Over the next four or so hours, I meander my way to some of the recommended hotspots outlined on my self-guided Bellarine Taste Trail map. I taste spiced jerky mussels at Advance Mussel Café (chewy with a strong chilli hit), sip Pinot Noir at Terindah Estate (strong berry notes with savoury undertones), gulp apple cider on the outside lawn area at Flying Brick Cider House (crisp and refreshing), and dip fresh bread into lime-flavoured olive oil at Lighthouse Olive Mill Shop (tangy and indulgent). I'm starting to feel full and I've barely made a dent in the four-dozen locations recommended!

### **QUAINT LITTLE QUEENSCLIFF**

There are even more local delights to be consumed in the welcoming cafés and small shopfronts on the main street of Queenscliff, a little coastal town that is close to the taste

### Bellarine Taste Trail quick guide

Advance Mussel Supply for delicious seafood — dine in or takeaway. advancemussel.com.au

Basil's Farm Winery for handcrafted, biodynamic wines. basilsfarm.com.au

Flying Brick Cider House for a taste test of ciders that are free of added sugar, colour and concentrates. flyingbrickciderco.com.au

Leura Park Estate for premium cool/maritime climate wines. leuraparkestate.com.au

Lighthouse Olive Mill Shop for oils, local wines and giftware. lighthouseoliveoil.com.au

Marty @ Oakdene for contemporary dining in a super quirky and colourful setting. oakdene.com.au

PIKNIK for some of the best produce in the region, serving breakfast, lunch and dinner.

Terindah Estate for award-winning wines, tasty food and views across Port Phillip Bay. terindahestate.com

### **Fast fact**

The Bellarine Peninsula, together with the Mornington Peninsula, separates Port Phillip from Bass Strait.



trail. However, I decide to change tack to give my stomach a break. Queenscliff's Hesse Street runs through the heart of the township and has lots of little boutiques filled with thoughtful giftware and souvenirs, as well as three galleries all within walking distance of one another: Salt Contemporary Art Gallery at number 33, Queenscliff Gallery & Workshop at 81, and Seaview Gallery at 86. As well as the artwork, Salt is particularly engaging as its upstairs level opens in the evenings to serve cocktails and canapés in a dimly lit space filled with tan leather lounges, green foliage and vintage ornaments. Then just a short drive from the town is Rip View Lookout for unadulterated views of the ocean, as well as Point Lonsdale's uber-stylish accommodation spot, Lonsdale Views. Currently closed for exciting renovations, the hotel is so exclusive it can only accommodate three couples booked in at a time. It boasts its own spa facilities, expansive farmland, adjacent golf course, and secret access to a private beach.

After a low-key afternoon of lazy beach-side naps and book reading, I don a dress and heels, ready for a sophisticated dinner back in Oueenscliff. I'm booked into the Vue Grand hotel's Grand Dining Room for a truly decadent five-course degustation menu. The historical hotel dates back to 1881 and has become an icon in southern Victoria. With its high ceilings and opulent gold trimmings, it feels wonderfully regal, and I savour the opportunity to indulge in style. My standout dishes of the night include the tender kangaroo tartare with hot-pink beetroot ketchup, egg yolk, and sweet potatoes, which has flavour similarities to a cheeseburger, albeit an incredibly gourmet one, and the mouthwatering dessert of tangy



passionfruit curd with sweet raspberry, lime and mint granita.

### **BEACHY BARWON HEADS**

It's been a jam-packed weekend in this area of Victoria but I'm not done yet. I've allocated one more day to drive further along the coast to the surf-cool town of Barwon Heads. Driving around is a lovely way to see the sights, but I'm going to go one better and get a view from above thanks to Geelong Helicopters. We ascend into the skies and spend a good 15 minutes hovering alongside the clouds as the pilot points out the various beaches and landmarks below, such as the mouth of the Barwon River and the surfers at Thirteenth Beach. It's quite a thrill. Back on land and I drive to Hitchcock Avenue, the main street of Barwon Heads, which is home to several dozen small specialty stores and surf shops. As I breathe in the salty seaside air, I stroll down the strip and take in the beachy vibes. And before I leave, I make a beeline for the Barwon Heads Winestore to pick up one last souvenir before my drive back to Melbourne airport — a bottle of Jack Rabbit Vineyard red to share with friends and family at home.

Opposite page, left to right Flying Brick Cider House food and drinks; luxury at Lonsdale Views spa; Geelong Helicopters scenic flight.

On Vanuatu's Iririki Island, upbeat hospitality, sun, relaxation and the spirit of 'island time' unite to create a perfect patch of Pacific paradise.

WORDS MICHELLE HESPE





Vanuatu was first sighted by the Portuguese in 1606 and charted by Captain James Cook in 1774.

he ferryman waves like an old friend, giving us a big white-toothed smile as his colleague bounds off the boat to collect our luggage. Bob Marley's 'Could you be Loved' is playing, and the ferryman taps one hand on the side of the boat in time with the cheery tune. The suitcases are deposited on the ferry's wooden floor, and the man holds out a steadying hand, helping us to make our first step into 'island time'. Then we're gliding across Port Vila's Mele Bay to Iririki Island, which translates as 'small island' or 'safe haven', depending on whom you talk to.

It's hard to believe that four hours ago we were in Sydney; the flight is only three hours and the ferry wharf just 15 minutes from the airport. The harbour crossing takes a few minutes and so soon we're walking down a wooden boardwalk to a lively reception area where we're signed in over a fruity cocktail. Then we're taken to our accommodation in an overwater faré, nestled in jungle-like gardens, where bougainvillea and hibiscus bring cheery bursts of colour to the palm tree. Close by, golf buggies upon fern-framed roads cruise by and guests leisurely stroll.

On and in the clear blue water surrounding the island, fellow guests kayak, snorkel, swim and paddleboard, while others sail by,



en route to catch a Champagne sunset on the water. We change into swimsuits and light clothing, and do what any person freed from work and a busy city existence would do: head to the infinity pool spanning a cliff on the southern side of the island.

After a dip in the pool, where the water is as warm as the air temperature, we sit poolside for a cool beverage and watch as the sun begins its journey towards the horizon. Palm trees sway in the afternoon breeze, and mellow music drifts down from Infinity Bar. It's one of our first Iririki 'ahhh' moments, and we thirstily drink in every second of it.

It's immediately clear that Iririki attracts a wide range of people. It's a hotspot for honeymooners, a go-to for people doing business in Port Vila but who also want to fit in some island time. The island haven is also a favourite for families — there's an enormous

Above The breathtaking island is a short ferry ride from the mainland. Above, right Azure Restaurant specialises in local seafood. Far right Faré interiors, Irikiki Spa and beach-side

accommodation.

pool on the other side of the island especially for children, with waterways, bridges and cafés around its perimeter. The infinity pool is for 'quiet time', so it's mainly couples enjoying the water and the view.

For dinner, we're seated on the balcony of Azure Restaurant, where below us the water laps on the island's shores. We're treated to a spectacular sunset of orange and purple hues and, as night sets in, Port Vila's bright lights are reflected in the harbour, amid them busy fishing boats chugging by, music and voices often reaching out to us across the water.

Seafood is the main attraction at Azure, and there's plenty on the menu to get excited about, such as the seafood linguine pasta tossed in creamy saffron sauce and parmesan cheese, and the tortellini with prawns served with white wine, butter and a peanut sauce.

For meat lovers, the famous beef from Espiritu Santo (another Vanuatu island, 45 minutes away by plane) is a must-try while on Iririki. The prime cut is full of flavour, lean and organic. Azure offers up the beef in a filet de boeuf served with freshly made truffle fettuccine pasta, Iririki Island-grown spinach and Cabernet Sauvignon thyme jus. At the island's peak, a few minutes in a golf buggy up a very steep incline, guests can visit the enormous vegetable patch used by the kitchen staff, and see for themselves the delicious array of produce that's harvested for all of the island's eateries. When we visit it the next morning, the mango tree is heavily laden

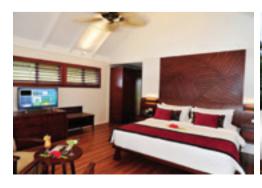
### Palm trees sway in the afternoon breeze, and mellow music drifts down from Infinity Bar. It's one of our first Iririki 'ahhh' moments.

with ripening fruit. Everyone is excited about who's going to get in first for one of nature's sweetest island treats.

For a fun night out on Iririki, guests can take a 'Happy Hour tour', which is actually three hours. Starting at the Sunset Pool from 4–5pm it moves to the island's Jewel Casino from 5–6pm and winds up at the Infinity Bar & Café from 6–7pm. The casino is a simple, stylish affair, offering all conventional, popular games of blackjack, poker, baccarat, roulette and so forth, but it's pièce de résistance is a double-ended American-style roulette table and blackjack table that's placed in shallow beach water so guests can try their luck in one of the most beautiful gambling scenarios the region offers.

Spending a week on Iririki floats by like the balmy island breezes. Snorkelling right off the shores beneath your faré, you'll discover a wonderful world of sea creatures living in the thriving, technicolour reefs. And at the highest point of the island, near the vegetable gardens and a grand viewing platform looking over the outer islands, sits Iririki Spa. Indulge in a treatment while lying high above the Pacific Ocean, and afterwards enjoy a herbal tea or glass of Champagne while watching the sun set over this special place that truly lives up to its name of being a safe haven.

iririki.com











### Hiking, solitude and alpine luxury halo a well-earned break from the daily grind.

WORDS AND IMAGES KRISTIE HAYDEN

t the end of the made road, I check the signs. Gstaad here, Schönried there. Is that correct? Schönried points mockingly through a grassy field. Slightly dumbfounded, I look back in the direction of Gstaad and the path already trekked. The slate turrets of my hotel rest gently in the mountain, swaddled in soaring pines and guarded by the snow-capped peaks of Switzerland's Saanenland region.

Turning towards the field, I spy a pencil-thin trail of squashed grass, the only evidence of erstwhile human trudging, or goat perhaps. I shrug and enter the soggy meadow, completely alone and excruciatingly happy, my senses fuelled by crisp alpine air, distant cowbells, and the gentle maiden heat of summer. Is that me yodelling? >>



### **GOD'S HANDPRINT**

The Gstaad–Saanenland holiday region lies in the vast wilderness of Switzerland's Bernese Oberland. Beautiful views from some of Europe's highest mountain peaks, dense forests, waterfalls, historical villages, and more than 800 lakes make this one of the most diverse and picturesque environments in the world.

According to legend, God rested here during the creation. The imprint of his hand shaped this breathtaking landscape with his fingers forming five rolling valleys, with Gstaad curled up in their palm. Following months of snow cover, the summer terrain glows like a fresh-faced newborn, leaving the rest of the world looking grey in comparison.

To reach Gstaad, the GoldenPass railway snakes through rain-soaked valleys, chasing rivers and hugging ridges. The three-hour journey from Montreux, a colourful Swiss city clinging to the eastern edge of central Europe's mammoth Lake Geneva, runs daily like Swiss clockwork.

My first impressions of Gstaad village are plagued by clichés: picture-book, chocolate box and quaint. It's like a Christmas diorama: a tiny, shiny village nestled in snow-dusted Alps in its own misty utopia. The village centre is reputed as the most popular and

Mountain peaks, dense forests, waterfalls, historical villages and more than 800 lakes make this one of the most diverse and picturesque environments in the world.

shortest 'shopping mile' in Switzerland, the promenade dotted with luxury boutiques. Eighteen restaurants mingle with impeccably maintained chalets, embodying the traditional Swiss style that has moulded this region's identity for centuries.

Since the 30s, an impressive parade of wealthy guests and celebrities has laid claim to Gstaad as their discreet alpine hideaway. The official Gstaad website quotes legendary *Mary Poppins*' actress Julie Andrews as declaring: "Gstaad is the last paradise in a crazy world." High-altitude ski resort Glacier 3000 is just up the road from the village, but during summer months it's all about swimming, mountain biking, river rafting, paragliding, golfing and hiking through a trail network that covers more than 300 kilometres.

### **SUNSHINE MOUNTAIN**

As my walk continues between Gstaad and Schönried, I trudge through muddy paths, follow creek beds, and traipse through paddocks. Eventually reaching the road proper to Schönried a whole 90 minutes after leaving the luxuries of my hotel, I arrive at the resort village, legs burning and body pining for the soothing jets of a bubbling spa. At least, for the next part, respite comes dressed as a cable car for the final ascent.

Living up to its name, Sunshine Mountain is drenched in glorious Swiss summer rays. As the Rellerli cable car jolts and sways 600 metres to the summit, I'm awestruck by infinite velvet fields draped over peak after steep peak like freshly mown lawns, occasionally hijacked by clusters of forest and the odd dot of a farm house. From here

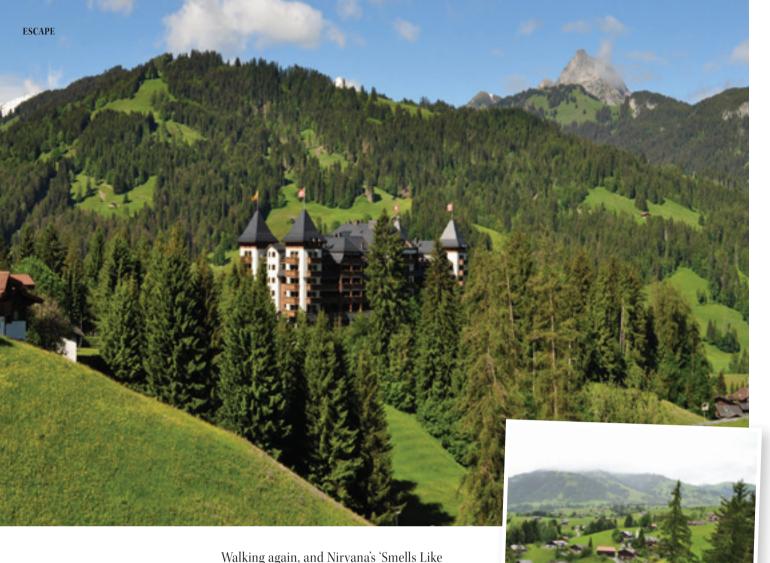


I see evidence of those divine fingerprints as two valleys are pressed into the landscape.

Disembarking at the peak, clean air filling my lungs, I could summon the energy to tackle the hiking and biking paths that wind through the valley, but my coffee hankering is much too great. I settle on the deck some 1,833 metres above Saanenland at Rellerli Mountain Restaurant with my pricey cappuccino to watch a group of local school

kids scream down one of the fastest summer toboggan runs in Switzerland.

By mid afternoon, Sunshine Mountain becomes a shadow-mottled canvas. As the cable car edges down the mountain towards Schönried, I check the train timetable and realise I could reach Gstaad in just seven minutes. Instead, I choose to retrace my million steps and mentally ready my legs for the trek 'home'. >> Above, left Gstaad perfectly fits the chocolate box image of a Swiss village. Above Riding the cable car up Sunshine Mountain to Relleri Mountain Restaurant is a must. Main image, overleaf Hiking the trail from Gstaad to Schönried is an excellent way to explore the area.



Walking again, and Nirvana's 'Smells Like Teen Spirit' blares from someone's garage. I wander past a family of 60 smiling gnomes and stop to photograph a piece of home — a Hills Hoist in the front yard of a delightful Swiss mountain home.

I imagine by the end of summer these skinny, grassy paths will be well-worn tracks and I am thankful for the opportunity to witness the birth of summer in this wintry, fabled land. A text from a friend in response to the many photos I've posted says: "High on a hill was a lonely goat." A herd of actual goats stare, bemused at the wobbly, chuckling human shuffling towards her prize. That spa.

### ALPINE CHIC ACCOMMODATION

Since opening in 2012, The Alpina Gstaad has set a new benchmark for alpine luxury. Multi-awarded for friendliness, accommodation, dining and its deluxe ski-spa, the 56-room resort embodies luxurious Swiss elegance from its imposing

position above the village. Farmhouse appeal and ski-chalet poise meld easily with the exquisite contemporary design.

As I'm here in shoulder season, the already discounted room rate seems like a token gesture thanks to a sweet suite upgrade. The elegantly appointed room with fine furnishings, timber-clad walls and carved ceilings sports two balconies, like wide-open eyes to the Alps, hovering over the bright landscape. The Alpina Gstaad projects its resort to "the world's most discerning travellers", and it's a fair call.

Downstairs, the Six Senses Spa is as big as a planet in an exquisite, indulgent universe of its own. First, that hot spa where the jets



pummel the fatigue from my legs. Next, a swim in the 25-metre indoor pool. Floating supine, staring through the giant skylight into the softening sky, I plan my next move: the juice lounge, icy plunge pool or monsoon 'experience' shower? But healing salt therapy beckons, and 30 minutes later I toy with sleep, completely relaxed in the eerie glow of the Himalayan salt grotto.

Suitably pampered, the only decision left to make today is where to eat. From the resort's Japanese concept restaurant, Michelin-starred MEGU, or equally starred Sommet restaurant, to the Alpina Lounge & Bar, I needn't travel far and the latter wins the toss. So, with a magazine in hand, I nestle on a big, comfy couch with an eclectic view of the mist-cloaked outdoor pool, terrace and mountain silhouettes. I watch the exuberant evening crowd file in — all the while hungrily devouring a magnificent dal makhani by Michelin chef Marcus G Lindner, switching



Multi-awarded for friendliness, accommodation, dining and its deluxe ski-spa, the 56-room resort embodies luxurious Swiss elegance from its imposing position above the village.

it between lap and coffee table over a glass of delicious Chablis.

Two days later, I'm honestly the saddest I've ever been checking out of a hotel. The resort chauffeur runs me and my memories to Gstaad train station, generously escorting me through pouring rain to the ticket office for my trip to Zweisimmen. Smiling, he presents me with a bag containing lollies and bottled water, gives me a fabulously engineered broad umbrella, and bids farewell. "See you again soon, Mrs Hayden," he says with a knowing smile. Yes, you will, my friend. As I write this, my flight is already booked. •

### Where to stay

With views, accommodation and service that's second to none, the luxury resort of The Alpina Gstaad also boasts an exclusive spa, two Michelin-starred restaurants and a swimming pool. *thealpinagstaad.ch* 

### What to do

Winter is all about skiing, snowboarding and après-ski. In summer, choose from hiking, swimming, golf, rafting, paragliding and mountain biking, among other outdoor pursuits. Visiting chocolate-box villages and riding cable cars are essential at any time of year.

### How to get there

Several airlines fly from Australia's major cities to Geneva International Airport with one layover. Gstaad is a two-hour drive or a two-and-a-half-hour train ride from Geneva, and a three-hour train ride from Montreux.

### More information

myswitzerland.com

### Above, left to right

The exclusive Alpina Gstaad nestled in the forest; verdant views from the resort; farmhouse comfort meets chalet chic; luxuriate in the Six Senses Spa.

## Special Halls

It's hard to imagine anyone calling a twin-turbo, 12-cylinder Bentley slow, but it happened and the British company has responded, creating a sharper, faster Continental that is perhaps the most desirable machine in the range.

WORDS KARL PESKETT

s the car comes to a rest, a colleague points out the obvious: "Um, your brakes are on fire, mate". Having tested the car's capabilities to the limits, there's a lot of heat in the brake pads and, judging by the smoke pouring off the front wheels, it certainly looks serious. In most cars this kind of punishment would lead to rather big problems, but when you have the world's biggest production carbon–ceramic brakes at your disposal, the smoke is more of an inconvenience.

The Bentley Continental GT Speed needs powerful brakes, though. This sports-luxury machine is one heavy beast — weighing in at 2,320 kg, portly doesn't begin to describe it, which is why it has been blessed with 420-mm diameter front rotors. The huge discs give immense stopping power, while the carbon–ceramic compound means that even when you punch the brake pedal time after time, the GT Speed simply takes it and moves on. With only a very slight softening in feel, the brakes on this car are simply remarkable. Yet they're only part of what makes this \$485,000 machine feel special.

Part of the appeal lies in the winged badge. Bentley is a byword for luxury, creating cars that have been hand-built by craftsmen in a factory that eschews modern convention and harks back to coachbuilding roots. The plant in Crewe, UK, is a literal breath of fresh air. There is no dust, the floors gleam and each workstation is meticulous. The manic pace and harsh sounds of most car factories are conspicuously absent, replaced by a quiet, confident atmosphere. >>







People here know that they're creating desirable machines, but with customers ranging from rappers to royalty, there are no airs or graces.

This focus on workmanship rather than branding means that as soon as you open the doors of the GT Speed, the build quality speaks for itself. The rich aroma of soft leather greets you initially. With Mullinerspec quilted stitching adorning the seats and door cards, the leatherwork is first class. For example, the steering wheel is double stitched by hand, which takes around 15 hours to complete.

Each GT Speed uses around 12 cows to create an interior, which equates to around 24,000 burgers, in case you're wondering. That's a lot of beef, but then, this is a lot of car. Everywhere the hide isn't, you'll find gleaming chrome, soft-pile carpet, glossy wood or carbon-fibre panelling.

The seats are designed for long-distance comfort, with adjustment in every direction imaginable; and fitted to our test car was a kneading massage function to soothe your back. Okay, so the back seats aren't the best for larger adults, but for a family of four with

young children, there's plenty of space. The boot is massive and there's enough storage for odds and ends, meaning practicality is high on the GT Speed's agenda.

The symmetrical dashboard is designed to mimic the wings of the Bentley logo, but it also gives an opportunity to an owner to personalise their car. With juxtaposing trim elements, you could go with bright leather and dark wood, or a single colour scheme throughout, with bespoke options available, too. You can even spec your car with a stone veneer, just to be different.

While the interior and exterior finishes can all be customised, one area where you'll be happy to leave things as standard is under the bonnet. With one of the most compact 12-cylinders on sale, the 6.0-litre engine has been created in a W-configuration, and with two turbochargers, it produces a mammoth 633 bhp and 840 Nm. Couple this with ZF's ubiquitous eight-speed auto and all-wheel-drive, it launches this formidable machine to 100 km/h in just 4.1 seconds. Yes, a 2.3-tonne machine hurtling down the road that fast creates some serious inertia — those brakes make so much sense.





Keep the foot buried and the GT Speed will top out at 332 km/h. But it's the journey to get there that's memorable. Unlike the regular Continental GT, which sounds like a wheezy V6, the sports exhaust on the GT Speed has a wonderful growl and the W-layout gives it unique 12-cylinder timbre.

With a harder edge to its sports focus, the GT Speed's steering and throttle response show Bentley's work to make this a car that appeals to those who enjoy their driving and aren't just buying for badge value. The weighting to the steering is excellent, and even though there's a little torque steer when going hard out of corners (all that torque is going to have some effect), the feedback is pure and the turn-in is sharp.

In sports mode, the car hunkers down and changes ratios with immediate response from the paddles (though they could be a bit smaller). And you can dial up firmer suspension to help eliminate body roll. Throw it around and you'll immediately become aware of the weight, but anyone with a modicum of common sense won't be pushing it like you would a Lotus. Instead, the open road is where the GT Speed comes into its own, flowing from bend to bend, piling on the kilometres with zero fuss and covering ground at immense speeds. All the while its



occupants are enjoying the Naim for Bentley audio system, cool climate control and relaxing massage seats.

It's hard to imagine a more capable cross-country machine. The boredom of the Nullarbor is whittled away by the cosseting nature of the Bentley Continental GT Speed. It feels effortless in everything it does, from trundling down to the shops to blasting across the outback.

Okay, so the occasional smoking brake pads means you've been enjoying your driving a little too much, but with the keys to this machine in your possession, who could possibly blame you?

With a harder edge to its sports focus, the GT Speed's steering and throttle response show Bentley's work to make this a car that appeals to those who enjoy their driving.



### BIG KITCHEN, BIG HEART

As Waverley Council celebrates the work of community charity Our Big Kitchen, founder and director Rabbi Dr Dovid Slavin teaches the world that there is such a thing as a free lunch, so long as there are people willing to help out in the kitchen.

WORDS BONNIE GARDINER

t's August 2016, and along the Bondi Beach promenade, under the warm afternoon sun, stands a crowd of about 100 people from various walks of life, gathered together to celebrate the work of Rabbi Dr Dovid Slavin. Dovid is being commemorated with a bronze plaque along the 'Recognising our Community Leaders Walk' that includes both Bronte and Bondi promenades. The accolade is part of Waverley Council's inaugural Best of the Best Local Hero Awards.

The first plaque acknowledges the enormous impact of Our Big Kitchen, a non-denominational community kitchen and charity based in Bondi. Attached to the local Yeshiva Centre, which is known and highly valued by the community, Our Big Kitchen has seen many public servants participate in its programs, including former prime minister Kevin Rudd, Dame Marie Bashir, former governorgeneral Dame Quentin Bryce and Prime Minister Malcolm Turnbull, among others.

Dovid's younger sons run back and forth along the promenade in their smart suits and traditional yarmulke, killing time before the ceremony commences. They dodge passersby in bathing suits and sundresses before rejoining their equally dapper sisters and mother, Laya, who beams in the front row with her eight children.

As well as being founder and director of Our Big Kitchen, Dovid is an executive director of the Rabbinical College of Sydney and the Yeshiva College; he is a co-founder of Gift of Life Australia; a chaplain to the Ambulance Service of NSW; and holds a doctorate in Jewish history. But perhaps his most devoted and successful role to date has been as husband to his wife of 25 years, to whom he credits the founding of Our Big Kitchen.

"This is all from Laya's initiative and drive — I'm just her arms and legs at times," Dovid says. "To Laya, giving is the essence of her being, and it was inevitable that she would help people by cooking for them." For years, Laya was active in helping the community, and many of these activities would lead back to food and cooking. "When Laya began meeting a woman who was suffering from cancer, it was inevitable that she would ask, 'What are you doing for dinner?" says Dovid.

Laya started sending off meals to this woman and others in the community, and began to bring volunteers into her house to help cook and deliver the food; she'd also have them shopping for ingredients. The family then fell in love with the concept of food being used to bring people together. "Seeing how Laya made food become some kind of magic potion again and again, I would have been negligent to have a wife who is so incredibly gifted at giving and not empower that facility to allow her to do this in a big way." he says.

Without any government funding, the Slavin family managed to create a wonderful industrial kitchen space in the basement of the Yeshiva Centre with the help of local builders and tradesmen who volunteered their skills and resources. Our Big Kitchen now brings together people to support community programs targeted at the homeless, victims of terror, disaster or neglect. It also hosts ongoing activities that promote social action and unite people from different walks of life.

### "Cooking together has such a powerful chemistry, and that feeling is something you just want to bottle and mass produce." – Dovid Slavin

Activities in the kitchen include everything from cooking sessions or classes that bring Jewish and Muslim children together, to encouraging father–son bonding over food preparation and baking cupcakes for school fundraisers. An Amnesty International initiative saw refugees teach locals how to cook dishes from their home countries — putting a human face to the refugee crisis. The kitchen has even hosted singles' cooking evenings, which has seen several successful matches made.

"Cooking together has such a powerful chemistry, and that feeling is something you just want to bottle and mass produce," Dovid says. "Who do you want to help? What's important to you? For us, it doesn't really matter, as long as there's a legitimate need at the end of it," Dovid adds. "We don't make food; we make stories and we make connections. Food is the excuse, the language and the channel. Our end product is not food; it's a sense of community, belonging and second chances, and food is just a part of that."

The kitchen and all its equipment is also rented out to budding food entrepreneurs at the affordable price of \$10–15 per hour, serving as an incubator for entrepreneurs to develop their business model without the burden of having to lease expensive retail premises. "We've seen about two dozen companies launch after spending time working in here. People who start these small initiatives don't have the resources to trial their business and work out the bumps along the way, especially when they're locked into a two-year lease. At Our Big Kitchen they can develop their business model until they're ready."

Due to its inclusive working model, Our Big Kitchen operates in conjunction with a number of other charities. The 2015 Vinnies CEO Sleepout held by St Vincent de Paul in 2015 saw Dovid and his family prepare pumpkin soup, fresh bread and cookies for leading business executives shivering in the cold before adjourning to their sleeping bags for the night. The event raised \$1.780,000 for vital services for the homeless. Dovid says it's a memorable success when business leaders give their time and resources either via events like the CEO Sleepout or when corporate groups use the kitchen to "set aside the imperative of billing hours and participate in making food for those in need."

Following the unveiling of his plaque on the Bondi promenade, Dovid cited the importance of business leaders and the wealthy in general in giving back to the community. "Here at Bondi, we see something special — we see before us the largest body of water in the world. Yet the sand in front of the ocean, which you'd think would be wet, is some of the driest soil," he says.

"I think it's very appropriate that the unveiling of the plaque takes place at Bondi Beach. It serves as a reminder that we live in a country with incredible wealth, symbolised by the water, and yet so close to it there's dryness and dearth, and it's for us to say that we won't allow that to continue. Where we see great blessing, we will share it, and we will make it inclusive."

Above left Members of the Slavin family baking with Dame Quentin Bryce. Bottom left A welcome pack for new Our Big Kitchen volunteers. Above right Kitchen helpers finish packing soup for the homeless. Bottom right Rosemary Hegner FAIM and Reverend Paul McFarlane (NSW Health) with Rabbi Dr Dovid Slavin at the plaque unveiling, Bondi Beach.

## Playful nature

Filipino industrial designer Kenneth Cobonpue is globally renowned for his organic furniture designs that inspire childlike wonder and are made by hand with natural, sustainable and innovative materials.

WORDS EMMA WHEATON



ndustrial designer Kenneth Cobonpue has dabbled in playful invention from an early age. With the encouragement of his mother, as a child Kenneth would build his own toys and create his own games in the backyard of his home in Cebu in the Philippines. His mother was an interior designer who created her own furniture for clients, and Kenneth recalls, "I spent my free time watching the craftsman and artisans work behind our house, eventually learning how to make my own pieces."

As a multiple-award-winning furniture designer today with a strong reputation both for his creative designs and his dedication to the use of natural fibres and craftwork of his homeland, those childhood experiences have had an enduring, inspiring impact. "I wanted my childhood to last forever so I took up design," Kenneth states. "My mother taught me the value of being unique, original, and true to my calling. In simple terms, she taught me how to reach out and inspire others through design. She is my first mentor and will always be the most influential person in my life."

Kenneth's work combines traditional craft with new techniques to create fresh, modern furniture adored the world over — with clientele that includes royalty, celebrities, luxury resorts and hoteliers. He was named the inaugural 'Designer of the Year' at Maison et Objet Asia in 2014, as well as receiving multiple awards throughout Asia, Europe, and the US. Kenneth has worked in Italy and Germany, and graduated from New York's Pratt Institute with high honours in industrial design.

From knotted and looped seating to woven rattan beds, wavy poolside recliners, and colourful creations that appear as giant, comfortable blooms to sit in, Kenneth's designs are highly original works of art. "I love it when I see my clients relive their childhood through my designs. When they sit unexpectedly on rattan poles and sink in, when they sit on a chair made to look like noodles, or when they stare wide-eyed





at a gigantic flower in the living room, this sense of bewilderment and enchantment is what I love. For a moment we share a language that transcends time and space — this sense of joy that design can bring."

It's clear that Kenneth's initial delight in making his own pieces as a youngster has carried through in his creations. The designer maintains that childlike sense of creativity and wonder in what he does, and says he used to tell his design students the same: >>





"Look at the world through the eyes of a child. It's a balance of paying attention and letting go.

"I get to occasionally experience this by seeing new places when I travel and being a witness to Mother Nature," he adds. "Nature's simplest forms ultimately lead to the best designs."

Looking at things from different perspectives, childlike or not, is important to Kenneth, and he says this is where having a mentor can be useful. Aside from his mother, he names Filipino designer Budji Layug — who was the director of design collective Movement 8, which Kenneth was a part of — as a mentor. "Design is not an exact science," says Kenneth, "and that's why mentors are very important to help you see the world as objectively as possible, even through subjective eyes."

Rather than adhering to a design ethos or trying to crack a 'winning formula', something which the designer believes would only "kill creativity and innovation," Kenneth designs with a fluid approach according to his ever-evolving taste. "I believe that design is a living process,

forever transforming in response to the changing world," he says. "Because of that, I work hard to avoid getting boxed in a personal aesthetic. Having a singular philosophy tends to lead to repetition."

This prolific luxury-furniture designer says he is constantly inspired and always in search of new inspiration. "The mind somehow becomes more open to finding inspiration, and the ideas flow faster as a result," he says. "I find inspiration absolutely everywhere, from the most mundane things around me every day to the most exotic locales I'm privileged to visit."

Despite striving to continually evolve his incredible creations, it's touching to hear Kenneth point out the one common factor in all of his pieces: the primarily handmade production process. His pieces are made by hundreds of craftspeople in his native Cebu, with the skilled employees weaving, knotting and constructing his textural masterpieces. "The inspiration I find in the strength of the human spirit is one commonality that will never change," he says.

The designer is just as proud of creating an international brand in a little over a decade

"That I achieved a level of success in the global design community, which in turn has opened doors for my fellow South East Asian designers, is something that I feel very good about."

- Kenneth Cobonpue

as he is of doing so while utilising the abundance of natural materials of the Philippines — fibres like rattan, bamboo and abaca — and the skilled craftsman of his country. "That I achieved a level of success in the global design community, which in turn has opened doors for my fellow South East Asian designers, is something that I feel very good about," he adds.

Having made his mark on the design industry, not only in the Philippines but across the globe, Kenneth admits it was something he set out to achieve, if only at first because he wanted a platform to show his work. "It was a decision based on artistic pride in the beginning rather than economic sense," he says. "In an industry not known to recognise manufacturers and their original designs, I wanted humble recognition for my creations."

Kenneth set out to stand out from the crowd, and has rightly been applauded for doing so. Rising to the challenge to make designs that are durable, unique, affordable and sustainable is certainly no easy task, yet responsible design, manufacture and waste management are the norm at Kenneth Cobonpue. The nature of handmade products means the energy consumption that goes hand in hand with machine production is not an issue. The brand is conscious when it comes to its material use, too, with wood coming from certified mills and local green plantations and the source of the local natural fibres being replanted, along with wood reforestation programs.

As an industrial designer, "half engineer and half artist", Kenneth cites balance as the key element to good design. He also says he is



proud of each of his pieces, and doesn't play favourites. "Each design goes through a birthing process that is sometimes painful and joyful. The work is very personal to me," he says. "There are design triumphs that are difficult to replicate, like the simplicity of the Yoda chair, the Wave table's sculptural grace, the intricacy of La Luna's weave, and even the timelessness of Morals & Malice [formerly Z Bar]."

"Designing for me is a discipline and an act of concentration trying to come up with a solution," says Kenneth when asked if he ever suffers creative block. "Sometimes I spend an hour at the desk and nothing comes, and I have to try again tomorrow. It's a discipline not unlike a sport — you have to keep on doing it to get good at it."

As for the future of Kenneth Cobonpue, we can expect to see plenty more fantastic sustainable creations that awaken the child within. "A bamboo bicycle; an electric car; a condominium; new lighting and accessories; stores; installations; and more exhibitions," says Kenneth when considering the year ahead. "We are continuously reinventing, developing new designs with new sustainable materials and production techniques."





## Reds of mass SEDUCTION



Sometimes you look at a straight variety like Shiraz or Cabernet in isolation and it can appear onedimensional and lacking the je ne sais quoi you get from a troupe of varieties. Miss Harry fuses five varieties like silken peas in a pod. There are no empty spaces; it's a seamless and sumptuous blend of Grenache, Shiraz, Mourvedre, Carignan and Cinsault, which seems more Rhône-like than Barossa Valley — and that's where its appeal lies. It's got the sweet, opulent fruit of an Australian red, but it tips its hat to the multivariety blends of the Southern Rhône.

There's a reason for this. Winemaker Dean Hewitson spent time working in France, and on his return to Australia was driven to make a style similar to what he had become accustomed to. As he explains: "I was inspired by those classic — and also country-style — Rhône blends from my time in France and thought that, of course, we can do this as well as they can. In the Barossa Valley, where the vineyards are Phylloxera-free, many of the vines are older than those in France and we can incorporate the best of Old World winemaking with the New World."

In Dean's opinion, there are a few things that help create a good blend: "It's all about balance, structure, concentration and power. The alcohol, acid and tannins need to be balanced, while we need the fruit weight not heavy but full with power. The wine should never have a rough edge and should be a delight to smell and drink."

That's exactly why Miss Harry is a delightful seductress that keeps you going back for more. And in this case, the varieties build on one another like a clever orchestration. While Shiraz or Cabernet in isolation may look like the soloist wooing you with an engaging recital, a blend is more like a talented

"It's all about balance, structure, concentration and power ... The wine should never have a rough edge and should be a delight to smell and drink."

- Dean Hewitson, winemaker

quartet playing a more detailed or nuanced piece that commands your attention for a longer spell.

I ask Dean whether, in his opinion, it's harder to create a decent blend or a straight variety: "I suppose a straight varietal can be harder to finesse than a blend, as you need a large quantity of excellent-quality grapes from the same vineyard or village [as in France]. In the early 80s, Wolf Blass winemaker John Glaetzer told Roseworthy Agricultural College to "only blend if the result is an improvement in the wine," and I tend to believe in that. Blending takes time and focus, yet there is immense satisfaction when the result is significantly better than the sum of its parts."

The fact is that wine is all about mood. Thankfully, wines like this fit the bill, and we're seeing increasingly diverse blends like Grenache, Shiraz and Touriga (GST), and Grenache, Shiraz and Mouvedre (GSM), making sure there's an acronym for every winedrinking occasion. The finely blended Miss Harry is the ultimate crowd pleaser, and recently it appeared as one of the top reds for under \$25 in James Halliday's Top 100 where he likened the wine to the Rhône Valley's iconic Château Rayas. I think we all have a Miss Harry moment: a wine that stops you in your tracks and makes you ponder how something so cheap, produced from grapes and alcohol, can be so wholly mesmerising. It's seduction of the highest order.

HERE ARE FOUR WINES THAT'LL
HELP YOU UNDERSTAND WHY THE
ART OF BLENDING IS SO CRUCIAL.



### Miss Harry Harriet's Blend 2014 | \$25

The original and still the best (certainly for its price), and a convincing argument for the art of blending. A captivating nose of red fruits and dry herb complexity. A thin web of tannin delivers a smooth and satisfying wine that will keep you intrigued.



### Head Red GSM 2015 | \$25

The holy trinity of Grenache, Shiraz and Mourvedre receive special treatment from the sensitive blending of superstar Alex Head, who has produced a stunner out of 2015. This is a warm embrace of a wine: comforting, pleasing and impossible to not go back for more.



### Eloquesta Shiraz Petit Verdot Viognier 2013 | \$35

A bit more of a cerebral wine but no less enjoyable for it. Winemaker Stuart Olsen takes fruit from Rylstone, NSW, a less common grape like Petit Verdot, and fuses it with Shiraz and Viognier. The result is a layered wine with a profusion of enticing aromatics.



### Woodlands Cabernet Merlot 2014 | \$25

It would be remiss not to mention the magical partnership of Cabernet Sauvignon and Merlot, especially when it comes from the stellar 2014 Margaret River vintage. Merlot offers up sweet fruit and Cabernet provides the structured backbone in this polished blend.

### FRENCH favourites

When Frédéric Colin designs a menu for his restaurants in Sydney and Singapore, he draws on the Parisian cuisine beloved by his grandfather (also a chef) and people the world over.

WORDS CHRISTINE LONG





ive years ago, French chef Frédéric Colin saw a chance to bring his timeless Parisian cuisine to the burgeoning Singapore restaurant scene, opening the doors of Brasserie Gavroche. There, he wooed diners with his evocative take on French classics made with only the best seasonal ingredients. Now he's bringing the same passion for the Parisian cuisine of his Grandpa Henri to the hip Kensington Street precinct in Sydney's Chippendale in Bistrot Gavroche.

### How did you first get involved with the food industry, and why?

**Frederic:** My grandfather was a chef, and my father had a restaurant, too. So it's kind of a family affair.

### What's the philosophy behind your food?

Everyone has a story. Mine is being Parisian and the grandson of a chef who worked in Paris after WWII. That time was really the peak of Parisian cuisine, which is a combination of all the different types of French foods. My philosophy is to sustain the tradition of this Parisian cuisine by being consistent and using the best seasonal ingredients available. This food has to evoke memories and feelings of comfort. It's not about being trendy, but timeless.

### How do you approach creating a menu in your restaurants?

Focusing on traditional cuisine makes it easier: I just need to look back at what my grandfather used to cook. Of course, following the season and adapting to the local ingredients is very important, too. The most difficult part is deciding what to remove from the menu, as everyone has their traditional French favourites that they like to see when dining out.

### What is it that you love most about French cuisine?

The diversity of our country, from the people who harvest their land, the artisans who produce wonderful products, the farmers who have some of the best meat and, of course, the rich heritage of our cuisine.

### Why did you choose to move to Singapore and open a restaurant?

I was the executive chef of the brand-new St Regis Bora Bora, but after 18 months I wanted a change from that beautiful island. So I moved to the St Regis in Singapore and spent four wonderful years there. I then decided to move back into my first love: the restaurant industry. It was a really great time to be in restaurants in Singapore as there was a cultural move from hotel dining to independent restaurants. So I grabbed the opportunity to be part of it, and five years ago I opened Brasserie Gavroche.

### Why did you then decide to open Bistrot Gavroche in Sydney?

One of my regular customers at Brasserie Gavroche approached me one day to show me some pictures of his new project in Sydney, which was the redevelopment of Kensington Street in Chippendale. Two weeks later, I visited Australia for the first time to see the street and the restaurant space and fell in love with the city. It's very vibrant and dynamic, so it seemed like a great spot to have a restaurant.

### What are your most popular dishes in both Australia and Singapore?

Onion soup, escargots, pâté en croûte, quenelle, steak tartare, steak frites with béarnaise sauce, profiteroles and Tarte Tatin. All timeless dishes.

### What's your favourite dish to cook?

I love to prepare seafood in general, particularly fish. It's so delicate and requires a lot of discipline and precise cooking, so it really makes you focus.

### Are there any food trends you're enjoying right now?

I love to dine in Sydney as you can feel the trend of Australian cuisine booming everywhere — the food is generally very delicate and seasonal. Every month I spend one week in Sydney at Bistrot Gavroche, and I always go out to try a new restaurant. During my last visit, I went to Bentley Restaurant + Bar. It was really good food and they had an amazing wine list. When people ask me if I'll move to Australia, I always tell them I can see myself moving there for good and retiring.





Preparation: 20 minutes
Cooking time: 2 hours
Serves: 4

### INGREDIENTS

500 g brown onions, sliced finely
8 garlic cloves, sliced
50 g butter
100 ml white wine
I sprig thyme
I bay leaf
I L chicken stock
Salt and pepper, to taste
4 large bread croutons, toasted
4 slices Comté cheese

### METHOD

Place a large pot over medium heat and sweat the onions and garlic in butter for 20 minutes until caramelised. Deglaze the pot with white wine, then add the thyme and bay leaf. Pour chicken stock over and simmer for a further 90 minutes. Season with salt and pepper and then pour the soup into four bowls. Place the bread croutons on top, then add the Comté cheese. Place soup bowls underneath a grill until the cheese is melted.

### TRAVEL QUIZ

### **World landmarks**

### I. MACHU PICCHU, PERU

Why is Machu Picchu considered an important ancient site?

**A.** It was left intact after the Spanish conquest

**B.** Its use as an observatory | **C.** The way it was built

### 2. GIZA PYRAMIDS, EGYPT

These pyramids are constructed with roughly how many granite and limestone blocks?

**A.** 2,300,000 | **B.** 1,200,000 | **C.** 4,100,000

### 3. MOUNT EVEREST, NEPAL

Sir Edmund Hilary and Tenzing Norgay were the first to summit Everest when?

**A.** April 1894 | **B.** May 1914 | **C.** May 1953

### 4. BERLIN WALL, GERMANY

More than 100 people died attempting to scale it, but how many successful escape plans over the Berlin Wall were there?

**A.** 300 | **B.** 5,000 | **C.** 9,000

### 5. THE GREAT WALL OF CHINA, CHINA

Designed to protect against invaders, who was the biggest threat?

**A.** The Huns | **B.** The Manchus | **C.** The Mongols

### 6. TAJ MAHAL, INDIA

Why was this monument constructed between 1631 and 1953?

**A.** Place of worship | **B.** For the Mughal emperor's favourite wife

**C.** A symbolic dedication to Muslim art

### 7. STONEHENGE, UK

Although its full purpose is still in contention, anthropologists can say for certain that it was a:

**A.** Centre for healing | **B.** Place to predict eclipses

**C.** Burial site for cremated remains

### 8. SYDNEY OPERA HOUSE, AUSTRALIA

In 1955, an international competition was held for architects to submit their designs for a 'national opera house'. Who won?

A. Jørn Utzon, Denmark | B. Peter Hall, Australia

C. Davis Hughes, Australia





### APPRECIATING THE PARTNER SUPPORTING EVERY SUCCESSFUL ORGANISATION

Celebrate Administrative Professionals Week 2017 10-12 April, Melbourne | 19-21 April, Sydney

You can affirm your EA/PA's hard work, express your appreciation and gratitude by rewarding your right-hand assistant with the opportunity to attend a self-enrichment conference.





### NOWYOU'RE FLYING

