

The Arc of Innovation

By Tracy Pierce, DTC

Three things immediately stand out at REDARC's Lonsdale facilities. First: the vast amount of glass that floods the space with a sense of light and softness, completely against the grain of the standard factory feel. Second: the openness - no silos, no offices, deliberately crafted to create a community and collaborative environment. The kitchen is said to be 'the heart of the home' and replicating the kind of space where eating, relaxing and shooting the breeze creates a hub for 'ideas generation' is exactly what Managing Director Anthony Kittel wanted to create - the Google of suburban factories. "The lunch room, that's when you get people from different areas of the business coming together, they may not even be talking about work, but they're swapping notes which might lead to solving a problem they have at work."

Thirdly: the large sign on the wall saying "We're all in Charge". The staff and their wellbeing is the most important thing to Anthony. When they are happy everything else naturally falls into place. Anthony says: "Innovation needs a number of things to be successful. It's got to start with having the right culture and environment. It's about attracting the right people who can grow and challenge themselves in an environment that encourages them to speak up without fear of being talked down. We have a fairly comprehensive hiring process where they are assessed, not on technical ability alone, but their fit in the whole company."

"When we ask staff what they like about working here the number one answer is always people, so it's vital to keep attracting the best people and rewarding them. For example, we run a competition every year for two staff to go to Japan and learn about their management systems, lean manufacturing, 5S, Kaizen, etc. Anyone in the organisation can apply to go. Production Operator Laurien went two years ago, and she is now the leader of 5S implementation and training for the whole company".

Innovation is one of a number of key enablers driving a \$2.5 million expansion, with help from the Federal Government Next Generation Manufacturing Investment Programme grant, which will add an extra 2000sqm of space, increase REDARC's high end, complex manufacturing capability and employ 100 people over the next 4 years, effectively doubling their workforce. These jobs will come in the form of design engineers, software engineers, hardware engineers, but also skills as diverse as digital marketing, reflecting REDARC's desire to increase their brand overseas.

The expansion has been made easier with the help of property advisers MRS Property. "I'd bought a house before, but not industrial land, so utilising the services of



the experts was crucial. My relationship with MRS Property goes back to 2005 when I was looking to move from our old Lonsdale site to the current location. I saw an ad for MRS property, rang them, asked if they could help and they said yes. Andrew (McIntyre, the M in MRS) helped me identify this particular land and bid at auction, he also put together the builder, the architect, and the project team. They helped me buy the land next door for our expansion. I can just pick up the phone and call Andrew or Ryan and say "this is what I want to do, can you help me do it?"

Driving REDARC's strategic plan to 2020 are four key pillars - defence, export, innovation and acquisition. The acquisition phase of the plan started in 2015, with the purchase of award winning NSW Company Hummingbird Electronics.

"MRS Property has just negotiated a lease at the Williamstown Aerospace Centre. We're relocating Hummingbird into that park and we will have a team of engineers there. The manufacturing is now being done here in Adelaide but NSW will be an innovation centre where we will employ high end engineers to do specific technology."

REDARC have already made ground in the defence space, delivering a battery sensing solution to BAE Systems for integration into in-vehicle Health and Usage



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Monitoring Systems (HUMS). They have a further focus on land vehicles, particularly being a preferred supplier for the Land 400 and Land 121 projects. Medical devices have also been identified as an area that they can provide solutions for.

"We're working on a medical device project at the moment and we have two biomedical engineers on our team. Electronic products are the key enablers to make this project successful so medical is an area that fits well with what we do currently".

They have a comprehensive export plan, identifying Europe and North America as key markets. "We have a 3PL (Third party Logistics) warehouse in Poland and in North Carolina. We do a lot of e-commerce in the US, I've got a distributor in France and we've got a product on trial in Detroit."

Anthony believes that strategic cooperation with the tertiary sector is crucial to producing the next generation of engineers. REDARC offers a number of placements every year to engineering students from SA's universities, hosting five Flinders students on six-month placements last year and three more are working on student-based projects this year.

"I've just finished interviewing five undergraduate students for summer work experience. We've got two Engineers Australia Medal winners, along with the top

two electronic engineers from Flinders University on staff. It's about starting early and developing that relationship with the universities so you are creating the engineers of the future."

The purchase of Sawyer, the next-generation smart collaborative robot designed by US Company Rethink Robotics, with Flinders University will help REDARC to gain valuable insights into 'smarter' Sawyer robotic technology to assess continuous improvement opportunities for business efficiencies.

The 19kg robot with accurate, sensor-managed 1260mm arm, is one of the first education models to arrive in Australia.

The collaborative robots are designed to be programmed to work safely next to people in factories without the need for barriers or metal cages. Its capabilities provide valuable insights for advanced manufacturers to investigate new technologies and innovation.

REDARC are bucking a trend of manufacturing job losses in the state, and Anthony remains positive that the state can thrive in the sector.

"Manufacturing is not dead in South Australia. It's about playing to your strengths, creating a brand and solving people's problems."