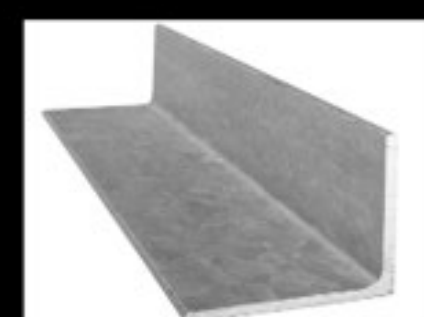
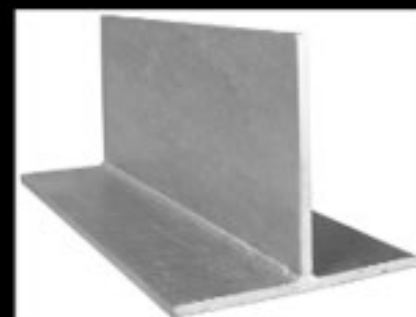
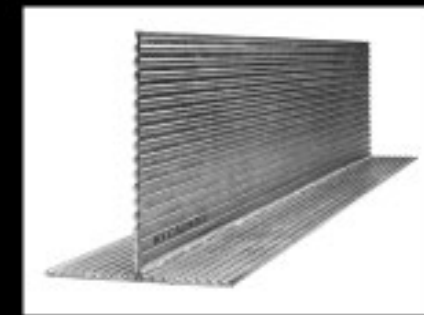


# Galintel<sup>®</sup>

## Galintel Business Turnaround 2014-2019

# PRODUCT RANGE



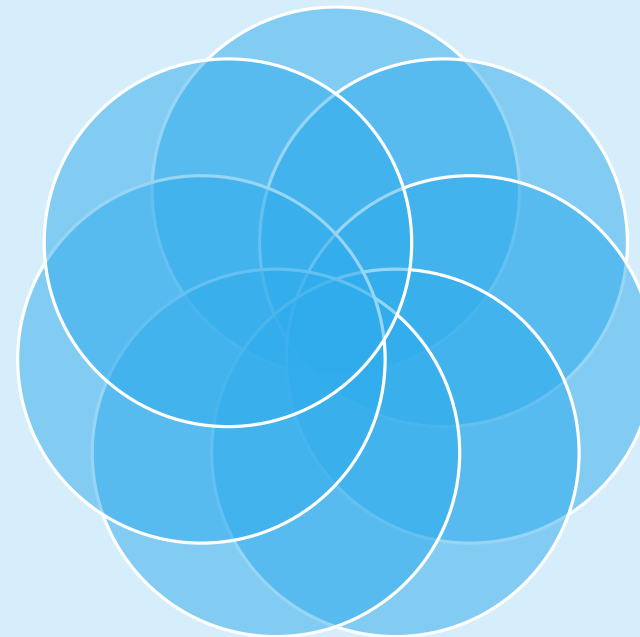
## July 2014

Galintel brand  
weakening  
significantly and lost  
identity with the  
trade

Tonnes down to 6000  
per annum

Business running at a  
significant loss.

Market dynamics –  
distribution changing from  
Steel Distributors to Building  
Supply Outlets as the  
dominant players.



Material volume cannot  
justify market price  
decrease

Total of 14 major clients buying  
large volumes, Distributor  
model only.

Cost per tonne excluding  
material excessive -  
inefficiency

## SITUATION FACING THE BUSINESS



- Declining Revenues
- Declining Margins
- Channels to market changed dramatically
- Inefficiency in production
- Loss of brand identity
- No change to the way we do things
- Culture very poor, divisive between production and Galvanising
- Excessive manual handling and limited use of any technology
- No real close ties to our suppliers
- No focus on the cost per tonne to produce lintels, dictated by the way we do things as the cost to do business.
- No procurement focus, no drive on reducing material cost.

## The Stark Reality

- Identification of the issues immediately raised concerns.
- Closure of the plant was undeniably the first issue to tackle , revert to importing.
- CEO visit to the plant to address workers of the situation.
- After a deep look at the situation at hand, CEO believed we needed to at least implement a rescue package as nothing had been done to at least reverse the haemorrhaging.
- A 100 day plan was put together over the period of a month and full commitment to implementing this.
- A 2 year plan to maintain a strategic focus to drive improvement across all parts of the business from sales to production.

## The Stark Reality

- The simplicity of the plan was to drive the lowest cost per tonne and achieve highest tonnes, driving sales to attain volume and plant to focus on a reduction in cost per tonne.
- Worked with key suppliers and stakeholders to reduce material cost.
- Look at unnecessary cost in production and better methods in production.
- Eliminate Waste
- Employee buy in to ensure all hands on deck
- Wage freeze
- Had to replace the management team with a fresh set of eyes
- Understand that change was inevitable, stuck doing the same thing and expecting a different result.

## The Wins – T Bar Production

Consolidate Victorian VJT Plant into Coffs Harbour

Flats no longer viable in T Bar manufacture, have to revert to coil

3 custom T Bar machines decommissioned in Victoria

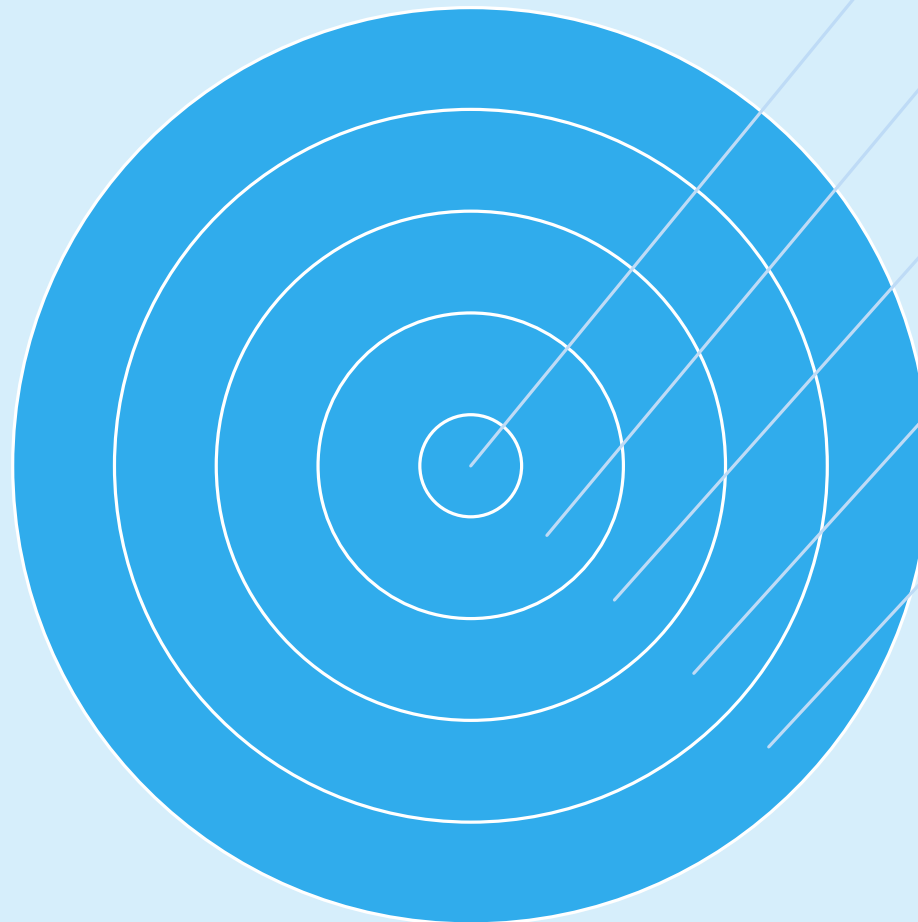
Full operation runs off coil feed, cut own flats and Rollform in Coffs Harbour, Victorian plant to Close.

Coffs Harbour 3 T Bar lines are also custom lines.

Redesign T Bar machines and produce units that can produce all T Bar product.

6 lines (3 from Vic and 3 in Coffs) consolidated to 2 universal units capable of making all T Bars, producing 3 times the volume.

## The Wins – Roll Forming Lintels



Roll former for Solid Base Angles running two shifts on 100x100mm and 150 x 100mm, most common sizes in local market.

2<sup>nd</sup> Roll former installed that can handle all of our angle products.

Decommissioned old single product use Renda Bar machine, as new roll former 2<sup>nd</sup> can be utilised for all angle products.

Increased volume forced the need for extra roll form machine

All new machinery designed and manufactured in house.



## Outcomes

No worker since 2014 has been made redundant, workforce size in plant has not increased from 2014 to 2019.

Total volume exceeding 18,000 tonnes per annum, from a low of 6,000 tonnes in 2014.

Wage freeze for 2 years with bonus scheme introduced based on productivity improvements for all staff.

Competitor acquisition enabled a realignment of channel to market and assisted driving more tonnes through the business.

Reduction in material cost with higher tonnes providing economies of scale.

Sales effort on focussing on driving tonnes, initially lower margin.

Cost per tonne excluding material has reduced by 35%.

Culture – Blue Bus Revolution !!!

## Distribution

One step to builder distribution a key driver

Galintel Distributor focus only, stifling future growth

Preferred supplier status across the market with major HW and Building supply companies at reseller level.

New website development targeting builders and Engineers, a focus on information and pull through strategies for our reseller base.

A comprehensive range that offers far more selection than import offers.

Further add on products coming over the next year, associated lines that compliment the lintel range, and counteract any housing downturn.

## STRATEGIC – The Future

Investigating different steel grades to reduce thickness and further add benefit to the lintel range, less weight, freight benefits, cost benefits.

Differing steel grades again - to speed up galvanising pick up times and hence speed up through put in the plant – we can only move as fast as the galvanising process.

Robotics to eliminate our manual handling issues in the plant.

Changing acid in the plant from Hydrochloric HCL to Phosphoric  $H_3PO_4$  – to reduce fume in plant, maintenance costs caused by fume, and a recycling plant that reproduces and regenerates acid, eliminating need for continual purchasing and disposal of HCL.

## Culture – People who care about the Business and each other





Are You On The Blue Bus Today – All At Galintel Have Hopped On!!





**Capabilities Jumbo Coil Slitter – enables us to process coil to set sizes for our own requirements.**





# Hot Rolling Mill – Product Differentiation from competitors – Renda Bar Multi Rib T Bars



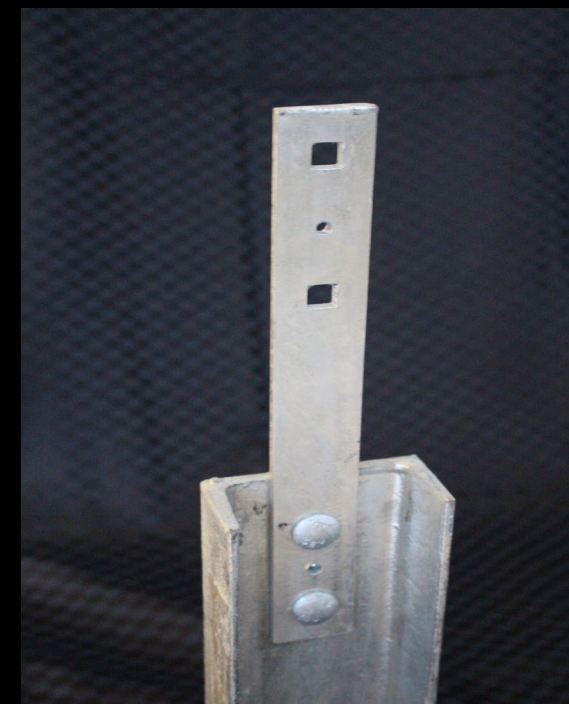


Continued Focus On Technology – reduce  
cost, build tonnes





## Innovation to set us apart – Product Differentiation





Every Opportunity To Show Case Our Products  
Even The Local Hardware Trade Evenings –  
Training, Training, Training.





Typically the way Lintels  
Usually Look Like In The  
Yard!!





Bit Of House Keeping That Increases Sales As Well!!



Taking An Ugly Commodity Steel Product And  
Presenting it In A Whole New Way

## Base Range Lintels & Retaining Wall Posts

















New Website – source of technical information, end-user focus and digital media promotion, enables us to connect to everyone.



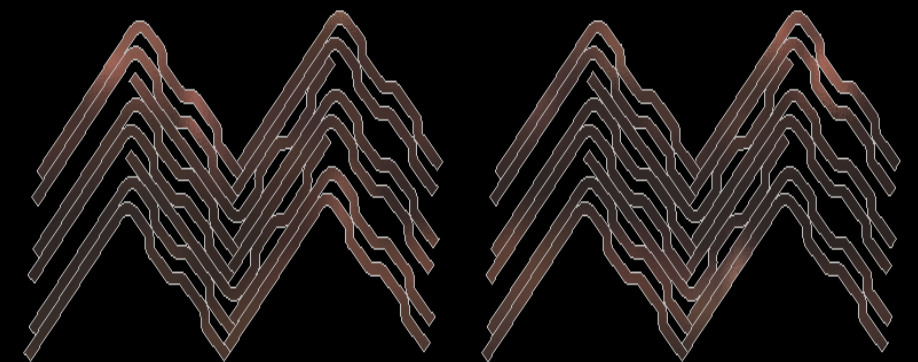
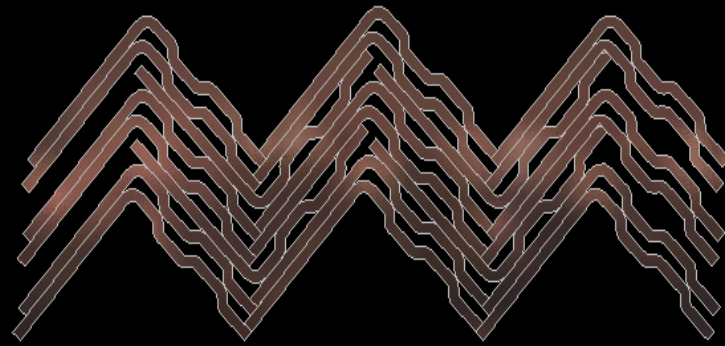
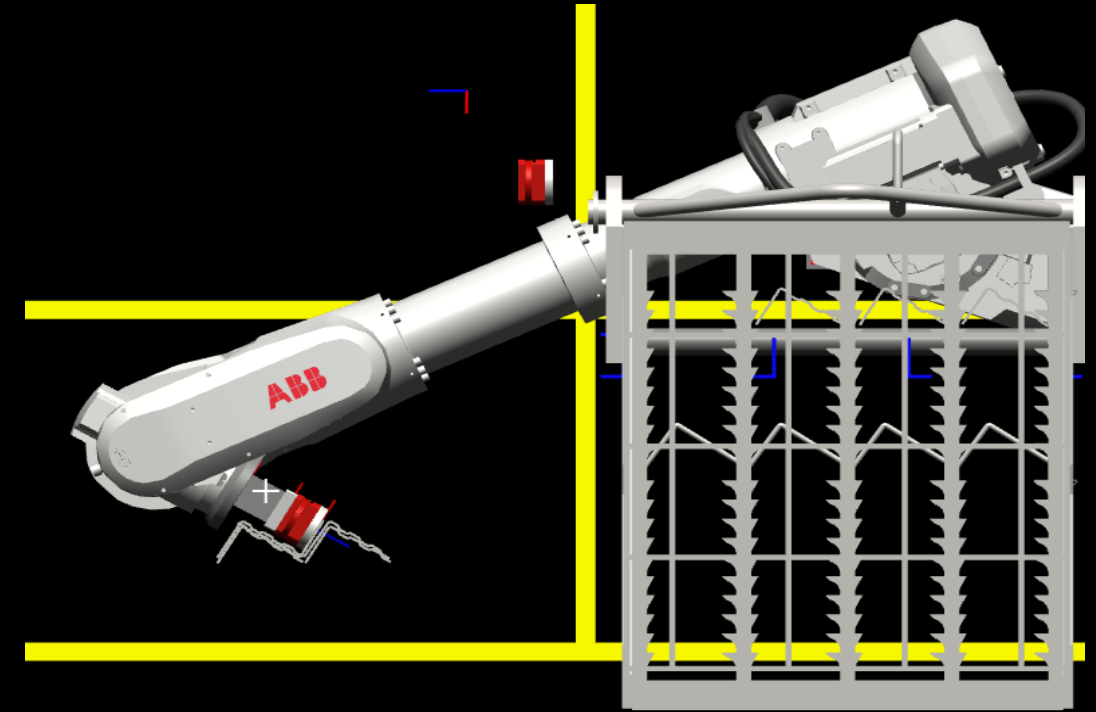
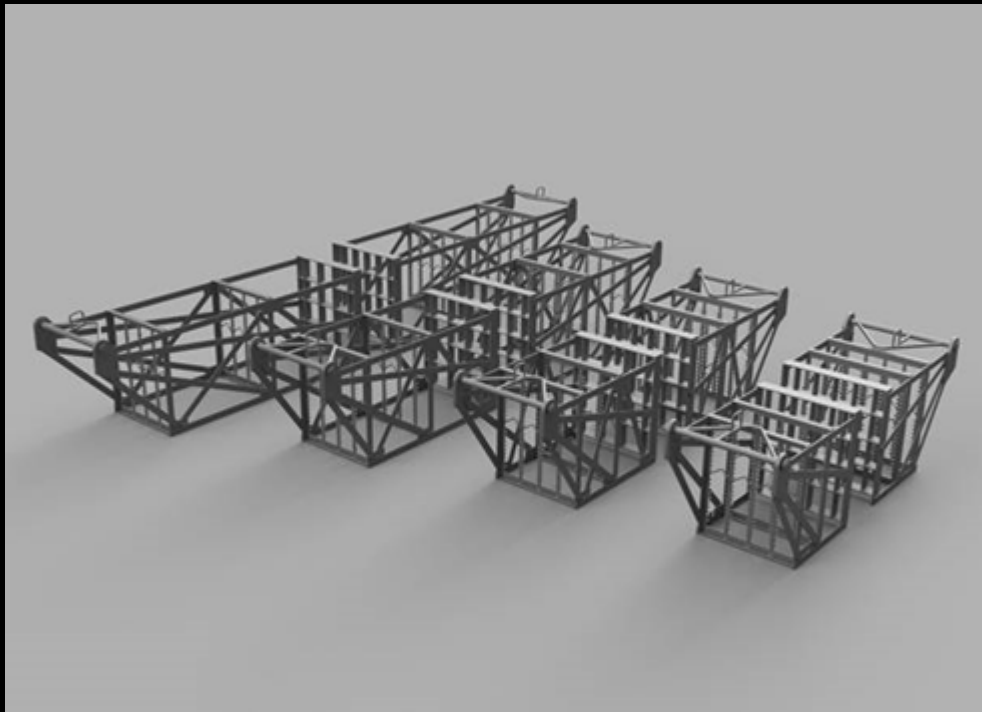
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## GALVANISED STEEL LINTELS

High quality galvanised steel lintels for the building & construction industry.

[Read More](#)



Working on reducing manual handling and solutions to further lower cost.

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And Of Course – Lets Not Forget Customer Relationships!!!!



We Have Proven It To Ourselves That We Can Be Successful  
Manufacturing In Australia, And You Can Take A Commodity  
Product Like Lintels And Use Different Methods To Build Market  
Share Without A Focus On Price As The Only Medium To Grow  
The Business.

THANKYOU