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Government tenders helped Bowhill Engineering survive industry crunch, Jeremy Hawkes tells Murray Bridge Business Alliance breakfast | VIDEO



Peri Strathearn

A generation ago, the Hawkes family of Bowhill had an automotive garage where they did a bit of mechanical engineering on the side.

Now they have an industry-leading steel fabrication business that employs 30 people and turns over millions of dollars each year.

Part of the reason for that success – and certainly the reason it survived a recent industry crunch – is its ability to win tenders for government work, managing director Jeremy Hawkes told those present at a Murray Bridge Business Alliance breakfast on Wednesday morning.

The hard times had hit in about 2014, he said.

After completing projects including a pedestrian bridge at Wayville and several road bridges, the work dried up.

Were it not for a state government contract to build a series of River Murray ferries - a contract Bowhill Engineering won despite never having built a ferry before, against a competing firm which had done so – "we wouldn't have had any work".

Only a few years earlier imports of fabricated steel, largely from China, had almost tripled, creating the perfect storm for the industry and the business.

A projected turnover of \$6 million in 2014-15 turned into \$3.6 million.

"I really do have to give kudos to the government," Mr Hawkes said.

"They saw what was happening, and the Whyalla steel works as well - without that we wouldn't have had any steel being produced in Australia, which would have been a massive step back for the industry."

South Australia's response was to introduce quality standards for fabricated steel, moving the focus away from lowering costs and enabling local suppliers to compete.

"Our state, federal and local governments are really keen to support, grow and engage with local suppliers," he said.

"I genuinely believe there's opportunities there for all of us to exploit that little bit more, to consider increasing our approach to government."

Lindy Rattigan, a procurement specialist with the Local Government Association of SA, spoke about the nitty gritty of winning government contracts.



Guest speakers: The LGA's Lindy Rattigan and Bowhill Engineering's Jeremy Hawkes attend a business breakfast in Murray Bridge. Photo: Peri Strathearn.

Above all else, she advised businesses to focus on tenders which matched their core business and ignore those which did not, to avoid wasting time and money.

She gave the example of Serco, the British bus operator which broke into the SA market in 1999: it employed three full-time staff for a year in order to win its contract with Adelaide Metro, at a cost of about \$1 million.

"That cost of doing business is significant if you don't have a shot at it," she said.

She also noted that the days of "jobs for mates" in local government were coming to an end, as anti-corruption authorities were beginning to pay close attention.

No longer were deals done on the golf course – though she acknowledged it could be difficult to ensure everything was above-board in country towns, where councillors often owned businesses.

Murray Computers' Matt Gravestocks also spoke about voice-activated software and its applications in business and the home, and demonstrated a wireless speaker with Amazon's Alexa installed.