

## ***Building a competitive manufacturing business***

### **Hysport International**

#### **Client Profile:**

Hysport is a second-generation knitwear business, based near Frankston. The business is owned by Terry Jones and his wife Barbara, along with Financial Director, Harry Brown and has been in operation for over thirty years. In the last five years it has undergone a complete business restructuring program necessitated as a result of government policy which has seen an influx of cheap knitwear from China. It has since re-created the business as a leader in whole-garment knitting technology.

#### **Program Structure:**

In 2005, Hysport participated in 'How to Sustain your Business' program auspiced by the City of Frankston. Soon after, The Closed System Pty Ltd was contracted by Hysport to undertake a Strategic Business Review and Business Development Plan. The upper management team has also undertaken further in-depth Closed System programs to further develop their skills in sustainable business management. The Closed System Pty Ltd provides on-going business mentoring.

#### **Key Results:**

Hysport has applied the Closed System methodology to simplify, focus and continue to upgrade its business activities - to build on its successful 'whole-garment' technology platform and build diversity in its customer base. The domestic market offers continued but limited growth – the major focus is developing new export markets, leveraging current products to seek production during off-peak periods that can build the productivity of current machines. Profits are being hard-earned by productivity gains and rationalising low-margin products. These profits are financing new product and market development. The business is reducing its dependencies on key people, employing a strong management team and investing in new 'whole-garment' knitting machines to realise its future potential. New innovative products are planned as the traditional business is consolidated. Terry and Barbara are still fully engaged in their business but are strong advocates for work-life balance. Harry Brown is now able to contribute on a part-time basis, with new financial systems, staff and controls in place. The next step is appointing a sales/marketing manager to join the Hysport management team.

#### **Testimonial:**

We were fortunate to come across The Closed System and Leigh Crocker when we participated in the How to Sustain your Business program run by the City of Frankston in 2005. Following the introductory program, Leigh helped us formulate a business plan and gave us guidance in completing the restructuring program that we had begun several years earlier. The Closed System helped us to concentrate on developing our strengths and improve our management systems in order to continue on our plan of product development and establishment of new markets. Our work with Kathryn Burge reinforced this and helped us establish a better work/life balance. We still face many challenges but feel much more confident about the future of Hysport. We continue to meet with Leigh in his mentoring capacity to keep us on track to meet our goals.