

OPENING DOORS TO
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Minister's Message

A strong export culture is central for growth in today's globalised world. Selling into international markets both brings home export dollars and sharpens the competitiveness of companies and economies, connecting them to world's best practice and boosting technology transfer, skills development and overall productivity.

Victoria has done very well as an export-focussed economy in recent years. Take for example, the Victoria of 20 years ago and the Victoria of today. Twenty years ago we exported mainly unprocessed commodities to a few traditional markets. Today we export elaborately transformed manufactures across the globe. We sell cars to South Africa, food, wine and fashion to Europe, health services to the Middle East, aerospace components to the US and air traffic control systems and design services to China.

It has been a remarkable transformation, but now we need to make an equally big step to ensure that we can enjoy the same level of growth over the next 20 years.

The higher Australian dollar, the drought and the uncertain international environment pose real challenges for Victorian exporters. We need to focus on our key strengths in the services sector, value added manufacturing and agriculture.

So the Bracks Government is determined to build a new export culture in Victoria, focused on matching our strengths with emerging market opportunities to ensure continuing job growth and prosperity for the long term.

We have already committed \$80 million over the next three years to growing exports, in areas such as education, tourism, manufacturing and food. We have already made export gains over recent years with exports of goods reaching \$18.9 billion in 2002-03 - a rise of 15% from 1998-99; and services exports rising 21% over the same period.

Now we are building on that success and have set ambitious new goals of \$30 billion in exports and doubling the number of Victorian companies involved in export activity by 2010.

To achieve these goals, we have developed the *Opening Doors To Export Plan*, which refocusses the Government's existing programs and commits an additional \$11 million to help Victorian companies export more and to help more Victorian companies become exporters.

The plan is based around four key strategies: Opening doors to knowledge; Opening doors to continuing success; Opening doors to new markets; and Opening doors to better service.



Backing these strategies are new initiatives such as a dedicated Export Unit and Trade Commissioners, initially appointed for North Asia, the Middle East and India where we see real opportunities for export growth and where high-profile Government support lends considerable weight to export business negotiations.

I believe *Opening Doors* will open up many new opportunities for Victorian exporters and I strongly encourage you in building the export-focussed internationally competitive economy that will create more jobs and wealth for Victoria.



Tim Holding MP
Minister for Manufacturing
and Export

Opening doors to the world

In the future, Victoria's economic prosperity will depend largely on its exporters achieving success in the international marketplace. With growth in global trade continuing, it is important for Victorian companies to realise the export opportunity.

In the last decade, the value of Victoria's exports has grown strongly by 6% per annum. Value added exports such as elaborately transformed manufactures, food processing and services have performed particularly well, growing by an average of 9%, 8% and 7% per annum respectively. However, a worsening global economy, drought and the rising Australian dollar have seen exports fall away recently – international sales of Victorian manufactured goods fell by 15% last financial year.

Despite such export challenges, the potential of global reach is still there to be tapped. The Victorian Government works closely with the Federal Government, local governments, industry associations and chambers of commerce to provide targeted support to Victorian companies aimed at overcoming international trade barriers and promoting export growth.

And with the introduction of the Victorian Government's new *Opening Doors To Export Plan*, the focus on exporting will be stronger still.

Opening Doors demonstrates a strengthening of the Victorian Government's resolve to help

Victorian businesses expand and succeed internationally. It builds on our existing export service delivery, introduces several new export initiatives and, importantly, provides better access for every business by bringing all export programs under the one banner.

Opening Doors will assist businesses to better access the export services provided by government and private sector organisations.

Opening Doors aims to respond to feedback from industry and research, which shows that while many companies are well suited to exporting, there remains a general lack of awareness of exporting processes, potential and benefits. An Austrade report in 2001 (*Knowing and Growing the Exporter Community*) showed only 4% of Australian businesses exported and only 2% of non-exporters intended to.

The Victorian Government has established a State export target of \$30 billion by 2010 and is looking to double the number of Victorian companies involved in export activity over the same period.

In developing the potential for export success through the *Opening Doors To Export Plan*, the Government aims to:

- Increase awareness of current export assistance programs
- Make access to export programs and information easier
- Help businesses better understand the export process

- Introduce new initiatives to encourage export start-up and expansion while also strengthening existing programs
- Encourage industry co-operation, feedback and discussion through networking
- Target new and emerging export markets with particular focus on North Asia, India and the Middle East
- Improve overall service to Victorian export businesses.

To achieve this, the Victorian Government has developed four core strategies, around which programs revolve, to:

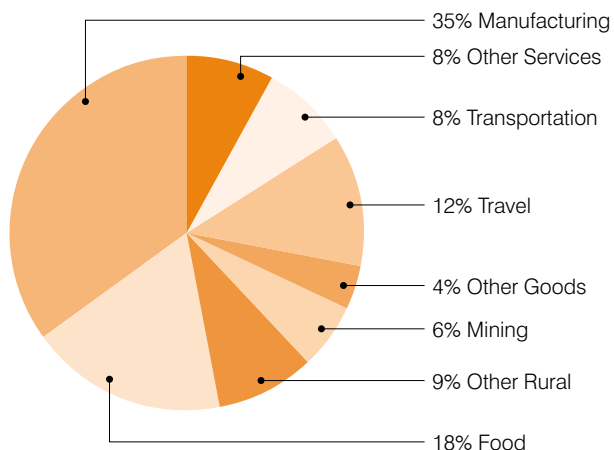
- **Assist** firms in gaining awareness and knowledge of exporting through focused communication
- **Support** firms in sustaining and growing their export efforts
- **Promote** Victorian industry capabilities to international target markets
- **Coordinate and build** Government export service capacities to ensure firms have access to world class export assistance.

Ultimately, the result will be growth in business through increased international sales, an enhancement of the export culture across the State and an overall strengthening of the Victorian economy.

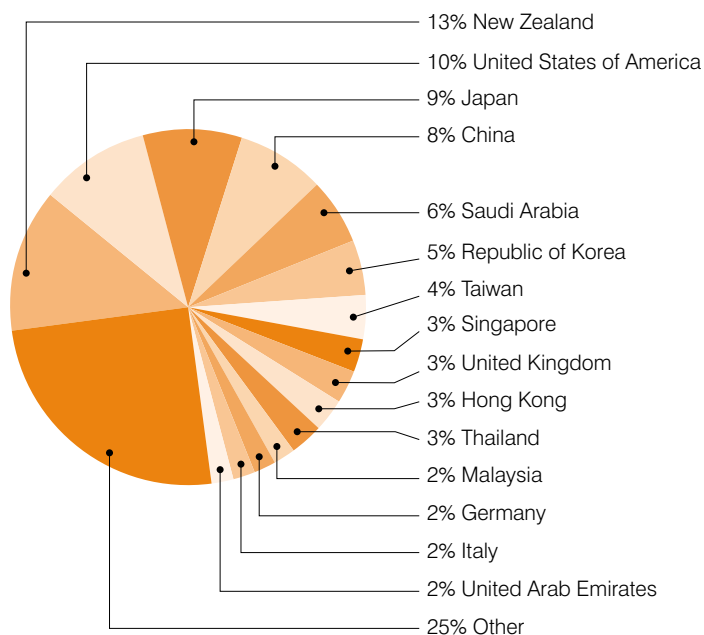
Melbourne has the largest 24/7 curfew free airport in Australia, with 248,000 tonnes of freight passing through in 2003



Victorian Exports by Sector 2002-03
Total = \$26.2 billion

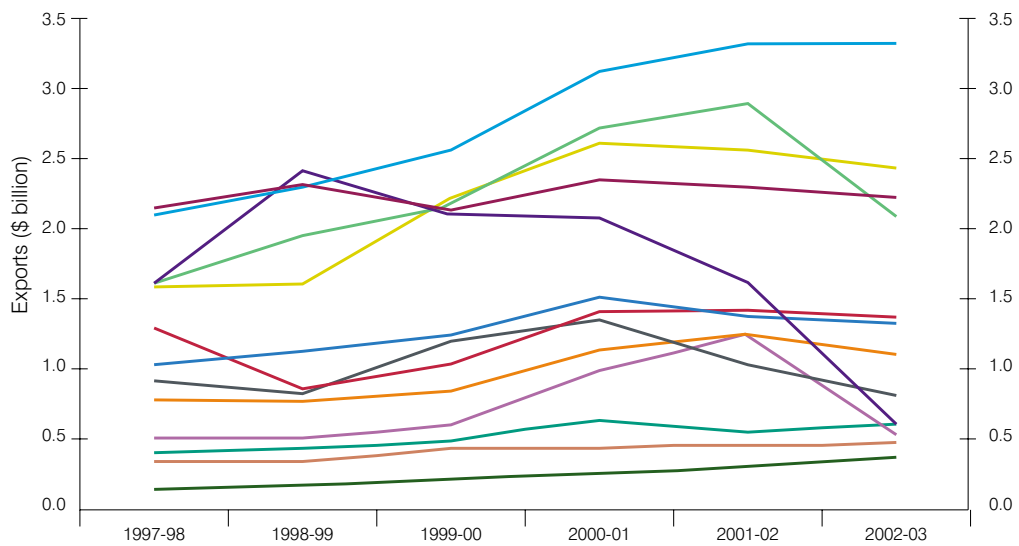


Destination of Victorian Goods Exports 2002-03
Total = \$18.9 billion





Victoria's Leading Exports by Sector 1998-99 to 2002-03



- Travel (business, personal and education related)
- Automotive
- Transportation
- Dairy
- Wool
- Aluminium
- Meat
- Petroleum products
- Gold
- Medicaments and Pharmaceuticals
- Cereals
- Financial Services
- Alcoholic Beverages



Opening doors to knowledge

Strategy: Assist firms to gain awareness and knowledge of exporting practices and support through focused communication

The *Opening Doors To Export Plan* recognises that export assistance services available to Victorian industry are under-utilised primarily because businesses are not aware they exist or are confused by the number of programs being offered through multiple avenues. The Federal Government, industry associations, employer groups, local governments and the Victorian Government all provide information and training programs that aim to increase firms' awareness and knowledge of exporting. Which program is right for you? What are the differences? Who operates the various programs? How do you sign up?

Opening Doors coordinates Victorian Government export programs and initiatives, refocusing and simplifying export services for all businesses, including information relating to non-government assistance. It will clarify what new and existing programs are for and how each one can best work for business.

Getting in the know...

Opening Doors introduces a range of initiatives to assist firms to find out more about exporting.

Networking and the co-ordination of company efforts are crucial to the understanding and success of export initiatives. The *Opening Doors To Export Plan* will encourage the growth of industry specific or region specific **Export Networks** across the State with up to \$10,000 in funding available for eligible Networks to run information and training programs. Building on existing business networks, Export Networks will encourage the exchange of knowledge, experience and ideas.

The award-winning **VicExport Website** (www.export.vic.gov.au) will be improved and expanded to include more information, particularly for services exporters. Marketing of the website's role as a primary source of export information and training advice will be increased.

A component of the Government's *Agenda for New Manufacturing*, the popular **Export Communication Network (ECN)** will be expanded and its invaluable resource of tailored online export information developed and improved to cover all industries.

An **Export Forum** made up of high achieving exporters will be established to advise the Government on export issues, guide the *Opening Doors To Export Plan* and champion export initiatives within the business community. It will act as a key conduit between Government, export organisations, including Austrade, and businesses, ensuring the needs of exporters are recognised and met.

Marketing efforts and events such as the *Governor of Victoria Export Awards* will continue to champion our most innovative and successful exporters.

The existing **Grow Your Business** program can also be accessed through *Opening Doors*, which will help individual firms or groups of firms prepare for export. Funding is used to employ a consultant to help a firm evaluate its current position and to develop an export-focused business plan.

Opening doors to continuing success

Strategy: Support firms in sustaining and growing their export efforts

The export journey is a long one that requires serious commitment by both exporters and the State Government with advice, resources and support required at all stages of the process.

Discussions with industry highlighted that there is an increasing need for programs targeting the maintenance and growth of current export efforts. As a result, the *Opening Doors To Export Plan* includes a major push toward helping increase the export momentum of firms already committed to the international marketplace.

Getting started....

Set to receive a significant boost is the **First Step Exporter** program. Originally offering financial support to manufacturing firms through the *Agenda for New Manufacturing*, it will now supply 50% subsidy funding of up to \$10,000 to firms across all industry sectors for expenditures relating to the research of new offshore market opportunities.

First Step complements the Federal Government's Australian Trade Commission (Austrade) Export Market Development Grant (EMDG) program by assisting export-ready small and medium sized firms looking to enter the international market for the first time. The program is particularly valuable to firms wanting to explore opportunities in New Zealand, which is excluded from EMDG, and service firms, which are often unable to meet the EMDG expenditure threshold.

Keeping the ball rolling...

A new program, **Next Step Exporter**, will provide funding for existing exporters which can be used for a range of purposes to suit the needs of firms. A highlight is the new initiative offering **access to ongoing expert advice** supplied by experienced export advisers. The export adviser will assist up to ten firms at any one time over a period of twelve months. The type of assistance given is flexible according to the needs and stage of advancement of the exporter participants. The Victorian Government will provide 50% towards the cost of employing an adviser and the program will be delivered through an auspice body, such as an industry association.

Next Step Exporter will also encourage cooperative groups of firms in similar sectors or locations to join forces in collaborative offshore projects to maximise market impact. The program is targeted at emerging exporters seeking to substantially increase the value of export sales over the long term. Groups of firms are eligible for up to \$100,000 a year for three years. Funding assistance can also be used to develop joint export marketing initiatives.

Firms attending Victorian Government sponsored trade fairs and missions have achieved substantial export success, with participants in the 2002-03 **Trade Fairs and Missions Program**

EXPORT FACT

ICT - Annual exports of \$475 million



EXPORT FACT

Securrency is based in Melbourne and their polymer bank notes are exported to countries such as Romania

estimating that their annual exports will grow in excess of \$200 million per annum. Access to these events for export-ready businesses will be easier under the *Opening Doors To Export Plan* with the streamlining of existing initiatives into a single

Trade Fairs and Missions

Program. The program will adopt a long-term, strategic focus and will enable better promotion of Victoria's industries to target markets.

The program will also oversee funding of up to \$200,000 for a consortium of complementary companies to help fund a concerted overseas marketing mission. This provides a high profile opportunity for small and medium firms to present to major markets as part of an overall Victorian industry capability.

The *Opening Doors To Export Plan* also provides additional funding for **pre-departure briefings** and **follow-up assistance** for firms attending trade fairs and missions with a view to maximising benefits and outcomes.

On the back of a commissioned report, *Finance for Growth*, which evaluated financing options and issues, the Victorian Government has developed the **Balance Sheet Ready** program to **increase awareness of finance** options and improve communications between the finance sector and small and medium sized businesses looking to grow their exports. Balance Sheet Ready will involve a series of hands-on workshops and seminars for companies that are seeking more innovative finance options linked to their export orders.

In 2003, the Victorian Government organised a Rail Industry Strategy Mission to Europe and China. The companies involved have already achieved actual orders of over \$9.5 million and are currently finalising orders of \$13.5 million - a substantial return on the \$200,000 cost of the Mission. One of the companies, Innovonics, has signed several new orders, including one from Bombardier UK to supply Closed Circuit Television data systems for the London Underground, a contract worth \$3 million. According to Innovonics, "without the Mission, we would not have achieved these results".

Case study

Willow Lingerie

St Kilda based Willow Lingerie significantly increased its export sales to the UK following a business trip funded with the help of First Step Exporter. Willow is a small design company which manufactures women's fashion and lingerie in Melbourne. Despite only trading for two years, Willow has secured orders to supply international retailers in Australia, England, United States and the Middle East. The company used the First Step Exporter grant to assist with funding showcases in England and France, which led to orders from major retailers including Feathers, Fenwick, Selfridges and Brown. Today, exports represent over 50% of Willow Lingerie's total sales, proving that 'born globals' don't have to be big to be successful.

Willow Lingerie has also now joined the Export Communication Network enabling them to receive the latest customised information on export opportunities.

Opening doors to export for Victorian business

Thinking of exporting?

Visit www.export.vic.gov.au to find out how we can help you get export ready

Join your local Export Network to share your experiences with other firms and learn more about exporting

Register with the Export Communication Network and receive via e-mail the most up to date news about exporting and export events

Call the Victorian Government Business Line on 13 22 15

Got a plan?

Access funding to take the First Step and research export opportunities for your business

Develop an export plan with assistance from an experienced consultant who wants to help you Grow Your Business

Meet your Victorian Government Client Manager who can provide sector specific information, advice and introduce you to key export contacts including Austrade

EXPORT FACT

Victorian foods are exported to over 100 countries

Testing the market?

Promote your business overseas at a Victorian Government stand of a sponsored Trade Fair

Join a Victorian Government sponsored Trade Mission and meet key contacts overseas

Take the First Step overseas yourself. Access funding to arrange a promotional visit to your market of choice

Expanding your exports?

Engage an export adviser to help you take the Next Step in terms of export performance

Use the desk facilities in our international offices to better Access America or Access China

Nominate for a Governor of Victoria Export Award and achieve recognition by your peers for your export efforts

Take the Next Step and develop and implement a marketing plan with a group of companies with similar export interests

Talk to an export specialist in our Dubai Office about opportunities for export growth in the Middle East

The Victorian Government also actively promotes the capabilities of Victoria's industries internationally. Contact us to find out more about our promotional campaigns and specialised assistance relating to manufacturing, services, tourism, food, agriculture, information and communication technologies, education and biotechnology.

To contact any of the programs or representatives listed above, call 13 22 15 or visit www.vic.export.vic.gov.au

Opening doors to new markets

Strategy: Promote Victorian industry capabilities to international target markets

It's no good offering world-class products and services if no one knows about them. Victorian exporters need to be highly visible on the world stage to achieve exporting success.

Opening Doors will make the international marketing process easier by helping promote the unique strengths of Victorian firms, re-focusing existing business resources and expanding already successful export support programs.

Efforts will concentrate on several key markets and industry sectors, which have been identified by both government and industry as primary targets for export growth. The overseas success of the biotechnology, tourism, food and agriculture, education and information and communication technology sectors will be further leveraged with promotional programs centred on the emerging markets in North Asia, India and the Middle East.

Grabbing the spotlight...

Already assisting Victorian-based businesses overseas are Victorian Government Business Offices (VGBO) located in eight target markets. These offices focus on attracting investment to the State and, to varying degrees, providing in-market assistance to Victorian firms.

Led by the *Opening Doors To Export Plan*, the VGBOs will be provided with additional resources and take on a more focused approach to assist Victorian exporters to access international markets.

Integral to the VGBOs' commitment will be the extension of **Access America**, a San Francisco-based program that offers short-term office facilities and local market research assistance to Victorian companies wanting to explore overseas business opportunities in the United States of America.

A component of the *Opening Doors To Export Plan* will be the appointment of **Victorian Trade Commissioners** in key markets. Commissioners will initially be appointed in North Asia, the Middle East and India where a Government profile lends considerable weight to export business negotiations. Commissioners will work in cooperation with the VGBOs assisting firms to overcome language and cultural and other barriers encountered when operating in these countries.

Under the *Opening Doors To Export Plan*, the State Government also plans to increase support for **showcasing Victorian export capabilities** at national and international expositions and events such as the *Aichi 2005 World Expo*, *Bio 21* and the *Australian Tourism Exchange*. At the Aichi 2005 World Expo, the Government is providing \$5 million to ensure maximum exposure for Victorian industry. The Expo will feature a key Victorian industry sector each month over six months including biotechnology, information and communication technology, food/wine and agribusiness, energy, automotive products and services, and environmental technology.

To help increase inward investment in export activities, the Victorian Government is launching **Invest Victoria**, an agency that focuses on increasing investment in export-driven companies. A key initiative of the Government's *Jobs for Tomorrow* policy, Invest Victoria draws together existing investment attraction activities in order to build a coordinated approach to developing high-level government contact and referral services.

Emerging Markets

The Victorian Government will take on a greater role in promoting exports in three regions that offer opportunity for growth: North Asia (especially China, South Korea, and Japan), India and the Middle East.



North Asia

As the highest export growth market for Victoria, North Asia will be a primary target for the *Opening Doors To Export Plan*. China recently joined the WTO and is liberalising its economy, opening up significant opportunities for Australian exporters.

Today, China is the world's fastest growing large economy. Real GDP has grown at more than 7% per annum for the past five years and is forecast to grow by about 7% per year for the next decade. China (including Hong Kong) is Victoria's largest export market and 2nd largest import market. Major Victorian exports to China include wool, aluminium, hides and skins, dairy, photographic and cinematic supplies, metal and leather.

VGBO offices in the Chinese cities of Nanjing and Hong Kong will be provided with additional resources to enable Victorian firms to take advantage of China joining the WTO, its burgeoning economy and increased trade access allowed by its increasingly business-friendly government.

Building on the success of the San Francisco-based model of *Access America*, which is estimated to have generated an additional \$60 million in Victorian exports in 2003, *Access China* will be introduced into the Nanjing and Hong Kong VGBOs. Businesses setting up operations in China will benefit from access to

resources and market advice offered by on-site experts plus a *Victorian Trade Commissioner* for North Asia, making it easier to gain effective market entry.

In addition, there will be a focus on trade fairs and missions in the China region, including to Beijing, where significant opportunities present themselves with the upcoming 2008 Olympics. An automotive mission of twelve major component manufacturers, tool makers and automotive material suppliers from Victoria will soon be in China touring major car manufacturers. The aim is to promote Victoria's automotive industry capability across design, engineering and automotive manufacturing and to establish greater exports, joint ventures and collaborative business arrangements.

Case study Timber exports to China

China's strong economy and soaring rate of construction is increasing the demand for timber. Estimates suggest that China will remain dependent on imported timber for the next 30-50 years. Victorian hardwoods are well positioned to fill the requirements.

In 2002, the Victorian Government assisted seven hardwood sawmillers to attend *Woodmac China* and *Furniwood China*, prominent tradeshows for furnishing accessories, materials, wood products and woodworking machinery in Beijing. Over 110 contacts were made during the tradeshows, resulting in around \$7 million in additional exports.

The *Furniture China* tradeshow in Shanghai this September will provide a further opportunity to showcase the sustainability, availability and cost effectiveness of Victorian hardwoods.

NORTH ASIA

- **Victorian Government Business Offices in Nanjing and Hong Kong**
- **Access China Program**
- **Victorian Trade Commissioner for North Asia**
- **State Government Sponsored Trade Missions**

Professional and Technical Services Export Network	China and Indonesia
Financial Services Mission	China
Asia Baking and Confectionary Trade Mission	China
Australia-China Business Council Mission	China
Federation of HK Business Associations World Wide	China
Industry Capability Mission (ICM) Electronics	Taiwan and South Korea

- **Trade Fair Participation Sponsored by the Victorian Government**

11th World Congress and Exhibition on Intelligent Transport Systems and Services	Japan
Music China	China
Food and Hotel Korea 2005	South Korea

The Port of Melbourne is Australia's largest container port, annually moving goods worth nearly \$70 billion and, in 2002–03 handled a record 54.6 million tonnes of freight



Case study

Premium Food Network

In 2002 the Victorian Government established a Premium Food Network with the express purpose of developing a market entry strategy for food into southern India. A diverse range of major to medium sized Victorian food companies who produce products such as cereals, confectionary, biscuits, processed fruit, olives, beverages and dairy products were targeted to join the network.

The Premium Food Network has undertaken work in three distinct phases - a feasibility study to look at the size, potential and opportunities in southern India, a business plan and a trade mission to India. In February 2003, fourteen companies participated in the trade mission, which included food promotions in Q Mart Supermarket, Hyderabad and Foodworld Supermarkets and meetings with transport and distribution providers, manufacturers, advertising agencies and market research/intelligence companies.

As a result of work undertaken to date the Premium Food Network has identified two potential joint venture partners to assist with distribution of products in southern India and formed a limited liability company to consolidate products for export.

India

India is the largest democracy in the world and the second most populous country, with 35% of Indians aged under 15. Recent economic reforms have made it one of the world's fastest growing economies with an annual GDP growth of approximately 6% since 1991. Key sectors include information technology (especially software development and services), farming/agriculture and manufacturing (including chemicals and pharmaceuticals) and a diverse range of general services (including entertainment and business processes). The information technology, telecommunications and finance sectors have grown particularly strongly in recent years.

Key Victorian exports include raw materials, food products and smaller advanced manufactures. Opportunities for trade and collaboration exist in many sectors, particularly manufacturing (automotive, tooling, precision equipment), biotechnology, biomedical and IT and R&D.

As India emerges as a significant trading partner, the Victorian Government is determined to ensure that Victorian companies are able to maximise the opportunities offered by this market. To capitalise on growth opportunities in India, further consideration of running an Access program will be given as the Access China program develops over time. In addition, a *Trade Commissioner* will be appointed to represent the Victorian Government and business in an official in-market capacity, particularly during trade fairs and missions and industry capability missions. The Commissioner will also provide country specific advice and training to Victorian firms preparing to do business in India and will represent the Victorian Government during inward buyers' visits and at high-level bilateral functions in Victoria.

INDIA

- Trade Commissioner for India
- State Government Sponsored Trade Missions

India Food Mission

Big Five Show (Building Products)



"We think the potential opportunity that exists in the Gulf is unparalleled anywhere else in the world and managed carefully, we see the potential for our operation there, over the next ten years to rival the size of our operation we currently have in Australia. We will start conservatively but our expectations on potential are enormous."

Daniel Grollo
 Joint Managing Director, **Grocon**

The Middle East

Population growth in the Middle East is increasing rapidly, by up to 3% per annum. The region's ambitious private and public sector developments offer major opportunities for suppliers of building related products, service technologies and expertise.

Dubai is a commercial hub and a rapidly expanding city. It has quickly become one of the world's most advanced economies and a premier international business centre. In the region there is particularly strong growth in the public sector, including the commissioning of hospitals, mosques, fire stations, new townships, education facilities, airports, sea terminals, parks and highways and a host of infrastructure development projects. Added to this are private sector developments including hotels, leisure and commercial developments, shopping malls, apartment blocks, condominiums and office buildings.

The VGBO in Dubai already has an exclusive export focus, assisting Victorian companies entering Middle Eastern markets by providing market research, appointment programs, market briefings and help with trade displays and missions.

A *Trade Commissioner* will be appointed to represent the Victorian Government and business and also provide country specific advice and training to Victorian firms preparing to do business in the Middle East.

The Victorian Government will also be sending a number of trade missions to the Middle East. In late 2003, a mission of 30 building and construction, architecture, engineering and events companies visited six Middle Eastern countries over a three-week period. Companies participated in the 'Big Five Show', the major networking forum for the building and construction industry in the Gulf Region.

The mission took place during an extremely buoyant time for UAE's construction industry with all participant companies reporting solid business leads including two large contract wins. Participating company, Tessac Pty Ltd, was particularly impressed by the mission's outcome: "Our company had not previously been exposed to any kind of Government support so it was great to see how much assistance is available to businesses that plan to develop overseas markets. The support shown by the Victorian Government and the Master Builders' Association was first class at all times and we look forward to utilising the Mission Program again".

Case study **Kingfisher International**

Winner of a Governor of Victoria Export Award, optic fibre test equipment manufacturer Kingfisher International now exports 90% of its products and services to overseas markets including the USA, Europe, Africa, India and Asia.

In 2000, the company made a decision to expand and export further, a decision that has seen it grow to include manufacturing, warehousing, laboratory, R&D and service centres backed by administration and accounting departments. A founding member of the Victorian Photonics Network, Kingfisher has been supported through Multimedia Victoria's Trade Fairs and Missions program, an initiative which helped Kingfisher access the burgeoning market in India, now a prime focus of Kingfisher's expanding export activities.

MIDDLE EAST

- Victorian Government Business Office in Dubai
- Trade Commissioner for the Middle East
- Trade Fair Participation Sponsored by the Victorian Government
 - Motexha Spring (TCF)
 - Big Five Show (Building Products)
 - Arab Health 2005
 - IDEX
 - Gulf Food
 - Gulf Education and Training 2005
 - The Hotel Show

- ★ Victorian Government Business Offices (VGBOs)
- Tourism Victoria Offices
- ▲ Department of Primary Industry Offices



Case study

Promotion of Victorian education services in the Middle East

As economic restructuring in the Middle East leads to rapid growth in demand for education services, the Victorian Government is targeting the region for Victorian export by promoting the State's educational capabilities. The Premier and the Minister for Education and Training recently visited the region, meeting the Education and Health Business Development Manager, who is based in the Dubai Business Office. The office is jointly funded by the Victorian Government and Victorian education providers and agencies. The Manager assists Victorian businesses in identifying opportunities for, and promoting the capability of, Victorian education providers across the region.

One example of Victorian education providers exporting to the Middle East is the Hawthorn-Muscat English Language Centre in Oman. The Centre, managed by *Melbourne University Private*, provides a range of general and academic English programs, specialising in preparing Middle Eastern students for further study.

Case study

Australian Hospital Design Group

The Australian Hospital Design Group (AHDG) is a Melbourne-based consortium comprising architects, health planners, healthcare cost consultants, structural, civil and building services engineers. It has been successful in winning bids for hospital construction projects in the UAE, Bahrain and neighbouring countries since October 2000, following a Government-sponsored mission to identify specific hospital construction opportunities and explore export prospects for Australian healthcare products and services.

Subsequent Victorian Government-sponsored participation in the UAE 'Arab Health' Conference and Exhibition in 2002, 2003 and 2004 has linked the promotion of healthcare products/services exporters, and institutions involved in the education of healthcare personnel, with hospital design overseas - enabling Victoria's healthcare export sector to become increasingly successful against competitors from the UK, USA, Japan and European countries.

The Middle East

- Private and public sector developments present major opportunities for suppliers of building related products, service technologies and expertise
- VGBO in Dubai has exclusive export focus
- Victorian Trade Commissioner to be appointed
- Dubai is a commercial hub for more than one billion people
- Building on strong history of trade missions to the Middle East

North America

- Access America, a San Francisco-based program that offers short-term office facilities
- Key market for services exports
- Improved trade ties between the USA and Australia will only provide benefits to those states that actively pursue them

China and North Asia

- Highest export growth market for Victoria
- Member of WTO, significant opportunities for Victorian exporters
- Fastest growing large economy, real GDP has growth of more than 7%
- VGBO offices in Nanjing and Hong Kong
- Access China to be introduced into the Nanjing and Hong Kong VGBOs
- Victorian Trade Commissioner for North Asia to be appointed
- Major continuing focus of trade fairs and missions on the North Asia region eg. 2008 Olympics, automotive mission



India

- 1 billion people, 35% of Indians aged under 15
- Emerging middle class market
- One of the fastest growing economies, annual GDP growth of approx 6%
- Opportunities for manufacturing, biotechnology, biomedical, IT and R&D
- Victorian Government Trade Commissioner to be appointed
- Targeted trade missions

Victoria

Trade Fairs

- 11th World Congress and Exhibition on Intelligent Transport Systems and Services **Japan** • Music China **China** • Food and Hotel Korea 2005 **South Korea** • Malbex 2004 **Malaysia** • Metalex 2004-07 **Thailand** • Building and Construction **Vietnam** • OESA 2004 -07 **Singapore** • Motexha Spring (TCF) **Dubai** • Big Five Show (Building Products) **Dubai** • Arab Health 2005 **Dubai** • IDEX **Dubai** • Gulf Food **Dubai** • Gulf Education and Training 2005 **Dubai** • The Hotel Show **Dubai**

Trade Missions

- Professional and Technical Services Export Network **China and Indonesia** • Financial Services Mission **China** • Asia Baking and Confectionary Trade Mission **China** • Australia-China Business Council Mission **China** • Federation of HK Business Associations World Wide **China** • Legal Services **Malaysia** • ICM Electronic **Taiwan and South Korea** • India Food Mission **India** • Indian International Trade Fair **India**

We export \$250 million worth of aircraft systems and components annually



Key industries

The *Opening Doors To Export Plan* encompasses new and existing industry-specific initiatives that build on Victorian export strengths.

Services

Services exports have become increasingly important to the Victorian economy. Key markets for services exports are the United States, United Kingdom, Japan and New Zealand.

The Victorian Government supports the development of internationally competitive services industries with a particular focus on tourism, education, transport, distribution and logistics, financial, retail, professional and technical, construction and customer service centres.

In 2002, the Government released a *Professional and Technical Services Action Plan*. Key export initiatives include the establishment of an industry-led export working group, support for a legal services mission to Malaysia and the development of an export network to identify opportunities for cooperative service delivery in overseas markets.

In May, the Government will release its Action Plan for the Financial Services Industry, *Investing in Victoria's Future*. The Plan will promote Victoria's export capabilities in financial services-related education.

Tourism

Visitor numbers to Victoria increased by 2% to 1.2 million in 2003. In 2003-04, the Victorian Government contributed \$13.5m towards international marketing of Victoria as a tourism destination. The Government will continue to promote Victoria as a prime tourist destination through:

- Strategies to showcase Victoria at the 2005 *Australian Tourism Exchange* (to be hosted in Melbourne)
- Securing additional direct airline services to Melbourne
- Ongoing support for *Tourism Victoria's* overseas offices.

Education

Victoria has established an international reputation for supplying high quality education services. *Opening Doors* will continue to promote the State's expertise, capabilities and experience in the education sector to overseas markets. In March 2004, the Minister for Education and Training, the Hon. Lynne Kosky MP, launched *Global Pathways*, which sets out strategies to further the internationalisation of Victoria's education system and strengthen the position of Victorian providers in the global education marketplace.

Food and Agriculture

The Bracks Government's current food strategy sets a 2010 target of \$12 billion in food and fibre exports and includes initiatives to continue to grow exports. To help achieve this goal, *Opening Doors* will continue to

support exporters of agricultural and processed food products through business matching, marketing assistance, market intelligence and the development of relationships with buyers and overseas government agencies. This assistance will be coordinated by Food Victoria and delivered collaboratively by Regional Development Victoria and the Department of Primary Industries.

Biotechnology

The *Biotechnology Strategic Development Plan*, launched in 2001, aims to position Victoria as one of the world's top five biotechnology locations by 2010. The Plan identifies five priority actions: developing a biotechnology skills base; developing Victoria's research base; commercialising Victoria's biotechnology; building our corporate base and marketing our capabilities; and providing government leadership and support.

Phase one of the Plan focused on supporting the research end of the value chain. Initiatives included the establishment of the *National Stem Cell Centre* and funding for the development of the Bio21 research and commercialisation precinct in Parkville. Phase two of the Plan will be released in June 2004 and will focus on driving value creation further along the value chain to market.

A strong biotechnology sector will ultimately lead to increased exports of biotechnology related products to global markets.



Information and Communication Technology (ICT)

Victorian ICT firms have always been globally focused, with exports currently more than \$475 million per annum. In November 2001, the Bracks Government released *Growing Tomorrow's Industries Today*, its 10-year plan to make Victoria a globally recognised ICT industry hotspot. The Plan identifies four key areas where Victoria has global strength and sustainable competitive advantages - telecommunications, creative content, specialist ICT manufacturing and interactive applications.

As part of this approach, the Government is also fostering the development of key clusters such as photonics, microelectronics, computer games, eLearning, open source software and other emerging technologies.

The Government will continue to promote Victoria's ICT capabilities through initiatives including the popular *Spotlight on Victoria*. It will also assist growth of exports through complementary *Opening Doors* initiatives, as well as the ICT industry's own Trade Fairs and Missions program, delivered through Multimedia Victoria.

Automotive

Victoria is the home of Australia's automotive industry, with key assemblers, component manufacturers, design houses, toolmakers and other service providers located across the State. In 2003, Victoria's automotive exports were over \$2.2 billion.

Ford, Toyota and Holden have made recent large investments in Victoria, providing a significant boost to the economy. Ford spent \$500 million on tooling for the new Territory, which will be a significant replacement for many imported four wheel drives. Holden's new engine plant in Port Melbourne will produce up to 200,000 engines per year and provide increased export revenues of \$450 million annually. Toyota also opened a new engine plant in Altona, which will produce engines for the world renowned Camry, and is building a research and development centre in Clayton, which will carry out \$100 million in R & D annually.

To capitalise on the growth potential of the automotive industry, the Government released a ten-year *Automotive Industry Strategic Plan* in 2001. Recent initiatives include an upcoming automotive mission to China to promote the capability of the Victorian automotive industry and Government support for a cluster of complementary automotive companies seeking to enter a target market in Europe.

Case study

Camrys to Saudi Arabia and beyond

In March, the 200,000th Victorian made Toyota Camry was exported to the Kingdom of Saudi Arabia. The Camry has been exported to Saudi Arabia since 1996, starting with 4,500 cars. In 2003, more than 40,000 Camrys were exported to Saudi Arabia while a further 20,000 Camrys were exported to 31 other countries. The Victorian made Camrys are now Australia's highest volume export motor vehicle.

Case study

Victoria the place to be for international backpackers

Victoria is a major drawcard for backpackers from around the world. International backpackers are spending longer in Victoria than in Queensland or NSW, with each staying an average of 32 nights. In 2003, backpackers stayed 6.7 million nights, a 50% increase on 2002. The majority of backpackers come from the UK and Europe, followed by Asia and North America. As backpackers stay longer and travel further, they spread the economic benefits of tourism across the entire State.

Case Study

E3 2004

In May 2004, up to twenty Victorian computer game companies are expected to attend E3 2004 (*Electronic Entertainment Expo*) in Los Angeles, with assistance under Multimedia Victoria's Trade Fairs and Missions program. E3 is a key global event for the computer game industry, providing local companies with an opportunity to secure contracts and sell their services to major publishers and developers. Victorian computer game companies represent more than half the Australian industry and export more than \$50 million in products and services annually. The Victorian Government supports the growth of this sector through its *Game Plan* strategies.

Opening doors to better service

Strategy: Coordinate, build and improve

Government export service capacities to ensure firms have access to world class export assistance

Research has shown that in the past it has been difficult for businesses to understand exactly what services are on offer and how they can access them to begin or grow export operations.

The delivery of export programs will be improved by a more centralised approach, through better promotion and increased communication between the State Government Departments, Federal Government, export organisations, and the wider business community.

EXPORT FACT

Melbourne has the second highest number of international students in the world, behind London but in front of New York. Currently 40,547 international students study in Melbourne.

Working together towards success...

Acting as an initial central point of contact, a new Export Unit will coordinate the delivery of export assistance services across the Victorian Government and ensure businesses receive the best export advice, referrals and service in a timely manner.

The *Opening Doors To Export Plan* provides for firmer links with all export stakeholders including local government, industry associations and chambers of commerce. Importantly, it will improve working relationships and joint activities with Austrade ensuring the delivery of export services are not duplicated by State and Federal governments.

The *Opening Doors To Export Plan* will actively promote an export culture across Victoria, encouraging more firms to take-up the export challenge and thereby increase jobs for Victorians.



The Victorian Government currently offers a range of export and business development services. Funding for new export programs and initiatives under the Export Plan will begin July 2004.

How can I find out more?

For further information on the Export Plan or general information about exporting please call the Victorian Business Line (13 22 15) or visit the VicExport website (www.export.vic.gov.au)

