



Our Knowledge is your Property

Colliers International Best Growth Strategy

Navman

SUCCESSFUL TRANSITION TO GLOBAL ENTERPRISE



A lot of business folk would love to have one of Navman's biggest problems: how to handle sustained and rampant growth. For since its iconic small beginnings in the garage of founder and current group chairman Peter Maire, the company just keeps on expanding.

Now employing over 650 staff worldwide, its offices have fanned out to places as far flung as Australia, both coasts of the United States, England, Germany, France, Italy and the Netherlands. And we're not talking garages, either. Best of all, the corporate headquarters remain resolutely in New Zealand.

Alongside its original focus on marine-based navigation systems, the company's business units now encompass personal and car navigation, wireless data and fleet management solutions, and GPS modules for original equipment manufacture.

"Learning how to successfully transition from a New Zealand company to a global business is strategically very important to this country," said the Top 200 judges. "It's our pathway to the future."

Realising that it needed a helping hand along its own pathway a few years back, Navman sought the backing of an overseas investor.

In US-listed global marine company Brunswick Corporation it found a partner that would enable it to keep its main manufacturing base and core business in New Zealand while aggressively expanding its presence around the world.

Maire described the arrangement as "business as usual – except that business would be faster, bigger and better".

Navman's subsequent success is reflected in its climb up our list of New Zealand's top 200 companies (see listings starting on page 106 of this issue). After squeaking in at number 197 in 2003 it clambered up to rank at 153 the following year.

This time round, Navman sits confidently at 115 with revenue up 77 percent to just under \$236 million and profit after tax up a cool 242 percent to \$16.4 million.

That's one impressive Kiwi garage. **M**

JUDGES' COMMENTS

WINNER NAVMAN

Navman first surfaced in the Emerging Enterprise of the Year category at these awards in 2001. The company has not only emerged, it has now become a major player in the New Zealand economy and a fully-fledged member of the Top 200 club. Navman is a business with a successfully mushrooming growth strategy that is charting a course into every navigation equipment market in the world. Navman's growth strategy is absolutely clear, said the judges. "This business had made the transition from small and innovative local company to global technology enterprise." Navman's future course is charted on turning brilliant Kiwi ideas into global products using international venture funding.

FINALISTS VECTOR

Vector's bright spark strategy is built on a very different foundation. Its considered and expertly executed merger and acquisition activity is the secret of its success. This is a bold growth strategy which, given the nature of the energy industry, is right for the times. The judges looked beyond the company's fall off in profitability this year to what they believe will be the rewards of the future. Vector has more than trebled in size since 2002, won the opportunity to acquire NGC and successfully managed and floated its IPO. When a company like Vector joins the capital market it is positive for the company, the market and the economy. Because of its strategic approach Vector is a company to applaud.

WASTE MANAGEMENT

Commentators warned Waste Management that it would get rubbished in Australia. But the company's strategy for straddling the ditch is looking like an increasingly impressive leap. The judges were so impressed with the strategy and its execution that they included it as a finalist in this award category. Waste Management has cautiously and deliberately managed its entry into the Australian market and is now focused on additional strategic acquisitions in the market and on consolidating the initiatives already started. As case studies go, this is one more New Zealand companies could emulate when contemplating moves offshore and into the tough Australian market.