

Black Springs, New South Wales

TYRE SHIELD®

Tyre Shield® trades under name Winiam Investments, a company owned and operated by Jon and Liz Slottje. *Tyre Shield®* is a product invented by Jon Slottje to seal holes in tyres, maintain tyre pressure, and prevent rust and heat build up. For 15 years, Jon has been passionate and committed to building the profile of the product, resulting in nationwide distribution through over 1000 stores and now exported to New Zealand, Ireland, United Kingdom and Thailand. Jon and Liz Slottje's journey has not been an easy one - they have had to made many sacrifices. Despite their challenges they have maintained enthusiasm, dedication and determination and they continue to see their business grow based on a unique product.

The Story So Far . . .

Jon Slottje's inspiration for the development his product *Tyre Shield®* came from his jackaroo work days. His experience of riding motor bikes on sheep stations and enduring regular flat tyres lead to an invention he called *Tyre Shield®*. Jon drew on the knowledge of chemicals and their compounds he had gained previously from marketing products for the petrochemical industry. Jon developed a formula which he engaged professional chemists to further refine to meet his strict specifications. Safety and environmental considerations were key to Jon. Existing products on the market were carcinogenic and others were highly flammable. Eventually *Tyre Shield®* was born, which he then tested throughout Australia and in a variety of environments. Eventually, in his words – *'I now had a product which had been tested throughout Western Queensland, Northern Territory, South Australia, Victoria, and the high alps of New South Wales . . . From bush tracks, sandy desert roads, hot tropical bitumen roads to the snowy country of Victoria – more*

BUILDING THE FUTURE THROUGH ENTERPRISE
Stories of Successful Enterprises and Entrepreneurs

than one hundred thousand kilometres and many different types of tyres were used!
(Black Business 2003, p13)

Jon decided to market test his product at the Gunnedah AgQuip - one of the largest annual agricultural displays in Australia. Jon had the potential through the AgQuip to expose his product to a market of 100,000 people. Jon used the opportunity to speak with customers and directly show the effectiveness of his product - by plunging a screwdriver into his tyre to show how it does not become flat! Jon sold all of the stock he had taken with him - all 500 bottles. He returned home to Gulgong where he and Liz operated a café. They decided to sell the business, move to Mudgee and risk it all on making *Tyre Shield*[®] a viable enterprise.

Lack of capital was an initial problem for the Slottjes. They had a great product, but without any assets, they found it impossible to find finance. After reading in a newspaper that ATSIIC would give loans to new businesses, Jon developed a business plan and went to Sydney. With no assets, ATSIIC would not offer any financial assistance. Not to be deterred, Jon began researching alternatives and secured a loan through a private organisation, Australian Ethical Investments. In Jon's words - *'They were the only financing group willing to give us a loan - in fact, they finance Indigenous enterprises throughout the world.'* One of the conditions of the loan was that Australian Ethical Investments would own 46% of the company. This was something Jon was not happy about. Fortunately, the future success of the business enabled Jon and Liz to buy a house, borrow from ATSIIC to repay the loan and then re-secure 100% of the business ownership. Despite being able to borrow some money in those early days, they were never able to borrow sufficient money to fully develop the business. They ran at a loss for the first six years.

To promote the product *Tyre Shield*[®] in the market place, Jon drew on his background as an insurance salesperson. He began the long, committed process of cold calling potential retailers. Jon built a sales round travelling in his XB Falcon station wagon through Queensland, the Northern Territory, South Australia, Victoria and New South Wales. He travelled this round every month for five years - eventually building a base of 400

Building The Future Through Enterprise –

Stories of Successful Enterprises and Entrepreneurs

retailers. Getting *Tyre Shield*[®] established was difficult - it took commitment and determination from both Jon and Liz. When the business first started they were living in a caravan park – not in a caravan, but under a tarpaulin! Their complete faith in the product and the vision of the business they could build, gave them the strength to keep going.

Jon and Liz have certainly encountered a number of challenges. Firstly, Jon encountered resistance due to his Aboriginality. Some people did not want to know him; others told him he should hide it more. There were those who were simply amazed that Jon was Indigenous – their stereotyping did not allow for an Indigenous person with such motivation, determination and innovation!

Secondly, they needed a better distribution process which provided regular cash flow. The process of finding reliable wholesalers who are passionate about the product has been a lengthy one. Fortunately now, Jon has a team of wholesalers who pay a cash advance prior to Jon dispatching – Jon no longer has to sell *Tyre Shield*[®] from the back of his car! This has put the company in a much better position - they now have ongoing cash flow. As in many small businesses, cash flow caused the growth of the business to be restrained. Jon recounts - *'It was hard in the early days. A 30 day account would turn into a 60 day account. It was hard to generate income to buy more produce and expand. I now use couriers, but I could not in the old days, I would drive up to Brisbane because I would be guaranteed a cheque.'*

Thirdly, the international market presented challenges. While Jon was keen to see *Tyre Shield*[®] expand in the international market, Jon has learned some valuable lessons when it comes to trading with international markets. Jon was given the opportunity by NSW State and Regional Development to make a presentation on Beijing Television. The product was picked up and infomercials were created selling *Tyre Shield*[®] to the home viewer for their bicycles. Three shipments of 20,000 units were sold to the country. However, ties were severed after Jon printed a pamphlet containing details of the Chinese company. Without knowing it, Jon had breached cultural boundaries – the company promptly terminated the deal. Another incident involved an American company that tried to dazzle Jon and Liz. The company offered Jon and Liz a million dollars and shares in the company to sign over the

world wide rights. They even flew Liz to America, where they hired a casino to launch the American version of *Tyre Shield*[®]. Fortunately Jon was able to look into the validity of the company through AusIndustry. Through that process, Jon learnt that the president of the American company was actually bankrupt. Fortunately *Tyre Shield*[®] did not lose any money.

Early this year, Jon and Liz built new premises in the town of Black Springs. They are currently working with NSW State and Regional Development to hire three Indigenous people within the next three months. The new premises have the potential capacity to produce 1000 bottles of *Tyre Shield*[®] per day.

Offering real employment to Indigenous people is a key priority to Jon. Jon believes Indigenous people have a natural ability for sales - *'The sales business is no different to the Aboriginal technique for hunting. A good sales person needs to mimic the actions of the person they are selling to. Indigenous people have an inbuilt capacity to do this well. We need to address the problems caused by the stolen generation. Aboriginal people were not allowed to look white people in the eyes, yet the eyes are our most powerful tool. All Indigenous people need to once again look into people's eyes with pride.'*

Finally, the Slottjes are confident their business will continue its upwards progress, positively demonstrating the contribution Indigenous people do and can make to the economy. In Jon's words - *'We hope to be able to maintain a very high profile as an Aboriginal business, dispelling myths that Aboriginal people are unable to run a business, or be involved in national economic growth . . . It is also our aim to educate the wider Australian community of the true history of black Australia.'* (ibid, p14)

The Impact

Today *Tyre Shield*[®] is available in over 300 retail outlets Australia wide and exports to the United Kingdom, New Zealand, Ireland, Thailand, Indonesia and the Middle East.

Building The Future Through Enterprise –

Stories of Successful Enterprises and Entrepreneurs

The product is used by many of the top rally drivers, including champion Peter Brock. Many people take the time to write to Jon and Liz thanking them for their product and testifying to its effectiveness. Dean Hayter, part of the service crew for the Holden Jackaroo Team took the time to tell Jon – *‘I have worked in the service crew on five Australian Safaris for the Holden Jackaroo Team with drivers Bruce Garland and Harry Suzuki. We have come to expect one or two flat tyres every day on this type of safari, and can never remember going four days with no flats. We have always used the same tyres, so I believe this was the Tyre Shield® working at its best. Thank you from all the team of the Holden Jackaroo 101 (1996 winner) FIA 1997 World Cup Safari.’*

Tyre Shield® is now beginning to be recognised via business awards. One such award was the NSW Aboriginal Employment Business Award for International Business Development.

Success Factors

Jon identifies the following seven success factors that have contributed to the success of *Tyre Shield®*.

Belief and Vision

Jon and Liz’s story has been one of continuous belief in the potential of their product. Despite their challenges, they have maintained their faith in their product and their dream of expanded national and international markets. They continue to have dreams they work towards. The dream of owning their own factory became a reality early this year. Their new dream is the incorporation of a cultural centre on the property where Indigenous art and culture are celebrated and Jon can help to facilitate motivation and inspiration in Indigenous young people.

The Partnership

The success of *Tyre Shield®* has been reliant on the strong partnership between Liz and Jon. Liz has been a continual source of support - believing in the business enough to live under a tarpaulin! Jon explains - *‘Our belief in the product and each other has allowed the*

business to grow and mature through the tough times to a point where it is finally generating a healthy profit.'

Excitement and Passion

Owning your own business is a seven day a week task and requires enthusiasm and commitment. Jon is excited about *Tyre Shield*[®] and the business's potential everyday. His positive mental attitude was instilled in him by his Grandmother. Jon recalls - *'My Grandmother was part of the Stolen Generation. She was a proud woman and raised me to believe in myself and to never take no for an answer.'*

The passion of the Slottjes is captured well by Roxanne Smith, Aboriginal Development Manager for the NSW Department of State and Regional Development - *'Jonathon and Elizabeth Slottje are amazing people. They have managed to create a worthwhile, useful, innovative product, produce it and market it across the world. This has been due to their persistence, their faith in their abilities and product and sheer hard work. They have managed to do all of this, overcoming the barriers, whilst retaining their faith and trust in humanity, always caring for other people, the arts and society as a whole. I believe theirs is a story that deserves to be told.'*

Unique Product

Tyre Shield[®] is unlike any other product on the market. It is safe, easy to use, effective and environmentally friendly. When Jon invented it, he knew there were similar products on the market, but he also saw their flaws. Jon developed *Tyre Shield*[®] without the drawbacks encountered by the other products. *Tyre Shield*[®] was thus able to stand out in the market.

SUCCESS FACTORS

- Belief and Vision
- The Partnership
- Excitement and Passion
- Unique Product
- Appropriate Advice and Assistance
- Financial Management Systems
- Knowledge About Market

Appropriate Advice and Assistance

Securing appropriate advice and assistance has been a continuous necessity, yet a challenge for the Slottjes. They recognised early in business the need for a good accountant, lawyer and marketing assistance. However, in Jon's words – *'In our experience there are many professionals who do not provide a competent service. Aboriginal business creates an industry of opportunistic professionals who only see a bucket of money at the end of the 'Aboriginal rainbow', and do not respect but rather patronise the enterprise for their own gain.'* (ibid, p14). The NSW Department of State and Regional Development has provided invaluable advice – in particular, the Slottjes are indebted to the professionalism and commitment of their regional Aboriginal Economic Development Officer, Roxanne Smith.

Financial Management Systems

Having a good financial management system has been crucial in tracing the expenses and financial position of the business.

Knowledge About Market

From the early stages of the business, Jon and Liz were well aware of their market niches and explored ways to target them. For example, use of field days has been an effective way to achieve this. Jon recalls - *'I would be giving a demonstration at a field day, plunging a screwdriver into my tyre. It impressed people because the tyres won't go down. The great thing was that there would be people there that I didn't know from a bar of soap, who would call out saying that they used the product and it worked. People really supported us.'* The product was developed knowing that it would be farmers, motor bikers and off road travellers who would be the key consumers.

Advice to other Indigenous people contemplating the enterprise option

For other Indigenous people considering their own enterprise, Jon advises - *'Anyone can be in business; you don't have to be a Rhodes Scholar. I haven't been very far in school, but I look to others for inspiration. People like Henry Ford, he left school in year four – yet he built the Ford Corporation.'*

Jon draws on many quotations for inspiration. One of his favourites is - *'Whatever the mind of a person can conceive and believe - that person can achieve.'*

As a final piece of Jon's advice - *'When contemplating a business, do not speak to negative people, avoid them, and remain positive.'*

For Further Information

Jon and Liz Slottje
Company Directors & Owners
Winiam Investments Pty Ltd
Postal: 66 Reserve Ave
Black Springs, NSW, 2787
Phone: (02) 6335 8224
Fax: (02) 6355 8218
Email: info@tyreshield.com.au
Website: www.tyreshield.com.au