



Thirteenth Annual General Meeting

ANNUAL REPORTS



3 STAFF.12 BOARD MEMBERS.200 MEMBERS.

"Working together as one Team"

26th July, 2016

South East Melbourne Manufacturers Alliance Inc.

Notice of Thirteenth Annual General Meeting

To be held on Tuesday 26 July, 2016

Sandown Racecourse, Princes Highway, Springvale at 5:30pm

AGENDA

1. Welcome
2. Apologies
3. Confirm Minutes of AGM held 30 July, 2015
4. 2015/16 Financial Statements
5. 2015/16 Annual Reports
6. Election of Officers and Committee (The Board)
 - President
 - Vice President
 - Treasurer
 - Secretary
 - General Members
7. General Business
 - 7.1 Appointment of Auditors
 - 7.2 Bombardier Presentation
8. Next General Board Meeting Date
Friday 19 August, 2016

1. PRESENT

Peter Angelico, Lionel Appelboom, Martin Barnard, Adrian Boden, Neil Bone, Steve Booth, Phillip Bourke, Gary Bourne, Wayne Broomhall, Anita Buczkowsky, Wayne Burgoyne, Martin Camp, Paul Campagno, Joel Campagno, Jason Chown, Steve Cieslak, Geoff Collins, Greig Connell, Frank Connolly, David Cookson, Matthew Cridge, Joan Croning, Ian Cubitt, Rod Czydel, Trent Davis, Chris Davis, Christina de Sousa, Mark Dilber, Mark Dixon, Paula Dodd, Paul Dowling, Robert Downing, Richard Emery, Carni Evans, James Ewenson, Peter Fadeyev, Anthony Failla, David Ferguson, Greg Field, Rachel Finch, Michael Flynn, Lee Furst, Craig Fyall, Aaron Gackenheimer, Sandra George, Robert Giannotti, Moshe Goldberg, Stephen Hansen, Jacqui Harvey, Kerry Hayes, Peter Helmore, Brian Hewagama, Julian Hill, Bill Hill, Geoff Hodgins, The David Hodgett MP, Ros Hore, Charles Humphries, Ray Keefe, Paul Konig, Robert Kuang, Russell Lacy, Darren Laidler, Peter Laudenberg, Victor Lekhtman, John Lovell, Stephen Martin, Don Matthews, Jeff McAlpine, Ross McFarlane, Cathy McIntyre, Doug McKenzie, Douglas McKinnon, Graeme McLean, Davin Merritt, Peter Moore, Chris Morse, Chris Mullins, Casey Neill, Gaby Nime, Mayor Sean O'Reilly, David Owen, John Papadimitriou, Edwin Patterson, Graham Pearson, Geof Pile, Andrew Pleysier, Roy Prasad, Devlin Quai-Hoi, David Rees, Terry Reid, Peter Rowland, Deanne Ryall MP, Greg Ryan, Les Sabo, Stefan Sanders, Dr Martin Schlegel, Mark Schramm, Frank Scotta, Graham Scull, Laurence Sergovich, Janine Shearer, Michael Sienkiewicz, Andrew Simmons, Sue Smith, Martin Solomon, David Southwick MP, Markus Spindler, Cr Amanda Stapleton, Peter Stilburn, James Sturgess, Steve Thompson, Phillip Toovey, Stephan van der Lit, Michael Van Dort, Mary van Dyke, David van Dyke, Darren Walker, Jill Walsh, Graham Watt MP, Ausra Wells, Jamie Westlake, Simon Whiteley, Jeff Williams, Gabrielle Williams MP, Greg Yates, Mitchell Zadow.

The Chairman opened the meeting at 5:20pm and thanked all for attending and provided special acknowledgements to The Hon David Hodgett MP, Mr David Southwick MP and Mayor Sean O'Reily.

2. APOLOGIES

Angeline Achariya, Ben Aldham, The Hon Jacinta Allan MP, Neil Angus MP, The Hon Bruce Atkinson MLC, Andy Balmain, Marcus Barber, Melina Bath MLC, Andrew Batty, John Bennie, Monica Bladier, Edoardo Bozzola, Paula Brennan, Jessica Brown, Geoff Browne, Neale Burgess MP, Anna Burke MP, Michael Burke, Rachel Burree, The Hon Anthony Byrne MP, Ray Cahill, Wayne Caldwell, Ken Cato, Karen Clarke, Peter Cleland, Mark Clydesdale, Senator the Hon Jacinta Collins, Brian Cooper, Ben Copley, Georgina Crozier MLC, Tamara Culembourg, Philip Dalidakis MLC, The Hon Richard Dalla-Riva MLC, The Hon Liliana D'Ambrosio MP, Daryl Davis, The Hon Luke Donnellan MP, The Hon Mark Dreyfus QC, MP, Samantha Dunn MLC, Margot Eaton, Adrian Egglestone, Sue Elston, David Ensor, Suzanne Ferguson, Senator the Hon Mitch Fifield, Faith Fitzgerald, Tom Flintoff, Wayne Foster-Johnson, Eiji Fujihara, Fred Funnell, Tony Geldart, Mayor Geoff Gledhill, Judith Graley MP, Ronald Grasso, Reinhard Gregg, Farley Griffin, The Hon Alan Griffin MP, The Hon Matthew Guy MP, Bruce Hamilton, Adam Hankin, Norman Harrison, Todd Hartley, Margo Hartley, Brett Henderson, The Hon Steven Herbert MLC, Samuel Hibbins MP, Russell Hillman, The Hon Joe Hockey MP, Peter Holohan, The Hon Greg Hunt MP, The Hon Natalie Hutchins MP, Tanya Jackson, Dean Joel, Rob Jones, Paul Kearsley, Lesley Kelly, Gunther Kempin, Sonya Kilkenny MP, Melisa Kirby, Murat Kirem, David Knowles, Stan Krpan, Tyrone Landsman, Ilan LE PEUTREC, Peter Lewis, Nellie Liew, Dr Larry Marshall, Doug Maxwell, Rosemary Maxwell, Leanne McCready, Jay Meek, The Hon James Merlino MP, Dean Messina, Nick Meyers, Craig Milne, Rob Mittag, David Morris MP, Ben Murphy, David Murphy, Feroz Mussa, Terry New, Phil Newman, Carl Neys, Greg Northrop, Hugh O'Donnell, The Hon Kelly O'Dwyer, Craig Ondarchie MLC, Markus Oswald, The Hon Martin Pakula MP, Timothy Pallas MP, Bruce Parker, David Peart, John Pesutto MP, Maria Peters, Scott Pickering, Tim Piper, Greg Pittard, Stefan Preuss, The Hon Jaala Pulford MLC, Jonathan Reichwald, The Hon Gordon Rich-Phillips MLC, Helen Ruddell, Gerry Ryan, Stephanie Ryan MP, Jürgen Schneider, Peter Schouten, Alan Shaw, Ken Smale, John Smart, Lesley Smith, The Hon Ryan Smith MP, The Hon Tony Smith MP, Geoff Spring, Robyn Surtees, Darren Syme, Yolanda Sztarr, Brendan Tilson, Mary Tresize-Brown, Jim Tritt, Paul Verschaeren, Andre Vlcek, Jane Ward, Jonathan Watcham, Michael Waterson, Gary Watson, The Hon Kimberley Wells MP, Des White, Charles Wilkins, David Wilkinson, Peter Wilson, Darryl Wiseman, The Hon Mary Wooldridge MLC, The Hon Richard Wynne MP.

3. MINUTES

Minutes of the eleventh Annual General Meeting held 30 July, 2014, were tabled to the Meeting.

Moved: M. Solomon, Seconded: J. Walsh that the Minutes of the AGM conducted 30 July, 2014 as presented be accepted. Carried.

4. FINANCIAL REPORT

The Financial Reports for the 12 months to 30 June 2015, as prepared by the Auditors, MJC Partners Pty. Ltd, were presented.

Moved: M. Solomon, Seconded: J. Walsh that the 2014/2015 Financial Report as presented be accepted. Carried.

5. PRESIDENT'S REPORT

President Simon Whiteley presented his report and highlighted the continuing negative perception about the future of Australian manufacturing and SEMMA's activities to combat such perceptions. Simon pointed out SEMMA's support of local manufacturing via the Dandenong on Wheels event and presence at AusTech, as well as the identification of business/export opportunities for manufacturers, both locally and into SE Asia.

Simon thanked the Executive Team, Board Members, The City of Greater Dandenong – Group Manager Paul Kearsley and CEO John Bennie, Executive Officer Adrian Boden and Members.

Moved: F. Scotta, Seconded: P. Angelico that the President's Report 2014/2015, as presented, be accepted. Carried.

6. EXECUTIVE OFFICER'S REPORT

Executive Officer Adrian Boden provided an overview of SEMMA's activities over the past 12 months, highlighting some of the significant achievements and endeavours of SEMMA during 2014-15 that had benefited members and manufacturing in the South East.

Adrian highlighted the numerous advocacy issues that SEMMA has been active in as well as the increasing number of commercial opportunities available to SEMMA Members.

The Executive Officer thanked President Simon Whiteley, the Executive Committee, the Board, John Bennie, Paul Kearsley and the City of Greater Dandenong for their tireless work and support and Gaby Nimé and Cathy McIntyre as well as thanking the members and looking forward to their continued support of SEMMA.

Moved: M. Solomon, Seconded: P Angelico that the Executive Officer's Report 2014/2015, as presented, be accepted. Carried.

7. ELECTION OF COMMITTEE OF MANAGEMENT

Sandra George advised that as there were no new nominations for the positions of Officer, the current Officers continue in their positions. Therefore, as Returning Officer she formally noted that the nominees, as follows, be accepted:

President:	Simon Whiteley
Vice President:	Greg Northrop
Treasurer:	Todd Hartley
Secretary:	Sandra George

Sandra declared that no election was required as in addition to the continuing 4 members, only 3 applications had been received for the committee therefore as Returning Officer she formally noted that the nominees, as follows, be accepted:

Ordinary Members: Peter Angelico, Neil Bone, Christina de Sousa, Jacqui Harvey, Paul Kearsley, Markus Oswald, Frank Scotta, Markus Spindler and Steve Thompson.

Sandra congratulated the new Board.

8. APPOINTMENT OF AUDITORS

Moved: F. Scotta, Seconded N. Bone that Andrew Ferrier, MJC Partners Pty. Ltd. be appointed SEMMA auditors for the coming year. Carried.

9. OTHER BUSINESS

As there was no other business, the Meeting closed at 5:50pm.

Simon Whiteley
Chairman
(10 August, 2015)

I am pleased to provide the Treasurer’s report for SEMMA for 2015/16.

SEMMA has had another busy year. Membership participation in SEMMA activities has grown, as has membership income and sponsorship.

Income was \$267k compared to a budget of \$277k. Membership fee income was higher, by 16%, than last year although \$20k less than budget due to Gaby Nimé leaving mid year which delayed our membership push and sponsorship income. The Board is again pleased and grateful for the continued support of the City of Greater Dandenong in maintaining its sponsorship. We welcome Knox and Kingston Councils as new Members.

Expenditure at \$270K was below the budget of \$288k, primarily as a result of the loss of Gaby in December 2015 and the appointment of Elisha Crewe as Marketing Manager in April 2016. The usual keystone events were maintained, such as support of the Manufacturing Hall of Fame, Christmas Cocktail Networking Evening and the SEMMA Newsletter. At the same time, the SEMMA activities and initiatives on behalf of members grew significantly in the year.

An operating loss of \$3.5k resulted, an improvement over the budgeted deficit of \$6k and the previous year result of a \$60k loss. This was funded from cash reserves, which at the end of the year were \$114k.

This result is an improvement on the previous year, mainly due to reduced spending on FOM activities.

There is an ongoing need to improve the overall performance and the Board is actively engaged in activities to significantly increase membership and corporate sponsorship to improve the long term financial stability of SEMMA. We believe that 2016/17 will show further gains in Membership & Income.

I would like to acknowledge the support I have received from Adrian Boden and Cathy McIntyre for their accurate and timely preparation of the monthly statements and the following detail of the Treasurers Report.

Todd Hartley
Treasurer- SEMMA
26 July, 2016



DIRECTORS

Andrew Ferrier CPA
Matt Salmon CPA
Chris Simmons CA

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approved under Professional
Standards Legislation

2016 Financial Accounts

South East Melbourne Manufacturers Alliance Inc.

Client Copy

MJC Partners Pty Ltd
ABN 79 006 409 687

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**COMPILATION REPORT
TO SOUTH EAST MELBOURNE MANUFACTURERS ALLIANCE
ABN: 17 646 819 672**

I have compiled the accompanying special purpose financial statements of South East Melbourne Manufacturers Alliance which comprise the balance sheet for the period from 1 July 2015 to 30 June 2016, profit and loss statement for the year then ended a summary of significant accounting policies and other explanatory notes.

The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the company that satisfies the information needs of the members set out in Note 1.

The responsibility of the Members

The members are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs.

My responsibility


On the basis of information provided by the members, I have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

My procedures use accounting expertise to collect, classify and summarise the financial information, which the members provided, into a financial report. My procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were prepared exclusively for the members. I do not accept responsibility to any other person for the content of the special purpose financial statements.

Name of Firm: MJC Partners Pty Ltd

Name of Director:


Andrew Ferrier

Address: 49 Robinson Street, Dandenong, Vic 3175

Dated this 18th July 2016.

SOUTH EAST MELBOURNE MANUFACTURERS ALLIANCE INC
ABN: 17 646 819 672

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
INCOME		
Functions	396	3,346
Membership Fees	147,101	127,397
Interest Received	1,047	6,033
	<u>148,544</u>	<u>136,776</u>
OTHER INCOME		
Exposition	-	75,425
Other Revenue - FOM	18,527	165,000
VMH Income	17,100	26,764
Sponsorship	82,500	70,000
	<u>118,127</u>	<u>337,189</u>
	<u>266,671</u>	<u>473,965</u>
EXPENSES		
Administration Assistant	53,745	42,840
Advertising & Promotion	420	980
Bank Charges	980	1,213
Consultants Fees	128,075	132,393
Depreciation	731	1,068
Donations	500	-
Entertainment	1,627	1,601
Exposition Expenses	-	71,565
Functions	14,139	17,684
General Expenses	2,451	106
Insurance - General	1,309	1,249
Marketing Expenses	-	15,000
Office Expenses	6,420	6,677
Printing & Stationery	1,150	1,931
Project Expenses	29,573	176,457
Travelling Expenses	556	7,796
VMH Expenses	25,295	35,855
Website Development	3,280	20,506
	<u>270,251</u>	<u>534,921</u>
Loss before income tax	<u>(3,580)</u>	<u>(60,956)</u>

SOUTH EAST MELBOURNE MANUFACTURERS ALLIANCE INC
ABN: 17 646 819 672

BALANCE SHEET
AS AT 30 JUNE 2016

	2016	2015
	\$	\$
<hr/>		
MEMBERS FUNDS		
Retained earnings	112,475	116,055
TOTAL MEMBERS FUNDS	<u>112,475</u>	<u>116,055</u>
Represented by:		
ASSETS		
CURRENT ASSETS		
NAB Cheque Account	36,907	18,648
NAB Business Cash Maximiser	77,133	91,104
Net ATO Liability	-	2,658
TOTAL CURRENT ASSETS	<u>114,040</u>	<u>112,410</u>
NON CURRENT ASSETS		
Fixed Assets		
Office Equipment - at Cost	4,713	4,713
Less Prov'n for Depreciation	<u>(1,799)</u>	<u>(1,068)</u>
	<u>2,914</u>	<u>3,645</u>
Total Fixed Assets	<u>2,914</u>	<u>3,645</u>
TOTAL NON CURRENT ASSETS	<u>2,914</u>	<u>3,645</u>
TOTAL ASSETS	<u>116,954</u>	<u>116,055</u>
LIABILITIES		
CURRENT LIABILITIES		
Net ATO Liability	4,479	-
TOTAL CURRENT LIABILITIES	<u>4,479</u>	<u>-</u>
TOTAL LIABILITIES	<u>4,479</u>	<u>-</u>
NET ASSETS	<u>112,475</u>	<u>116,055</u>

SOUTH EAST MELBOURNE MANUFACTURERS ALLIANCE INC
ABN: 17 646 819 672

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
3 Cash and Cash Equivalents		
NAB Cheque Account	36,907	18,648
NAB Business Cash Maximiser	77,133	91,104
	<u>114,040</u>	<u>109,752</u>
4 Trade and Other Receivables		
Current		
Net ATO Liability	-	2,658
	<u>-</u>	<u>2,658</u>
5 Property, Plant and Equipment		
Office Equipment - at Cost	4,713	4,713
Less Prov'n for Depreciation	(1,799)	(1,068)
	<u>2,914</u>	<u>3,645</u>
Total Plant and Equipment	<u>2,914</u>	<u>3,645</u>
Total Property, Plant and Equipment	<u>2,914</u>	<u>3,645</u>
6 Accounts Payable and Other Payables		
Current		
Net ATO Liability	4,479	-
	<u>4,479</u>	<u>-</u>
7 Retained Earnings		
Retained earnings at the beginning of the financial year	116,055	177,011
Net loss attributable to the association	(3,580)	(60,956)
Retained earnings at the end of the financial year	<u>112,475</u>	<u>116,055</u>

These notes should be read in conjunction with the attached compilation
report of MJC Partners Pty Ltd.

South East Melbourne Manufacturers Alliance Inc.
Statement of Cash Flow
As at 30 June 2016

<u>2015</u>		<u>2016</u>
	Cash Flows From Operating Activities	
467,932	Receipts from customers and government	265,623
(543,403)	Payments to Suppliers and employees	(262,384)
6,033	Interest Received	1,048
<u>(69,438)</u>	<i>Net Cash provided by (used in) operating activities</i>	<u>4,287</u>
	Cash Flows From Investing Activities	
-	Payments for Purchases of Plant and Equipment	-
-	Term Deposit	-
-	Proceeds from borrowings	-
<u>-</u>	<i>Net Cash Provided by Investing activities</i>	<u>-</u>
(69,438)	Net Increase (Decrease) in cash held	4,287
179,191	Cash at beginning of the year	109,753
<u>109,753</u>	<i>Cash at the end of the year</i>	<u>114,040</u>

Representing the broad spectrum of our diverse membership base and ensuring relevance to our purpose has been the objective of the past year.

The underlying message across the membership base has been that business conditions and in particular outlook sentiment has improved albeit tempered by the events shaping our political times across the world and domestically.

With our currency remaining at the mercy of central bank policies abroad, the rebound for many of us in trade-exposed industries has been aligned with the AUD devaluation. It has been bemusing to read of the rebound in mining again in the press. Which poses the question, is manufacturing the savor or a survivor of the economy?

Gaining traction with positive news stories about manufacturing beyond high tech applications, remains challenging, never mind that the majority of the jobs and prosperity lie with the more mundane yet 'higher wealth value' industries in our local economy.

Banging metal, packing food, making vehicles or my beloved plastic may not have the glamour or excitement per se, but these fields are the backbone of the employment for the region and what drives the skills and innovation to enable the high tech jewels to surface.

The SEMMA board has focused on how to engage with the government, research bodies, educators and the community to support the emergence of the region as Victoria's largest manufacturing base and the nation's premier manufacturing centre. The locally supported Smart Manufacturing '16 event, in conjunction with C4D and CGD, was one highlight of this direction, exposing the local businesses to beyond the South East and interacting with our 'future' stakeholders of the region including the young 'future' employees.

Aligned with the SE group of councils' initiatives, over the past year SEMMA has encouraged Kingston, Knox, Casey, Cardinia and Monash to join with Greater Dandenong in supporting SEMMA. Indeed the current composition of the board has drawn member appointment across this same regional spectrum and ensures our collective voice speaks for the issues of the region as a whole.

At a member services level a number of initiatives have commenced to maintain this momentum and ensure the leadership role taken by SEMMA to represent your interests and provide value to you is not only maintained but reinforced.

I'd like to thank the contribution of the board over the past 12 months and in particular our Vice President Greg Northrop, Sandra George as Company Secretary & Todd Hartley as Treasurer.

Adrian along with his team of Cathy & Elisha have executed the boards vision and I thank them for their efforts over the past 12 months.

To the Mayor of City of Greater Dandenong and CEO John Bennie I thank you for the on going support of SEMMA from its inception.

May the year ahead lead to prosperity for all members and manufacturing in the South East as whole.

Simon Whiteley
President
26 July, 2016

As reported last year the continual “Merry Go Round” of Governments and elections makes our life somewhat difficult.

We have continued to work with the Andrews Government to highlight the issues facing manufacturing in our region recognising that this region represents 50% of the Victorian Manufacturing Output. We are as we have demonstrated the “Manufacturing Zone” and we believe that this message is being heard. The numbers speak for themselves.

1. INFLUENCING GOVERNMENT

1.1 Local Content

The increase in the orders for Trains and Trams makes this issue even more important. The 50% local content must be achieved in the new contracts and we will be following as closely as possible to make sure this is achieved by all parties concerned.

The change to the VIPP rules are also positive although we need to ensure that all Government agencies sign up to the changes.

The current position of the Victorian Government needs to be replicated across Australia where decisions to offshore the same product are creating major issues for those State Governments. A “Collaborative” approach across the states to have only one specification and to look at the real cost of purchase would be welcome and SEMMA will continue to work towards this objective even if it may be somewhat long-term!

1.2 Infrastructure

SEMMA has been a key player in the infrastructure issues facing the area. We have continued discussions with local MP’s and councils and in the Smart Manufacturing 16 brief a number of projects were presented to the State Government. Most of the projects were investment ready and had been established with the collaboration of the local councils. In collaboration with C4D we will continue to push this agenda, whether it be for local roads, regional roads or train level crossings.

SEMMA has also made submissions through its Board members on the Port of Melbourne situation and the need for rail to the Port as well as a review of the high costs associated with PoM. It must regain a competitive position against the other major ports or it will continue to lose market share.

1.3 Automotive closures

SEMMA continues to play an active role in the State and Federal Government programs focused on employees and companies facing difficulties due to the closures that are almost upon us. There are a significant number of grants for both individuals and companies so if you are an affected supplier then we can probably point you in the right direction. Equally if you are a manufacturer wishing to grow their employment numbers then you also could be in line for some assistance.

1.4 CoINVEST

SEMMA is pleased that a recent unanimous decision handed down by the Victorian Court of Appeal in the case of Bayside Trades vs CoINVEST shows that the legal argument of CoINVEST has been completely fallacious. We were expecting CoINVEST to respect this decision and act accordingly but we understand they are attempting to change their rules. We, along with a number of other players, have written to them to reinforce our position that any changes they seek to get around this decision and allow them to continue to extend their coverage would be unacceptable to the industry. We will continue to pursue this issue.

1.5 Food and Fibre

SEMMA continues to be involved in this sector through both State and Local Government activities. We are collaborating with the State Government, the SMRDA, and also the regional councils on a number of Food manufacturing strategies and we appreciated the input from our 2 Board members who represent this sector. The State Government put out a Strategy plan for this activity at the beginning of the year.

1.6 Additional Holidays

SEMMA submitted a paper on the subject and the consensus of manufacturers remains against the additional holidays. The economic impact is too high to justify continuing with them.

1.7 Local Government

SEMMA has engaged with the regional local councils and has instituted a quarterly review with the BDM’s to encourage cooperation between us and mutual support for our manufacturing industries who know no boundaries. We are delighted that the Council of Knox is now a full member of SEMMA and we hope that Kingston will also join in the near future. SEMMA will continue to support the activities of the councils when related to manufacturing and employment.

1.8 Local Politicians

We continue to meet regularly with local politicians from both sides of the political spectrum to discuss manufacturing issues.

1.9 CSIRO, Swinburne, Chisholm and other R&D facilities

SEMMA has continued to engage with CSIRO and a number of events have been hosted by CSIRO, the last one being the LAB 22 visit. We have also participated in the Tasmanian presentations on the importance of collaboration with technology and industry partners. We encourage you to look at your **engagement** and how you can improve it. They are open for business.

Swinburne has hosted a number of SEMMA members at a number of events and the same message is relevant for Swinburne.....ENGAGE.

We were also lucky to have the Australian Synchrotron host an event showcasing their capabilities. All members were impressed by the facilities and more particularly by the low cost required to use their technology. Again.....ENGAGE

We have a number of activities underway with Chisholm and we will continue to pursue a close collaboration to offer the best possible solution for the next workforce.

Summary

This year has been one of collaboration and promoting the need for collaboration. The numbers do not lie. We perform very badly on the global indexes for B2B and B2R&D collaboration. It is the critical area where Australian manufacturing needs to improve.

We will continue to develop opportunities and solutions to improve this situation but it can only be achieved with your ENGAGEMENT.

2. MARKETING & PROMOTING REGION & CAPABILITY

2.1 Communication and Information

Unfortunately, our marketing manager Gaby Nime resigned at the end of last year having made significant improvements to our communication process. We launched a search for a replacement in the New Year. We had over 40 applicants (as many men as women) and 15 candidates went through a 1st interview, followed by a shortlist of 3. From that group Elisha Crewe was selected and came on board in April and has already begun to put her stamp on our communication approach. Elisha is proving to be an excellent recruit. We have issued our latest newsletter and changed our presentations to have more impact and present our membership in a more dynamic manner. We have continued to pursue an increase in our membership to have an even more important impact on the various Governments and other partners. We encourage you to invite your customers/suppliers/colleagues to join and help us in this endeavour. We hope you enjoy the latest edition of the SEMMA newsletter sent last week including all our SEMMA news, deals, event updates good news stories and successes from our members, thank you for all that contributed and shared these. We invite you to continue to share your good news and success stories with us.

2.2 Branding

As we continue to build our marketing efforts we will increase the focus on branding with the introduction of cost effective strategies. The aim is to raise the awareness of the SEMMA brand and map out growth into the wider community to strengthen SEMMA overall.

A couple of already completed activities are; incorporating member company logos to the bottom of presentation slides to show SEMMA support and who we represent. The ongoing plan is for these to be rotated over time in all SEMMA presentations. This has already generated interest in particular at SM16 & Bayswater Business Precinct events.

Email signature advertising, promoting what is up and coming with SEMMA is also a new addition.

Next up a new flyer will be created, watch this space!

2.3 Web development

We are working on continually improving our web content and performance. We hope that the site is engaging and that you can maximise the information available.

2.4 Victorian Hall of Fame Gala Dinner June 9th 2016

SEMMA was again a sponsor of the event which was a great tribute to the manufacturing capability and talent in Victoria.

A total of 12 SEMMA Members were finalists this year. Competition was even greater than in previous years and of the 12 finalists, 2 were winners – Morgan Technical Ceramics and Swinburne University.

There is no doubt that manufacturing in Victoria is alive, you only need to look at the history of the Victorian Manufacturing Hall of Fame winners to recognise that there is a lot of talent in the region. Not to mention the large number of businesses that have made it as finalists for the awards over the years, which is also worth celebrating.

The contingent of over 110 SEMMA members including their families and friends that attended the awards ceremony this year is evidence that manufacturers can be successful, and that the region is a great place to run a manufacturing business.

Our sincere thanks to those involved in the organisation of the evening and particularly to Alison O’Keefe and the staff at DEDJTR

2.5 Queens Hall and Smart Manufacturing 16

Many of you are aware of the 2 events which were organised and supported by C4D, SEMMA and CGD.

The Queens Hall event which, took place on the 22nd & 23rd March was the opportunity to present the Regional vision developed by C4D with the regional councils. The document (available at www.smartmanufacturing.com.au) included a number of projects in the “Manufacturing Zone” and the total value represented an investment requirement of \$1.2 Billion over the next few years.

SM16 was a MAJOR event for the region and SEMMA. For the first time the region’s Councils (Greater Dandenong, Kingston, Knox, Casey, Cardinia and Monash), educators and researchers joined local manufacturers and businesses to bring awareness to the ‘Manufacturing Zone’.

The success of Smart Manufacturing 16 ensures that the future and the region remain at the forefront, with the vision of the Manufacturing Zone becoming the magnet for investment into the Victorian economy.

Thank you to all SEMMA members who sponsored, participated, exhibited, presented and attended the event to help us represent manufacturing together.

3. MEMBER OPPORTUNITIES / COMMERCIAL BENEFIT

3.1 Membership

We have continued to focus on new ways of attracting members through a clarification of the “Why” of our existence and what we are offering our members. We continue to run at roughly 200 member companies and we are of the opinion that we need to significantly expand our membership to make us even more relevant as well as financially secure. The Board, together with the SEMMA team, will continue to focus on ways to better explain and present the value of the SEMMA offer to both existing and future members.

It is important that SEMMA is recognised as truly representative of the region and I think that this is now clear in our membership split between the different areas in our region, representing also diverse sectors within the manufacturing industry. We hope that the flyer and its communication to other possible members will also assist us in growing our representation.

As I have said before an organisation such as ours is only as good as its members. I can only encourage you to be as active as possible and to encourage your colleagues in other companies to talk to us about membership of SEMMA. We need to be able to count on you to inform us of the issues you are facing and possible solutions you could envisage. I am always ready to meet with any company looking to extend its network. As the future of Manufacturing project is showing collaboration amongst our members this will not only increase the local pie but improve our capabilities. Between our companies we have an incredibly diverse range of capabilities and technologies that could only benefit from more collaboration.

As part of this effort we are reaching out to the other councils in the region to participate more in their activities, as many of our members come from those areas.

Thank you, for your continued commitment to manufacturing in the South & East ‘Manufacturing Zone’!

Without your membership, SEMMA would not be able to continue to support the manufacturing industry.

We look forward to your renewed membership for the coming year and seeing you all at many more AGM events to come.

3.2 Electricity Deal

This opportunity continues to offer significant value to member companies Those currently within the 3 year agreement have been protected against the rises that have been imposed in 2016. We believe that when the deal comes up for renewal again in 2017 we will still be able to offer significant benefit to the participating members. As an example one of our members who has been in the SEMMA deal for 5 years has saved over \$40,000.00 over that time. If you’re not already part of the deal, please send in your latest Electricity Account for assessment of savings.

Our thanks to Stephen Martin for his efforts in this area.

3.3 1st Contact Foreign Exchange

1st Contact has partnered with SEMMA to assist manufacturers and importers with their foreign exchange requirements.

We know how frustrating it can be when you have to deal with banks to send or receive money from overseas. That’s why 1st Contact ensure their money transfer services are faster and more cost-effective than those offered by banks. They offer the best exchange rates while also reducing the risks associated with currency fluctuations.

You can use the 1st Contact [currency calculator](#) on the SEMMA homepage to get an idea on the excellent rates and low fees we offer our clients.

SEMMA Members receive preferential rates when transferring money overseas with 1st Contact. In addition to this, your transfers will be free of charge.

This deal is available to SEMMA Members only.

If you would like to discuss the importance of foreign exchange to your business and why using an independent provider such as 1st Contact can save you money, please to go the SEMMA website (www.semma.com.au) for contact information.

3.4 Waste

SEMMA Member **WasteSense** has put together a special deal for SEMMA Members.

Waste costs are on the rise again by as much as 30% from July 1. In order to beat the incurring extra cost **WasteSense** will come out to you and complete a free site audit that includes a cost comparison and collection alternatives that may see savings of thousands of dollars off your monthly waste bills. Already a number of SEMMA members have received substantial savings by engaging WasteSense as their waste and recycling partner. Savings have ranged from \$1,500 to one SEMMA Member who will save up to \$30K pa by engaging WasteSense!

This deal is available to SEMMA Members only.

To find out how you can save on your waste & recycling collection services and qualify for the free cardboard service please to go the SEMMA website (www.semma.com.au) for contact information.

3.5 University of Melbourne – Careers Online

Are you struggling to find the right kind of candidates for your vacancies? Did you know that The University of Melbourne has a free job database that all SEMMA members can advertise opportunities on for free? This job database is called Careers Online, and it is frequented by over 10,000 students a month looking to secure casual, part-time and full-time employment. These students come from all disciplines across the university.

Whether you are looking to recruit someone for casual employment or your organisation is looking to employ a recent graduate to your team, Careers Online is a great place to start the talent search.

For more information and to post your job advertisements online, please visit the University of Melbourne, Melbourne Careers [website](#).

If you would like to discuss this, or any other opportunities to connect with students and graduates from the University of Melbourne, please contact Prudence Brew at careers-services@unimelb.edu.au

3.6 JB Hi-Fi

The link to JB Hi-Fi is active and currently over 50 companies are registered. We would remind you that the offer extends not only to your company but also to your employees.

3.7 Government Procurement

SEMMA has engaged with all the suppliers involved in the new Train contract to make sure that all of our members are aware of the opportunity and that both meet the 50% target. Bombardier obviously remains the SEMMA preferred supplier as they have a major contribution to the region and beyond.

3.8 Future Of Manufacturing

Having completed most of the work with the second group of companies we are now finalising next steps for what we are calling phase 3. This will be detailed over the coming weeks.

We are also looking, with our partners, at where the next funding for the FOM project will come from.

3.9 GENERAL

We are actively working to develop further sponsorship agreements to support SEMMA’s activities and to enable us to further develop the offer to our members. Any proposals are more than welcome.

We would like to thank NISSAN Motorsport for hosting our Xmas cocktail function last December, at their facility. 170 people attended and it was certainly very successful albeit a little hot!! Thanks to Bombardier for being the Major sponsor for tonight and to Ashfords for their event sponsorship, both for tonight’s AGM and for the Xmas Cocktail event being held later this year. Lastly, thanks also to Hilton Digital for the use of their enormous iphone screen on display tonight.

General Comments

I won’t repeat my comments of last year but they are in the report.

“Just over 2 years in the role and what an experience! Having come from a manufacturing background it has certainly been a significant change to adapt to the political realities in Australia. The lack of bi partisan agreement on issues that are fundamental to the growth of our country are now a significant brake on the manufacturing landscape. As I have said before there is no major OECD nation that does not have a significant and developing manufacturing sector. The reliance on a single sector for exports and the belief that it will “always be there” could not be more mistaken as we are now seeing. We must begin to think more broadly and look at where our skill sets and capabilities can grow. We can do it but the will has to be there.”

There is a lot of talk about “Innovation” new jobs in the economy but very little definition of what those jobs actually are. The focus on the “Future Jobs”, “Advanced Manufacturing” etc seems to ignore the reality that manufacturers have been innovating for years. Some may argue on the pace but innovation is there. What must not be ignored is the fact that these jobs should be seen as additional to the current workforce and not as replacements for existing industries or.... There is no growth.

So to ignore the present is to put at peril the future.

Nonetheless, manufacturers must learn from Best Practice and that is not always found in Australia. Look around you, outside of your comfort zones and see what is available out there. AND COLLABORATE!!

I would like to express my sincere gratitude to the outgoing Executive Committee made up of our President Simon Whiteley, our VP Greg Northrop, Treasurer Todd Hartley and, of course, our Secretary Sandra George. Their commitment and participation has been critical and while much of it is behind the scenes it has a significant impact on our ability to function within the SEMMA vision.

Thanks to Gaby Nime and to her successor Elisha Crewe for the improvement in our communications and on building a sponsorship base that enables us to do more. Membership remains the priority and I am sure Elisha will smash all records!!

I would also like to thank CGD and John Bennie in particular who is an extremely positive supporter of SEMMA and its activities. Paul Kearsley, who is active on our Board, has been instrumental in the success of the SmartManufacturing16 event and a significant contributor to SEMMA. I am sure our new partners in Knox and hopefully Kingston will be as beneficial to our members as has CGD.

And last but not least Cathy. Many of you know Cathy and I know all of you appreciate her good humour, willingness to help and her long term commitment to Manufacturing. I can only say that without Cathy and her collaboration, her willingness to go the extra mile and her sense of humour my life would be so much more difficult. So Cathy, a heartfelt thank you from me and, I am sure, all of our members and partners.

I hope that you, the members, will continue to support SEMMA and myself as well as you have supported us in the past. Good luck to all of you in 2016-2017.

Adrian Boden
SEMMA Executive Officer
26th July 2016.