

Warialda, New South Wales

## WARIALDA ENGINEERING AND WELDING

*Warialda Engineering and Welding* is recognised as a leading designer of innovative products. Founded eight years ago, the company owned by Mick Davis, employs nine people in the small town of Warialda in northern New South Wales. The company has evolved from the success of the '*Davis Starlifter*', a product Mick invented. The '*Davis Starlifter*' is a tool for lifting logs and lifting star pickets out of the ground - a tool that considerably reduces time and energy on what are otherwise labour intensive jobs. *Warialda Engineering and Welding* and the '*Davis Starlifter*' have won numerous state and national awards. The company is currently finalising a contract for the international distribution of the '*Davis Starlifter*'. Business success is a testimony to the determination, creativity and networking skills of Mick Davis.

### The Story So Far

When Mick invented the '*Davis Starlifter*' ten years ago, he was unable to get a loan to start his business. Without financial backing, Mick began making the '*Davis Starlifter*' in his garage, producing ten to twenty units every month. Mick was responsible for every aspect of the business development – manufacturing, marketing and distribution. Slowly, through advertising and selling the '*Davis Starlifter*' at field days, the company grew. Today, it is a leading regional business in terms of designing, fabricating and repairing sheet metal, aluminium and steel products for the agricultural related industries.

In 1997, the '*Davis Starlifter*' won the farm invention of the year. The title was an honour that dramatically increased the profile of the invention, allowing *Warialda Engineering and Welding* to become established within the business community. Like every business there were cash flow problems, however Mick's business instinct and inventiveness enabled the business to prosper.

From having no business experience when *Warialda Engineering and Welding* was started, Mick has learned about business development and planning as the business evolved. In the early stages, ATSIIC helped Mick develop his initial business plan. Mick has found that there is always business advice and help available when you need it - it is a matter of contacting agencies or business people and asking. Importantly, Mick has learned to search for not only the best advice, but also the best suppliers. Mick advises – *‘Do not be happy using one supplier, you become complacent, continually shop around. We are now able to pay all of our invoices up front in cash. This has provided enormous saving and helps us to secure the best deal possible. Be ruthless, but also be smart. You can save a lot of money by talking to people, have the nous to continually chase the best prices possible.’*

The success of the *‘Davis Starlifter’* and *Warialda Engineering and Welding* has allowed the company to continually expand. Currently *Warialda Engineering and Welding* employs nine people. Mick Davis recently formed an arrangement with an Australian company to export the *‘Davis Starlifter’* internationally. This will mean further expansion of the business and the potential to create another ten jobs.

## The Impact

*Warialda Engineering and Welding* is based in the small NSW town of Warialda, population 1400. As an employer of nine people, *Warialda Engineering and Welding* is obviously a significant contributor to employment, youth training and the community economy. The prospect of doubling employment numbers to twenty will provide the town with enormous benefits. As Mick explains – *‘The prospect of creating more jobs in a small town causes great excitement. The bank manager is excited – employment for ten more people means ten more home loans. The caryard is excited – ten more cars that may be sold. Income is money that is channelled throughout the entire town, the whole town benefits.’*

Such outcomes are particularly pleasing to the local Shire Council – Gwydir Shire, who is particularly supportive and proud of *Warialda Engineering and Welding*. In the words of

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the Mayor Mark Coulton – *‘We are very excited by Warialda’s commitment to providing traineeships and options for young people. We are hoping the expansion will inspire other local businesses to consider expansion or help attract in new business from outside. This expansion and trade requirement will certainly make it a viable option for other new businesses to establish in town. Mick is an innovative business person who has made a successful business from producing high quality products.’*

*Warialda Engineering and Welding* is providing real employment opportunities for young people, who may have otherwise left the town. *Warialda Engineering and Welding* works with the schools to provide work experience and assistance with pre-apprenticeship courses. *Warialda Engineering and Welding* provides training, experience and often paid employment as its commitment to investing in the community’s young people. Recently, the local TAFE has agreed to establish a training facility within the business. Mick’s business provides an intergenerational workforce environment and *‘... the skill transfer from older to younger workers is excellent,’* according to Kevin Humphries, Chairman of the New England and North West Area Consultative Committee.

*Warialda Engineering and Welding* and its *‘Davis Starlifter’* have been recognised at both state and national levels. During its life, it has been awarded a number of accolades, including -

- 1998 - *Warialda Engineering and Welding* became the first Indigenous business to join the Australian Technology Showcase
- 1999 - *Warialda Engineering and Welding* won an Aboriginal business export award
- 2000 – *‘Davis Starlifter’* was awarded a BHP Steel award for innovative use of steel
- 2003 - *Warialda Engineering and Welding* won the Aboriginal Business Award in the Experienced Business Category

Mick Davis sees himself as a role model to the Indigenous community. Mick has faced difficulties as an Indigenous man in business. Mick explains – *‘Visiting customers and salespeople will walk in and ask me - is the boss here? People fall... over their head when I tell them – I am the boss! I cop a hell of a lot of flack about being Indigenous at times.’*

*People can't get over the fact that I have built something on my own. They assume I have received Government handouts. You have to become thick skinned. I am proud that the business can win awards over non-Indigenous businesses. It proves we are a force in the market.'*

## Success Factors

Mick Davis has developed a successful business based on old fashioned business values like honesty, integrity, professionalism and 100% customer service. He attributes seven key factors to his business success.

### *Customer Service*

Mick Davis prides himself on his 100% customer service. It testifies to the absolute value of providing prompt and efficient service. He measures his success by the number of repeat customers.

### *Unique Product*

The '*Davis Starlifter*' is a simple and unique invention. It is practical, it saves the user time and money and reduces their risk of injury. Nationally, it has a ready market, especially in rural communities.

### *Inventive Spirit*

*'Mick is a thinker, who believes anything is possible,'* according to Kevin Humphries. Mick has the capacity to provide simple, effective and inexpensive solutions that save the consumer time and money. He explains it as - *'The ability to think outside the circle and never say die.'* He is consistently thinking of new and smarter ways to undertake everyday tasks. The '*Davis Starlifter*' is not the only product that the company successfully markets. Other inventions include the Davis Bag Mate for the dairy industry, and the Quick Crate, a custom-made crate used for transporting animals. Currently Mick is developing a line of heavy duty trailers to provide a cheaper alternative to a light truck.

### ***Networking***

Mick moved to Warialda to play Rugby League. He has always valued community involvement and networking. In the words of Kevin Humpheries – *‘Mick has gained the trust and loyalty of the community, and they have backed him.’* Mick has embraced the assistance and advice he has received from networking with Government agencies, councils and other business people. After going through what Mick describes as a *‘gruelling assessment’*, the company has benefited from the Regional Partnership Program of the Australian Government, facilitated by the New England and North West Area Consultative Committee. This funding program is open to all businesses, Indigenous and non-Indigenous and its grant will enable *Warialda Engineering and Welding* to expand the manufacture and export of the *‘Davis Starlifter’*, a project that could create a further 15 jobs.

### ***Family Support***

Mick’s partnership with his wife Anita and the support that his family have provided are critical factors to Mick’s success. While it can often be difficult to balance family and business, the support his family offers has brought strength to Mick and his company.

#### **SUCCESS FACTORS**

- Customer Service
- Unique Product
- Inventive Spirit
- Networking
- Family Support
- Determination
- Motivation

### ***Determination***

Mick explains – *‘Starting from having nothing has made me dogged. Being Aboriginal, you get kicked in the teeth over things that aren’t your fault. It has made me want to rise above it and shake the stigma that always puts you second best. I get a buzz from proving people wrong, from proving what I can do to myself.’*

### ***Motivation***

Mick credits his strong motivational spirit to his passion for sport and he sees sport as a way of getting young people motivated. He is discouraged at the lack of motivation

within some Indigenous communities and he attributes much of the current environment on previous policies. Mick believes that welfare has played a large part in diminishing peoples motivation to reach their full potential and maintain the skills and values of self-reliance.

## Advice to other Indigenous people contemplating the enterprise option

Mick offers the following words of advice – *‘Before you go into business, make sure you do your homework, look at the businesses profitability. Remember that lots of businesses fail because people start a business competing against someone who has been established for years. You have to find ‘that something’ that makes your business idea unique, something that will give you a competitive edge in the market.’*

And finally, Mick advises – *‘Look into training that will help you to establish the business, especially training in office management.’*

## For Further Information

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