

expectations

MAKING CASE FOR THE POWER OF OPTIMISM



SOLID GROWTH: Redarc managing director Anthony Kittel. Picture: ROGER WYMAN

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 BUSINESS conditions in South Australia are positive but there is an urgent need to fix energy prices and reliability, one of the state's fastest growing businesses says. Redarc Technologies is in the midst of a \$20 million expansion of its facility at Lonsdale, half of which is going towards hi-tech equipment to

set the business up for new contracts as a preferred partner to a number of global defence giants. Managing director Anthony Kittel said the company was gearing up for "solid growth" off the back of more than 20 per cent growth in annual revenue. "With our expansion being completed in September this year, we will make our case stronger for not just the multi-

billion-dollar defence projects in SA but on a global level," he said. The Lonsdale site will continue to manufacture its own high-end proprietary battery management and power distribution systems while also undertaking sophisticated manufacturing for products for its defence partners. The business, which employs 175 people nationally

(160 in SA) is looking to grow its employee base to 250 staff by 2020. "We are a very optimistic business but that is backed by our strategy to put 15c in every dollar we earn back into research and development," Mr Kittel said. While he felt the overall business mood in SA was positive, energy costs were crippling small and medium-sized enterprises (SMEs).

"Energy was a big issue though, as our cost tripled last year," Mr Kittel said. "But we have insured ourselves by investing close to a million dollars on solar panels, battery systems and a generator." "But it's a massive issue for SMEs and I feel for them given what we have had to go through." The Business SA-Statewide Super Survey of Business Ex-

pectations for the December quarter shows a greater than expected improvement in general business conditions at 110.2 points, up 12.6 points from the previous quarter but still lower than what it was a decade ago. Actual sales and revenue rose to 113.4 points, up 11.4 points from the previous quarter but still lower over the decade.