



Word spreads of Melbourne's supply chain expertise

Global word-of-mouth drives the international growth of Melbourne-based supply chain technology firm **Microlistics**.

The story so far

Mark Dawson knew he was on a winner when **Microlistics** launched with its first ISIS warehouse management system in 1992.

As the founder of a leading Australian supply chain consultancy (that he was still with at the time), Mark had years of practical experience and knew what was needed.

"In the early 1990s we led the way advising clients that multi-user warehousing was the future – but to do this a generic, flexible warehouse management system was needed that could be easily configured to specific needs," he said.

"We developed ISIS specifically to meet that demand. As a rules-based product it doesn't require code to be constantly written or changed and it can be attached to any size and type of warehouse operation."

ISIS sold well in Australia and took its first international steps when Nestle installed it in its Malaysian facilities. In 1995, Mark left the consultancy to focus on growing the business of Microlistics across South East Asia, including to Singapore, China, Japan, New Zealand and Thailand.

Today, the company has established facilities in Australia, Asia and the Middle East. Its systems are used by some of the world's largest third party logistics (3PL) providers and across most industry sectors, including food, retail, pharmaceutical, wholesale distribution and fast moving consumer goods. ISIS is also selling well in some of the world's fastest emerging markets.

Reaching new markets

The company competes successfully against larger NASDAQ-listed companies for several reasons.

"The main reason is that our products are functionally strong," said Mark.

"They're practical and fast to install and provide a rapid return on investment with minimal impact on operations.

They can be integrated into existing IT infrastructure relatively quickly, making them a true best-of-breed alternative.

"Word of mouth has always been the way we make sales. Our clients take on major projects around the world, often in emerging markets. They typically have a lot at stake and they want to be sure the system they install works so they take us with them.

"We've been live in super-sized warehouses within weeks. You'd think that would be impossible but we actually do it. We only get minimal calls to our 24-hour help line. That's why we sell the next system and keep expanding into other countries."

The practical industry experience of Mark and his staff is also valued.

"I still visit most clients myself because I like to see their operations in action so I'm sure we're developing what they need."

The company's most recent growth has been in the emerging markets across the Middle East.



"We're working on large projects in Qatar with the Qatar Port Authority and the Gulf Warehousing Company and we're getting a lot of interest from Dubai and other local UAE markets like Abu Dhabi as well as Oman," said Mark.

Why Melbourne, Australia?

Despite its growing global business, Microlistics plans to stay in Melbourne.

"It's a good business environment here and the lifestyle and climate is great," said Mark.

"The retail market is diversified and very competitive so it's also a good testing ground for us."

Melbourne is the centre of Australia's ICT industry and produces most of Australia's ICT graduates, including many international students. It has a highly creative, skilled and multicultural workforce that Mark says makes a difference.

"We've doubled our workforce in recent years and we've been able to find all of them in Melbourne. We've formally employed a Chinese post graduate student who had studied in Australia and now he's back in China working for us. Staff are also very loyal here – we have a great track record with maintaining our staff and this is quite unique in the IT industry."

The future

Mark is optimistic about the future of smaller ICT businesses in the global market because they offer what clients increasingly want.

"The multi-user 3PL Logistics market is growing and there are lots of opportunities for us there," he said. "We're into second generation systems now and we know we've still got what it takes. We invest over 25 per cent of our annual revenue in research and development.

"We find the new markets don't have the preconceived ideas of the big brands. They see our systems work well, are robust and reliable and they buy them. It's refreshing to see this logic. We know the performance of our products is excellent so we know our markets will keep on growing."

Think Melbourne, Australia for ICT.

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