







Cutting EDGE

Stand by for a surprise: Melbourne is the Laser Capital of the World. So says Brad Drury, and he is in a position to know, as he is managing director of New Touch, a leader in the field of laser cutting and marking, general fabrication, folding and welding.



Written by John Boley

rad founded New Touch Laser in 2001 with a business partner who has since left, and now employs between 60 and 70 staff members within the group, pointing to a healthy growth curve.

Laser cutting is not by any means only for high-tech products or esoteric materials. In fact, "It is highly competitive these days," Brad explains, "and Melbourne has probably the most competitive laser-cutting environment in the whole world." When he opened up for business there were only around 40 machines, and at that time that was the highest concentration of such equipment in the world; now there are ten times that number.

This growth has a lot to do with Australia's demographics and relatively small population compared to its demand for consumer items, says Brad. A lot of high-volume manufacturing work has gone offshore, and the void is being



filled with low-volume work which is more suited to laser cutting. This is work not only involving precision in intricate componentry but also a lot of signage, for example, in shopping malls – light boxes and other items cut out of acrylic to make a company name or logo.

Having launched just a couple of weeks before the World Trade Centre disaster in the US and all its subsequent uncertainties, New Touch prospered to the extent that it was "bursting at the seams" and opened a second location nearby at >>>



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Clayton in order to service customers in that area better.

The New Touch Group comprises the laser-cutting business as well as New Touch Fabrication, which was established in 2008. One of four companies across the country to be selected as participants in a 'business blitz' – a government-funded initiative – the business had the benefit of an analysis by Deloitte's, which rated it against global best practice. "We got specialists and consultants in to work with us for twelve months, to help us improve on areas where we were not strong," shares Brad. "Part of that was market research."

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When New Touch engaged in some analysis of its market it found its customer base had changed – and demand along with it. "People no longer wanted to just use a laser cutting company and then do their own folding, welding and fabrication themselves." They were increasingly seeking more of a one-stop partnering arrangement. "Australia has turned into more of a design and assembly marketplace and customers preferred to just place an order and receive the finished



product." Accordingly, the fabrications business was founded to meet this hitherto hidden demand. Proof of the wisdom of this move was its extremely healthy growth. The cutting business has grown too, but the clear implication was that without the 'light-bulb moment' provided by Deloitte's examination of the business, New Touch would not be in such a growth curve and the need for more effective control, learning and change was not lost on Brad.

More recently, in 2012-13, New Touch's entire management and staff have undertaken Cert 4s and diplomas in Lean Manufacturing and have also put staff through the Cert 3 and 4 in Comp Manufacturing. "Currently we are very focused on doing

a lot of our own in-house training and cross training." Strategic planning has featured large in the last year too, setting up a vision for the future of the company, and New Touch has even found time in 2013 to go through the demanding ISO 9001 accreditation process. "It has been a very busy twelve months!"

Recently, Brad took the decision to merge the two. The amount of work that was being done between the cutting and fabrication businesses was starting to become very challenging to manage and it was seen that too much effort was being duplicated. "It was a complete double up of our value stream map. Doing our strategic planning and lean training has helped us identify this and enabled us to come up with a suitable remedy." In July 2013 the two were merged, meaning there is now just a single MRP system, one schedule and "no need to send internal RFQs purchase orders, delivery dockets, invoices and statements to each other. This has freed up a significant amount of resources which can now be focused on delivering unprecedented quality, service and delivery to our customers, instead of managing a labour intensive system of sub-contracting and purchasing between two sister companies."

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Last year was especially busy for Brad as, in addition, he took over a company in Townsville called Industrial Laser Cutting. "We are part of a joint venture named Australian Steel Fabricators, with four other major steel fabricators," he explains. The main purpose of setting up Australian Steel Fabricators is best described, says Brad, in a quote from Dennis O'Neill, Steel Supplier Advocate. He said: "The formation of Australian Steel Fabrications using the incorporated joint venture model is great news for Australian industry. This model was initiated from my work as the Federal Government's Steel Supplier Advocate. The model enables suppliers to work together in a >>>





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structured manner, ultimately boosting their collective size and scale, and improving their joint capability to support participation in much larger project opportunities. Major clients, including engineering, procurement and construction management firms (EPCM) and proponents, have been consulted in the development of the model."

He continues: "In my view, it is a win-win approach. Suppliers improve their capability to become involved in larger projects and EPCMs and proponents now have access to a framework

that reduces risk and improves execution. I wish Australian Steel Fabrications every success and I encourage key stakeholders on the project side to engage with this very capable group of companies."

Industrial Laser Cutting offers much the same services as New Touch, with the addition of a very large-format plasma cutting machine which can handle plates as large as 12 metres x 4 metres (and up to 200mm in thickness), a service particularly in demand in Queensland's mining sector.

New Touch makes a point of keeping large volumes of materials in stock, although its relationship with its suppliers makes possible a streamlined materials handling process. "So many of our jobs are delivered same day or overnight, and these would not be possible without strong relationships with our suppliers that are focused on win-win outcomes," says Brad. The



company works mainly in materials such as mild and stainless steel and aluminium, although there is a considerable amount of work in MDF and plywood as well as acrylic.

A large proportion of the work New Touch produces is destined for machinery and equipment that is then exported – including a lot of food production and agricultural machinery. Recently completed projects which showcase the company's abilities include components for 88 bridges on the Eastlink Freeway, revolving restaurants and desalination plants in the Middle East, components for the Bushmaster, and many other machines which are exported worldwide. Although Brad is bullish about future prospects, he calls for action from government to improve business conditions "to attract investment and encourage people to start their own business here."

New Touch's aim, says Brad, is to "exceed our customer's expectations and our mission is to provide exceptionally high quality products and services to a diverse range of customers and markets." The company values, he adds, are integrity, relationships, professionalism and cohesiveness. "We are constantly developing new more streamlined ways of doing things,

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eliminating waste wherever possible. We have a 'promote from within' policy and invest heavily in staff training. In one day earlier this year we were able to facilitate a five-way promotion for some very valuable hard working core staff."

Indeed, New Touch offers a career path, not just a job. "If you sit still you are going backwards. Globally, conditions are quite tough but we are constantly learning how to adapt and find smarter ways to do things."





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