



UKTI helps STI find an Australian partner

Fast facts

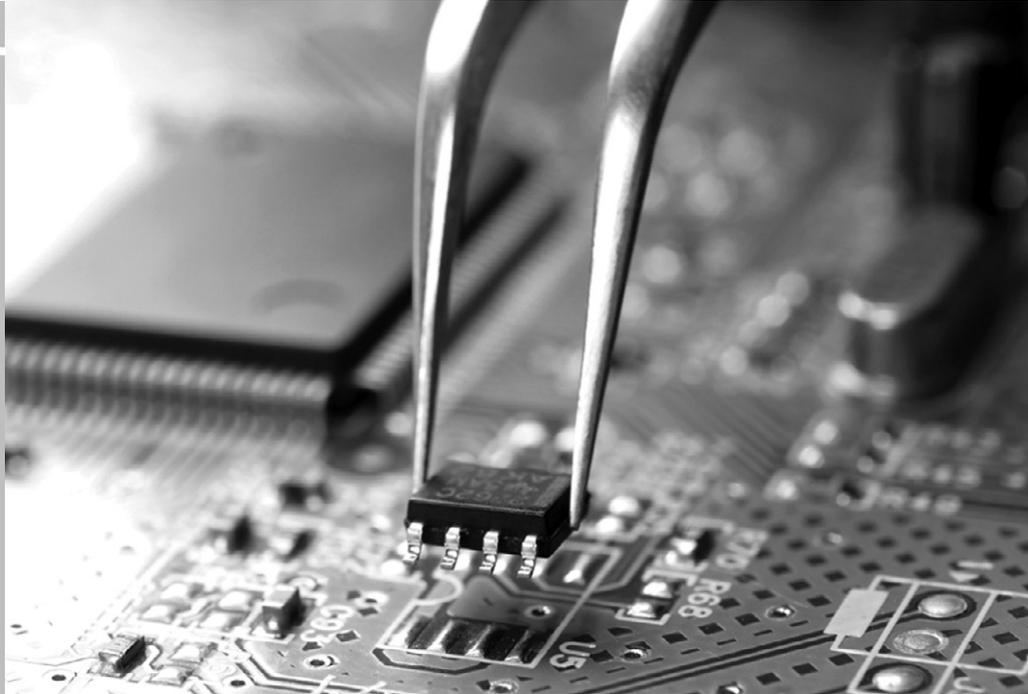
Company: Surface Technology International

Industry: Contract Electronics Manufacturer

Target Market: Australia

UKTI Services: Overseas Market Introduction Service

www.sti-limited.com



Through its Overseas Market Introduction Service (OMIS), UK Trade & Investment (UKTI) helped Surface Technology International to find a local partner in Brisbane, Australia.

Machines such as aircraft, phones and medical devices are made up of dozens of component parts. Every one has its function and must be made in accordance with strict specifications to ensure the safety and efficiency of the end product. But, especially in relatively small production runs, it often makes more financial and practical sense to contract out the production of these individual elements.

Surface Technology International (STI) is a specialist Contract Electronics Manufacturer (CEM) serving customers around the world in a range of industries. The company was set up by its current Managing Director, Simon Best, in 1989, and still operates from its headquarters in Hook in the South East of England.

“Our component parts can be found in satellites flying around in space, in oil

rigs miles underground and thousands of products in between,” says Martin Gower-Smith, International Development Manager at STI. “We work in volumes, from a unique one-off to a few thousand units, and offer a complete set of electronics manufacturing services including design, final assembly, test and integration and full lifecycle support.”

Heading east

In 2008, STI set up small offices in Hong Kong and China. A frequent user of UKTI’s services, the company worked with UKTI teams both in the UK and in Asia to strengthen its foothold in the region. With support and guidance from UKTI in the Philippines, STI found and bought a second manufacturing facility in Cebu in 2010. A replica of the headquarters in Hook, it employs 200 people servicing customers looking for the combined advantages of competitive pricing and the very best in electronic expertise.

In April 2012, the Philippines, Australia and New Zealand signed a free trade agreement lifting earlier restrictions

on trade between the countries. STI had long had an interest in the defence sector in Australia, and with a manufacturing base in Asia was in an excellent position to explore this and other sectors further. The company again got UKTI on board early on, and in November 2012 met with a representative from its Australia team in Bristol at Explore Export, to discuss its plans. In May, STI commissioned an OMIS asking UKTI to advise on the best route into the market and to find potential agents.

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Martin Gower-Smith, International Development Manager at STI

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Martin Gower-Smith, International Development Manager at STI

UKTI approached several Australian companies to assess their interest in working with the company, and warmed up a list of leads for Simon to meet when he visited Australia in July. His first point of call when arriving in Melbourne was UKTI, where he received a useful market briefing. He then embarked on a busy schedule of meetings that UKTI had set up for him.

“We have benefitted greatly from UKTI support in several markets, for example Brazil and India,” says Martin. “The UKTI staff in Manila guided and supported us throughout our journey there, providing us with invaluable contacts, insight and advice as well as championing us whenever they could. It was natural for us to turn to UKTI again when considering Australia. Even where a meeting arranged for Simon didn’t result in a working relationship for us with that company, it was useful to gather information, make contacts and find out what’s going on in the market.”

Partnering up

One of the companies that UKTI had identified in the OMIS, Brisbane based Hetech, was of particular interest. The two businesses have experience in a complementary range of sectors, and Hetech has local engineering resources and an established client base. Once Simon returned to the UK, a series of emails and conference calls followed, resulting in a partnership that is now pursuing new opportunities.

In September, STI and Hetech jointly exhibited at Electronex, a niche trade exhibition and conference for the Australian electronics industry. Meanwhile, STI continues to work with UKTI in other markets around the world. Before embarking on a trip to Houston recently, Martin emailed UKTI there and arranged a visit to their offices. Similarly, in October when Simon flies to Tokyo, Martin’s first meeting will be with the local UKTI team.

“Through our relationship with Hetech, we are now well placed to compete in the Australian market,” says Martin. “We have local representation and access to their engineering resources, and they have access to our know-how and our manufacturing facility in the Philippines. Once again, UKTI’s support has been critical to this success. We make a point of involving them whenever we look at new markets. Their on-the-ground teams have all the local knowledge and networking contacts we need, saving us time and ensuring we use our time productively.”

The UK and Australia

Australia boasts an outstanding economic track record and offers UK businesses a dynamic yet dependable market in times of economic uncertainty. Australia was the world’s 12th largest economy in 2012 with GDP of US\$1.53 trillion; British exports to Australia were worth nearly £11billion in that same year and have grown 79 per cent since 2007.

Along with significant opportunities in well-established industry sectors like business and professional services, mining, natural gas, life sciences, ICT and the creative industries, Australia has invested around £26 billion in infrastructure over the past five years, and this is expected to increase. This is creating massive opportunities in sectors like rail, roads, ports, hospitals and construction.

The area’s proximity to the world’s fastest-growing region, the Asia Pacific, and powerhouses like India and China, combined with a number of free trade agreements (FTA) (for example with Singapore, Thailand, the US, Chile and New Zealand), give UK firms a distinct advantage if they are looking for a base from which to launch into Asia.

For further information about business opportunities in Australia go to www.ukti.gov.uk/australia

Helping you access international markets

Doing business in another country can be a challenge, so it’s good to know that UK Trade & Investment is there to help you succeed.

Through a range of unique services, including participation at selected trade fairs, overseas missions and providing bespoke market intelligence, UK Trade & Investment can help you crack foreign markets and quickly get to grips with regulations and business practices overseas.

UK Trade & Investment’s Overseas Market Introduction Service (OMIS) is a flexible business tool, letting you use the services of our trade teams, located in our embassies, high commissions and consulates across the world, to benefit your business.

A service package could include:

- Market, sector advice
- Analysis of market entry strategies
- Support during overseas visits
- Identification of possible business partners

UKTI was delighted to support Surface Technology International in its business overseas.



To find an adviser in your chosen market and begin your own success story now, scan this code with your smartphone, visit www.ukti.gov.uk/trade, or email enquiries@ukti.gsi.gov.uk

Contact the UKTI Australia team

to see how we can help your business
<https://www.gov.uk/government/world/organisations/uk-trade-investment-australia>

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