



## **Growing Business in Redlands**

**Technical Report**

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### *Investigators*

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This report represents the detailed methods and findings that support the executive summary. It shows additional findings that are interesting but not directly related to the recommendations to retain high-potential businesses in Redlands. It is intended to be a supporting reference source to the executive summary and main findings presented in PowerPoint form.

The study was initiated through an introduction of UQ Business School researchers to Redland City Council by members of the Redland City Chamber of Commerce. Discussions between the researchers and Redland City Council, including the Mayor, revealed a need for Redlands to focus efforts on maturing the economy to generate wealth and high-value employment with the ultimate goal of Redlands becoming a self-sustaining economy rather than a commuter suburb of Brisbane.

While this goal is clear, the means to achieve it are not. A previous strategic plan had a long list of actions but to execute all of these would require time and resources beyond those available to Redland City Council. The objective of the present study was to find the most significant levers for economic growth that were in the domain of council.

Further discussions with the Redland City Chamber of Commerce revealed that many business owners thought that good businesses were leaving the Redlands area. If many businesses were indeed leaving the Redlands, then finding the reasons why and basing an economic strategy around the retention of growth businesses is logical.

While making Redlands attractive for business relocation is a sound economic position, bringing new businesses into the Redlands with excessive financial assistance is probably a risky strategy. Businesses can be lured with incentives and then leave. It is unlikely they will be 'invested' in the region. Some economic strategies are based on encouraging start-ups. This is also risky and apart from grants and supported office space (incubators) they are hard for local government to support.

Retaining growth businesses in the Redlands is therefore a way to accelerate the economic maturity of the region. The most significant statistical findings in the study are therefore the factors that affect the intention of businesses to stay or leave the Redlands. These results form the basis of an evidence-based economic strategy. A mature business sector with high-growth firms can also attract new businesses to the region as they show that profitable and high growth businesses can be supported in the region. In this way, a virtuous cycle of wealth creation and economic development can be developed.

### **1. Research method**

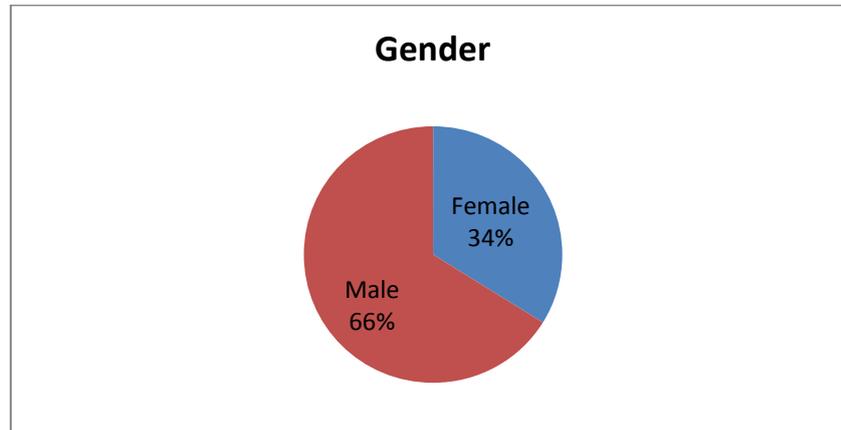
The Redland City Council and Redland City Chamber of Commerce database was used to generate a random sample of firms to survey. The surveys were completed by telephone to achieve a very high response rate of over 60 per cent (127 responses). This was important to ensure statistically comparable results around a complex set of questions. Firms in this database were more likely to be in the tradeable goods and services sectors that were capable of selling goods and services outside of the Redlands to bring wealth into the local economy.

Questions were asked about firm and owner demographics; business practices such as innovation, planning and collaboration; competitive advantage and limitations to reaching objectives; firm performance; and, importantly growth and exit intentions. Data were analysed using descriptive statistics, chi-square tests of difference and logistics regressions.

In addition, we interviewed six companies that had relocated out of the Redland City Council area and four companies that were considering relocating were interviewed. The remainder of this report provides an overview of the results.

## 2. About the business owners

Thirty four per cent of our respondents were female. This percentage is similar to the overall Australian business landscape (ABS, 2011).



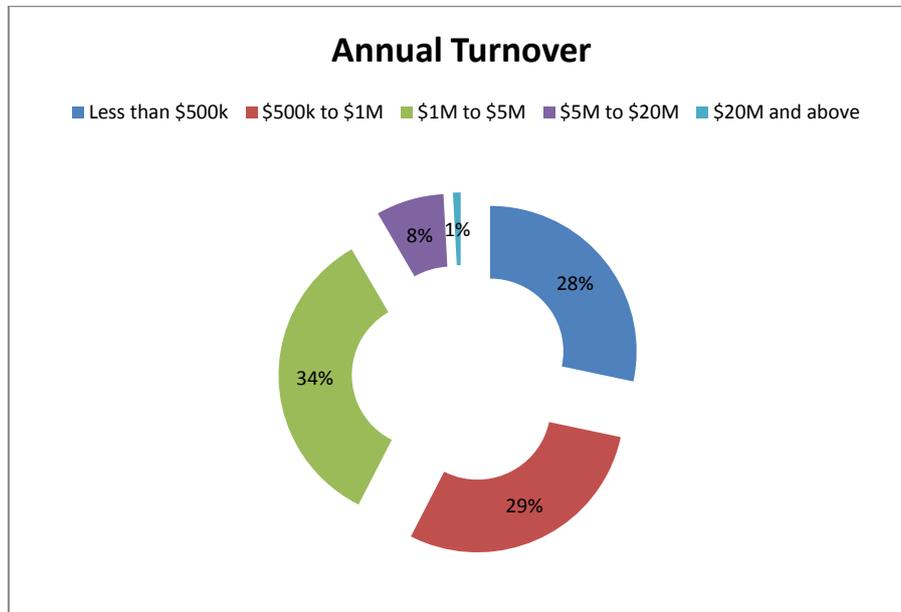
Business owners had a range of technical, professional and academic qualifications. 50 per cent held a technical qualification, 28 per cent held a professional qualification, 33 per cent had a TAFE qualification and 17 per cent had first or post-graduate university degrees.

In terms of experience, 62 per cent had previous industry experience (mean 28 years), 62 per cent had previous managerial experience (mean 21 years), and 45 per cent had previous start-up experience (on average 3.26 start-ups). In total, 45 per cent of respondents indicated that they had run three or more businesses in the past of which at least one was profitable.

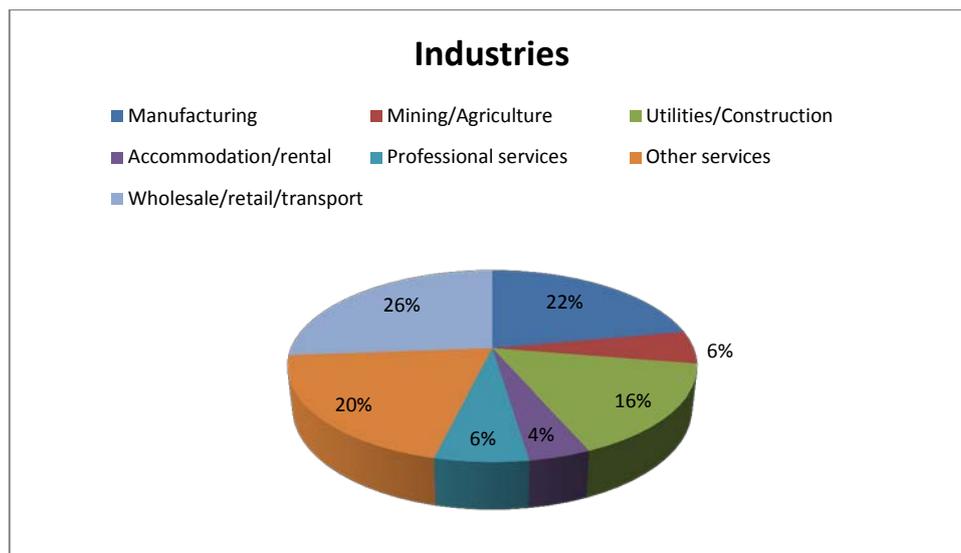
## 3. About the businesses

The average firm age was 23.55 years. Only 12 per cent of the sample was younger than 10 years, the median age was 24 years. While this result represented the firms contained in the original database well, it had the unintended consequence of a higher representation of older firms that may be closer to transitioning ownership. Age has, however, been shown to be of less importance to other variables in the study such as innovation in wider research. The average firm size was 16 full time equivalent employees (FTEs), with the median firm size four. Most firms employed five or fewer employees (63 per cent), 85 per cent ten or fewer employees, and only six per cent employed 20 or more employees. Another way to

view firm size is to look at annual turnover. The figure below indicates that most firms had a turnover of below \$1 million per annum (54%), while less than one per cent had a turnover of more than \$20 million per annum.

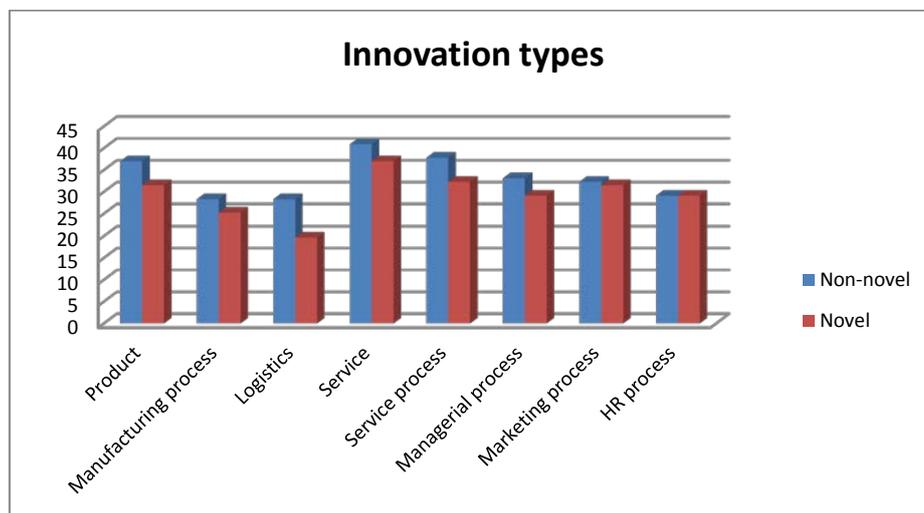


A broad range of industries were represented. Most prevalent were Manufacturing (25%), and Retail Trade (20.5%). To improve ease of comparison, we collapsed these industry sectors down into the industries shown below:

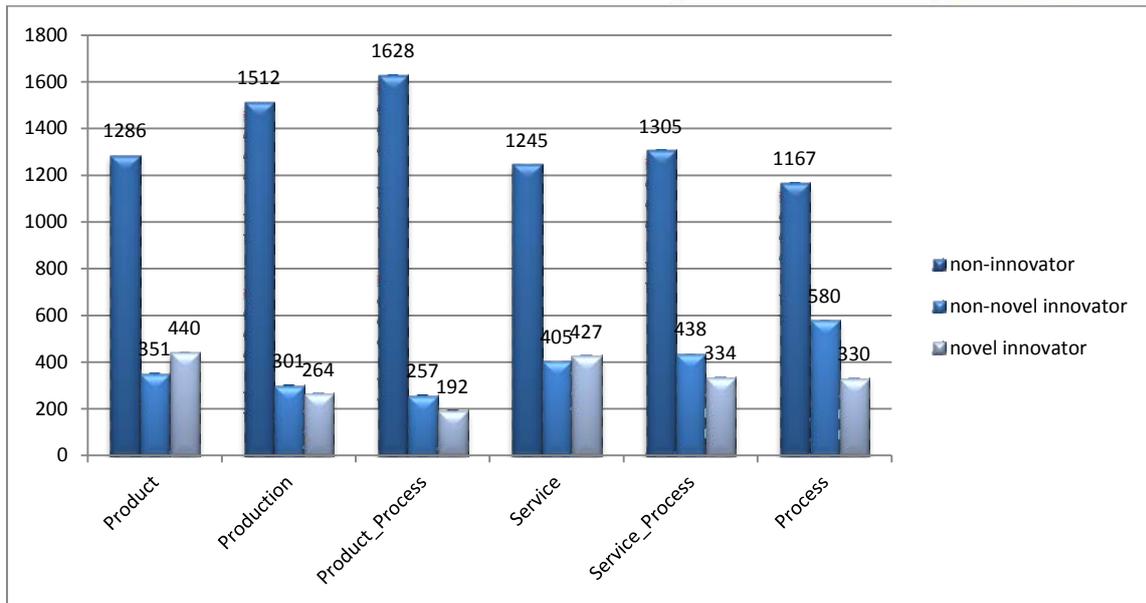


#### 4. Innovation

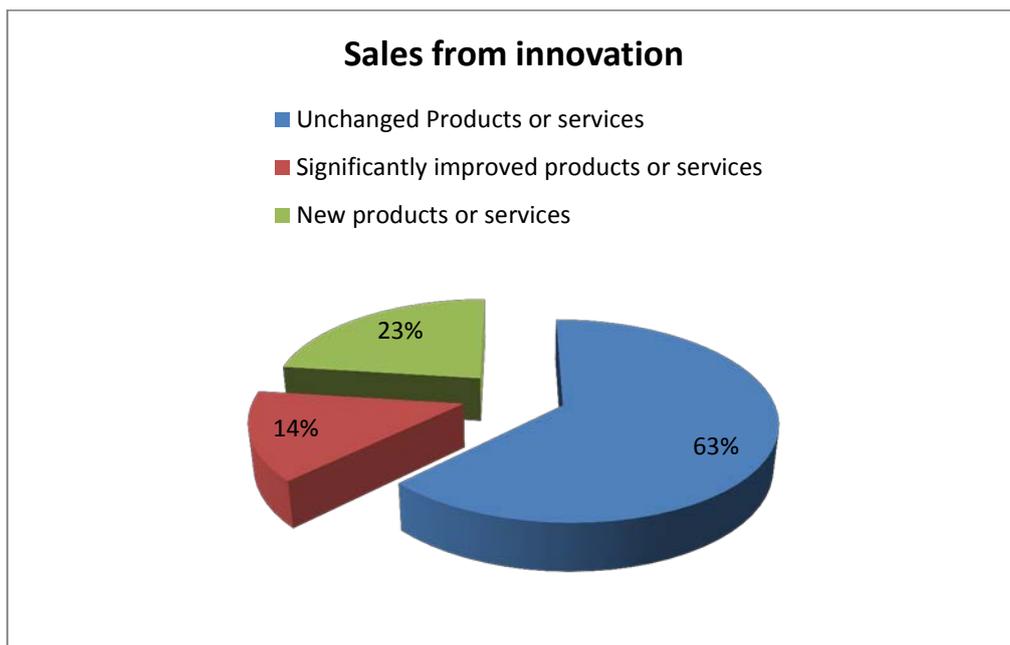
In terms of innovative activity, 33 per cent of firms reported that they engaged in R&D (research and development). Non-novel innovation (innovation that was new to the firm, but not new to the industry) was undertaken by 57 per cent of firms. Novel innovation, (innovation that was new to the firm and to the industry) was undertaken by half of all firms. In total, 65 per cent of firms reported some type of innovation, as captured in the figure below. This number is slightly higher than the Queensland Business Innovation survey (Verreyne, 2011), but considering the bias in the data explained in the methods section, this is to be expected.



Firms that reported any form of innovation were also asked what percentage of their sales was from innovation. The graph below shows that, from the estimations of firms, 14 per cent of firm sales were from incremental or non-novel innovations, and 23 per cent from novel innovations. This graph is affected by three factors. First, only product or service related innovation can show up directly in sales, and since a large proportion of innovation was process related, this partially explains the 63 per cent of innovators that did not have sales from innovative products or services. Second, it also takes time for innovations to go to market, and not all activity will be profitable in the same time period. Last, not all innovation is successful in the market.



The figure above presents a comparison to data collected from all Australian firms (Verreyne, 2011). In these data approximately 57 per cent of firms reported developing some type of process innovation, either new to the industry (novel innovation) or new to the firm (non-novel innovation), confirming previous studies that this is the most important type of innovation. The total number of product innovators was 38 per cent, and service innovators 40 per cent, which is very similar to the Redland data.



## 5. Planning

We asked firms if they used a range of planning related business practices. Most firms used monthly management accounts (76%) and had a web site for information (73%), with 58 per cent of firms using their web sites for trading.



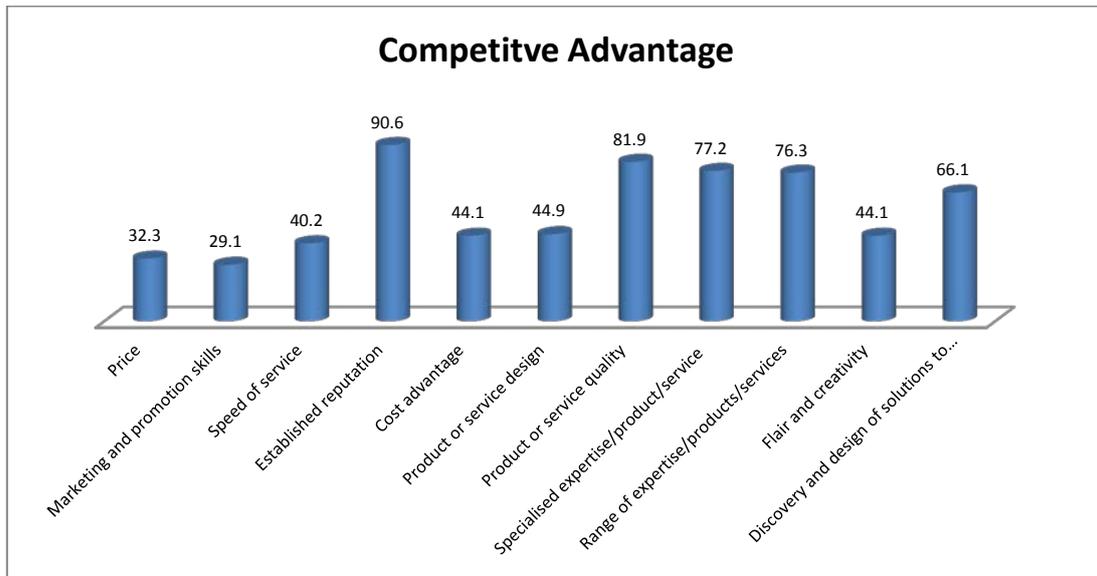
We also asked if firms had engaged in formal or informal collaborative or partnership arrangements with any other organisations, to which 25 per cent of firms said yes. This is similar to the 29 per cent of Queensland firms that had collaborated in the Queensland Business Innovation survey (Verreynne, 2012).

Correlations between business practices and the qualifications and experience (in years) of business owners/manager delivered a number of interesting results. People with professional qualifications were significantly more likely to have written business and HR plans, monthly management accounts, a website for information (sign. .051) and an innovation strategy. They were also more likely to innovate, which was also true for people with higher qualifications. More industry experience supported the use of a board of directors, but was negatively related to innovation.

## 6. Competitive advantage

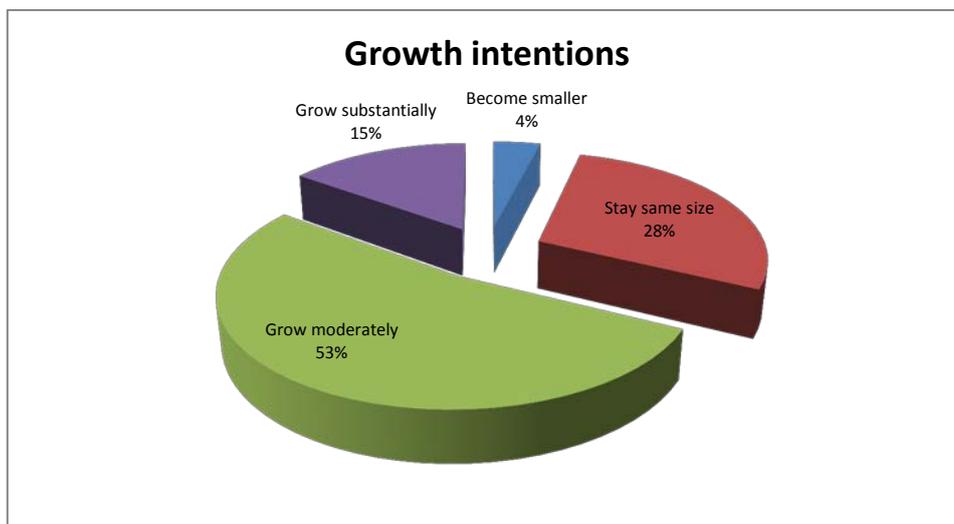
Firms were asked to rate a number of typical areas of competitive advantage on a five point scale. In the figure below we report on the firms that rated any particular advantage as a four or five on this scale. It is not surprising that the established reputation was ranked so

highly given that the average age of the firms was nearly 24 years. However, a lack of planning could also be important in this regard. These advantages are somewhat different of those reported by Queensland firms (Verreyne, 2012), where price and speed of service were rated higher than established reputation.



### 7. Growth

A large proportion of firms, namely 68 per cent, indicated that they had substantial or moderate growth intentions. This is slightly higher than the proportion of Australian and Queensland firms (60%) that indicated that they wanted to grow, in previous studies.



We then performed chi-square tests of differences for a broad range of questions to see if firms that fell into one of these growth intention categories were significantly different from those in other categories. Only a small number of variables exhibited significant differences. First, firms with substantial growth intentions were more likely to be: R&D active, collaborate with other firms; view availability and cost of finance for expansion as a crucial limitation; and to fall into the \$5–20 million annual turnover category. Second, firms that had moderate growth intentions were more likely to: view marketing as a competitive advantage; and view availability and cost of overdraft finance as a crucial limitation. Third, firms that wanted to stay the same size were; more likely to view public transport in the Redlands area as a crucial limitation; to consider the discontinuance of their business; and have a professional qualification. Fourth, businesses that were considering becoming smaller were more likely to, as expected, exit in the next year.

We also asked whether a 25 per cent increase and a doubling of firm size would be viewed positively or negatively. This captures growth aspirations of the firms. Most firms viewed an increase in firm size as either fairly positive or very positive (over 70 per cent for a 25 per cent increase and over 66 per cent for a doubling in size). Only a few firms, 8.7 per cent, viewed an increase in size by 25 per cent as negative while this figure rose to 18.7 per cent for the case of doubling firm size. Entrepreneurs who viewed themselves as having significant experience in regards to new venture formation, were more positive to the prospects of their firm growing. This probably reflects that they also have the skills and experience to manage such growth.

We found that firms that viewed growth positively also felt that Redlands had affordable office space. These firms also felt that they could attract employees with the right skills. These two factors support growth of the firm and thus make an increase in growth more realistic for these firms. We did not find any differences between firms with growth motivation and those that did not with regards to factors that limited their growth.

#### **8. Sales destination and exports**

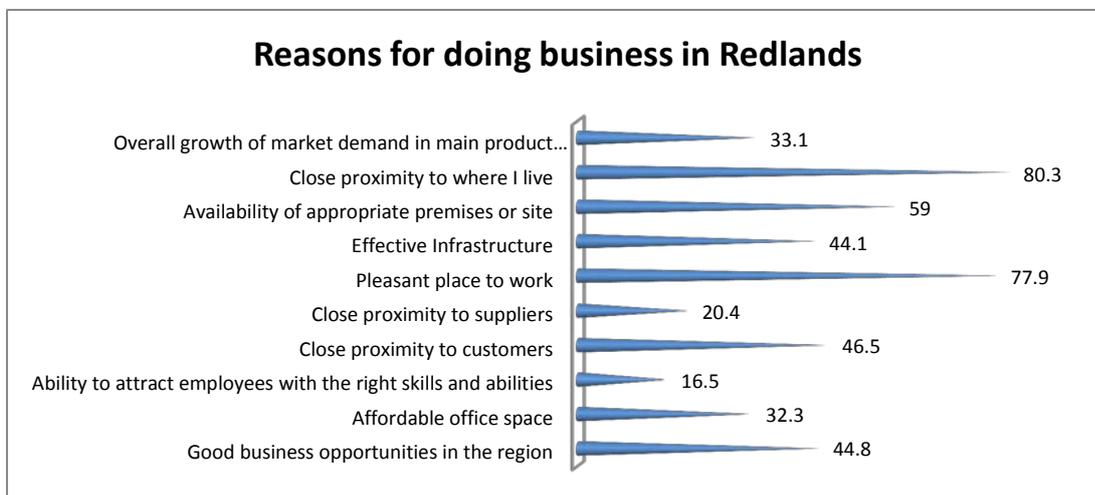
Firms were asked to report the percentage of sales within Redlands, other Australian areas and also those from exports. On average 43.6 per cent of firm sales were within Redlands, a further 36.7 per cent in the wider South East Queensland and 16 per cent in other parts of

Australia. The average percentage of sales from exports was 3.5 per cent. No particular part of the world was most important for exports. Firms that had the highest growth aspirations were also firms that had a larger percentage of their sales outside of the Redlands region. Serving a wider market creates greater opportunities to grow. There were no other significant relationships between growth aspirations and markets served.

### 9. Doing business in Redlands

80 per cent of our responding firms had managers/owners who lived in the Redland City Council area. Next we asked to what extent did the following factors influence your decision to locate your business in the Redlands region, asking respondents to rate them on a five point scale. In the figure below, we report on the firms that either indicated that a factor influenced them to a great or a very great extent.

The main reasons were lifestyle reasons such as living nearby (80.3%) and that Redlands is a pleasant place to work (80%). This was followed, but not closely, by availability of premises (59%) and business opportunity reasons.

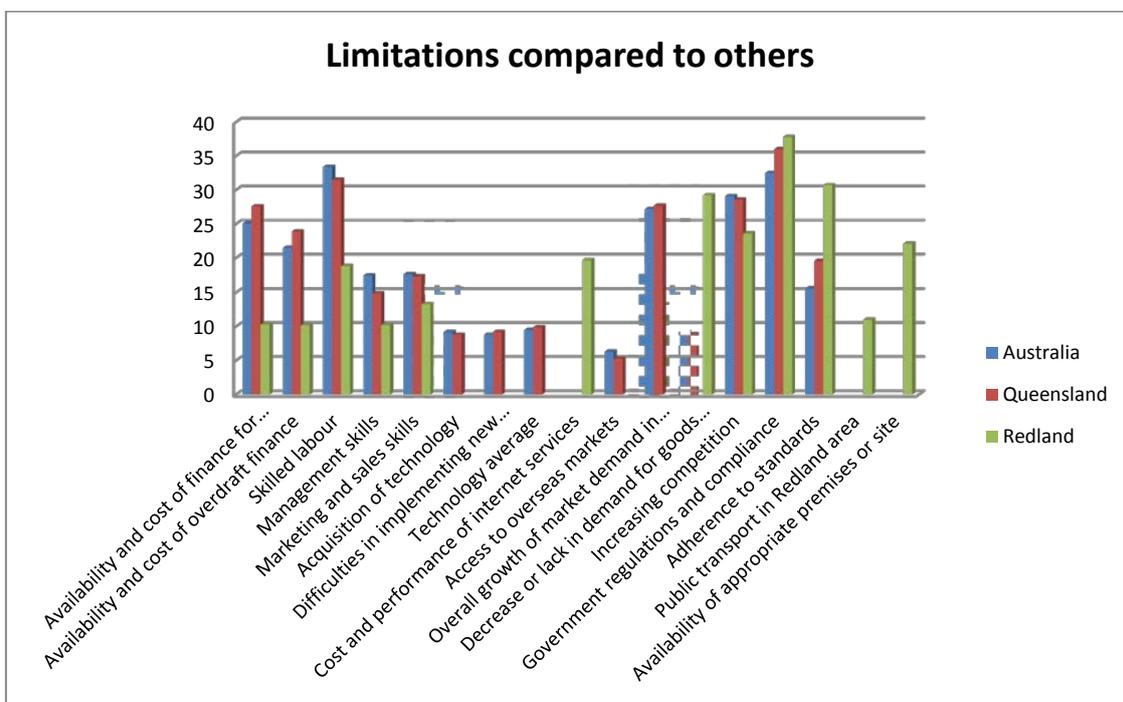
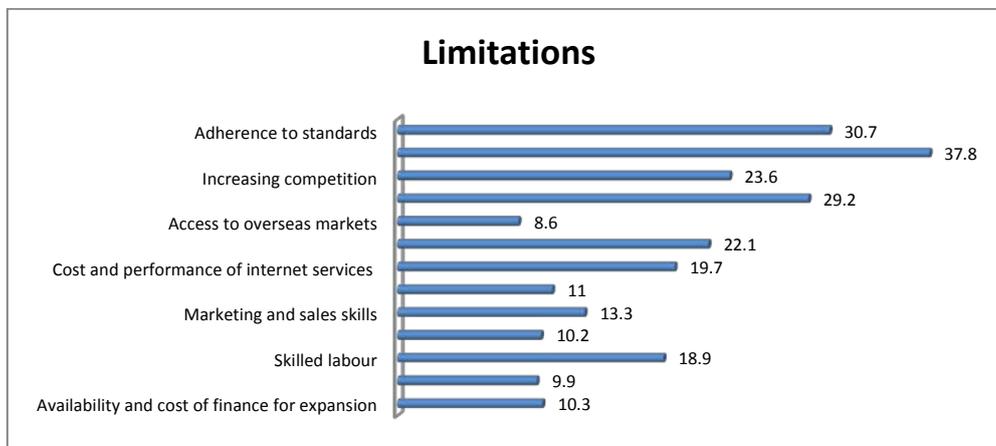


### 10. Limitations in reaching business objectives

Firms were asked to rate limitations to reaching business objectives on a one to five scale. Below we report on those limitations that firms rated as four or five on these scales. Most important were red tape, in the form of adherence to standards (30.7%) and government regulation and compliance (37.8%). Market conditions, in the form of a lack of demand

(29.2%) and competition (23.6%) were rated next most important. Also noteworthy were local conditions such as availability of premises (22.1%) and cost and performance of internet services (19.7%).

Firms were provided with an opportunity to elaborate on limitations in an open ended question. The responses are listed in Appendix 1. The comments focused on different issues companies had experienced with the council and also the impact the GFC has had on the economy.



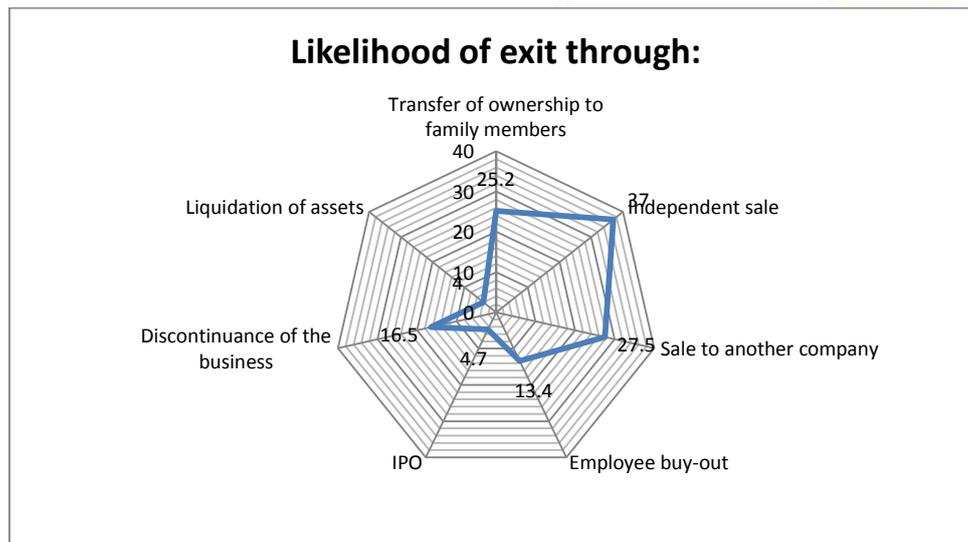
When the numbers in the table above were compared to overall Australian and Queensland data (Verreynne, 2012), some key differences and similarities emerged. Government regulations were also rated highest in those data, but this was followed by lack of skilled labour, rather than by lack of demand and increased competition as with Redland firms. Importantly though, technology seemed to be a much bigger problem to Redland firms, while factors that are usually a limitation to growth firms, such as availability of finance and skills, did not seem to be as important to Redland firms than others.

## **11. Exits**

### ***11.1 Exit Routes***

We asked a range of questions regarding potential business exits. First, we asked what the likelihood was that the current owner of a business would exit for a range of reasons, with four and five responses on a five point scale captured in the figure below. This figure showed that 37 per cent of all firms seriously considered an independent sale of their business in future, followed by 27.5 per cent that considered a sale to another company and 20.4 per cent that considered transferring the ownership of the business to a family members.

Firms that cited lack of demand for their products or services where the ones that were most likely to consider discontinuing their business as a means of exit reflecting the challenge of trying to sell a poorly performing firm. These firms were more likely to be in construction and less likely to be firms which innovated. These firms, however, did not differ in regards to their size or the extent of sales of their sales in the Redland City Council area. In regards to the other exit routes there were no differences in regards to the age of the owner, the size of the firm, the profitability of the firm, factors that limited firm development or factors that where seen as the firms comparative advantage. The only exception was in regards to firms considering an IPO. Firms that were considering an IPO were the better performing firms and were also more likely to innovate.



### *11.2 Exit and Relocation*

We then asked respondents about their exit intentions and their relocation intentions. We asked the extent that they had considered exiting their business in the near future and also whether they had considered relocating their business outside of the Redlands region. We found within the next year nearly 10 per cent of the sample were considering exiting their business and this figure increased to just over 15 per cent when a three year time horizon is considered. We found that exit intentions were as a consequence of owner-managers who were planning to retire and a mix who were planning on relocating their business out of the area. When asked directly whether they had considered relocating their business outside of Redlands 19 businesses or 15 per cent of the sample responded positively. These findings show that while 15 per cent of the sample has considered relocating, a much lower percentage is considering relocating in the immediate future.

A number of findings are particularly noteworthy. First, we found that businesses which view moderate growth as positive (25 per cent increase in size of the firm) were less likely have considered relocation. In contrast firms which viewed high growth as positive (a doubling in size) were more likely to have considered relocation, however, this relationship was not significant.

Second, we found a number of limitations or barriers to growth that increased the likelihood that the firm had considered relocating. These were

- Difficulties attracting employees with the right skills including management skills
- Cost and performance of internet services
- Access to international markets

In contrast, we found that respondents who enjoyed working in the area and were less likely to be considering relocation.

Third, we found that firms with a higher percentage of their sales outside of the region were more likely to be considering relocation. This finding is relatively straight forward, whereby firms with sales outside of the region have less reason to stay located in the region and may also have greater incentives to exit the region to be closer to their customers. Fourth, experienced entrepreneurs were less likely to have considered relocation.

<b>Has considered exiting their business or Redlands area.</b>						
	Exit in next year		Exit in next 3 years		Exit Redlands area	
	Frequency	Per cent	Frequency	Per cent	Frequency	Per cent
Not at all	90	<b>70.9</b>	74	<b>58.3</b>	107	<b>84.3</b>
To a limited extent	8	<b>6.3</b>	9	<b>7.1</b>	6	<b>4.7</b>
To some extent	14	<b>11.0</b>	21	<b>16.5</b>	10	<b>7.9</b>
To great extent	3	<b>2.4</b>	3	<b>2.4</b>	2	<b>1.6</b>
To a very great extent	12	<b>9.4</b>	20	<b>15.7</b>	2	<b>1.6</b>
Total	127	100.0	127	100.0	127	100.0

## 12. Summary Analysis

### 12.1 Relocation

To investigate the combined effect of the different factors on relocation we ran a logistic regression analysis where we tried to identify variables that were related to the likelihood that a company had considered relocating out of the Redlands area. We divided this analysis to focus first on the reasons why businesses locate in the area and the impact this has on the likelihood that they had considered relocating. We then ran the analysis to focus on the relationship between relocation, growth aspirations and growth limitations.

#### Logistic Regression Analysis focusing on Motivations for Relocating – growth aspirations and motivations for choosing to locate in Redlands

Relocation	Coefficient
Firm age	-.054+
Firm Size	.000
Opportunities in the Region	-.257
Lifestyle	-.378+
Moderate Growth	-.739*
High Growth	.420

+: Significant at 90% confidence

\*: Significant at 95% confidence

We found that lifestyle factors had a negative influence on the likelihood that the firm had considered relocating. Moderate growth aspirations had a significant negative influence on the likelihood that they had considered relocating while high growth aspirations had a positive but non-significant influence. Older firms were also less likely to have considered relocating. This suggests that firms that have moderate growth aspirations are likely to maintain in the Redlands council area as are owner managers who located in the region for lifestyle reasons. Although not statistically significant, firms with very high growth aspirations are more likely to consider relocating out of the area.

### *12.2 Exporting out of the region*

In the second set of analysis we focused on the factors that make Redlands attractive to firms that export out of the region and the limitations that they face. We did this by focusing on the percentage of sales that are made in the Redlands area. We found that firms that exported out of the Redlands area were more likely to have access to office space and appropriate sites as a limitation to their growth. The other significant finding was that firms that saw many business opportunities in the region were also more likely to have a higher percentage of sales in the region.

#### **Linear Regression Analysis focusing on Firms that Export out of the Region**

(Dependent variable is the % of sales in the Redlands area)

	Coefficient
Firm age	.156
Firm Size	.021
Opportunities in the Redlands region	20.203*
Premises limitation	-6.780*
Life Style	1.566
Skilled Labour	-2.323
Access to Markets	-5.766
Regulation limitations	.427
Finance limitations	4.751

### 13. Case study results

The case studies results highlighted two main reasons for company relocation out of Redlands:

To gain better access to customers, and

To gain access to improved office space

Two of the companies were founded by entrepreneurs living in the Redland City Council area and they set up their operations in the region for this reason. However, most of their customers were located outside of the Redland's city Council area and as they continued to grow it made less and less economic sense to remain in the area. Both companies relocated to be in a better location for reaching their customers – one company located near the Pacific motorway to be able to access the greater south east region and the other company relocated to Logan City Council area to be close to one of their customer bases.

In regards to office space one of the companies out-grew their premises and needed more office space to accommodate this growth. When they looked for more space, they decided to relocate to existing premises outside but near the Redland's city council area. The other company relocated as the cost of renting their premises was high. They have also relocated close to the border of the council area. These findings are particularly important in light of the findings from the quantitative study. Firms that had access to premises or sites that they needed to conduct their business were much less likely to consider relocating.

#### *13.1 Policy Implications*

##### *Office space and premises*

Access to office space and appropriate premises was a reoccurring theme in the case-study analysis. We found that in the case studies out growing current facilities triggered the relocation as the firms looked for larger premises in three of the cases. Often the choice of new office locations also provided better access to customers who were located outside of the region. We also found that it was firms that had a larger percentage of their sales outside of the region that were more likely to have appropriate office space and premises as a limitation to their growth.. Taken together these findings suggest that it is firms which export out of the region that find availability of appropriate premises as a limitation to their growth and when they look for a new location it is likely to be outside of the region closer

to their customer base. These findings suggest that Redlands can specifically target and try and address the office and site needs of exporting firms proactively before they look to other regions to relocate to.

### *High and Moderate Growth Aspirations*

We interpret these findings also using insights from both the case studies and the quantitative study. In the quantitative study we found that firms with moderate growth aspirations were less likely to have considered exiting the region while firms with high levels of growth aspirations were more likely to have considered exiting the region (however, this latter finding was not statistically significant, an explanation for this is the positive correlation with firms with moderate growth intentions). Moderate levels of growth can probably be accommodated by the region and thus the Redlands area would not be considered as a constraint for these firms. In contrast, firms with high levels of growth aspirations may find the limitations of the region, in terms of access to customers and employees, a constraint. The cases of Strategix and F Trucks support this interpretation. Strategix was founded in the Redlands region and remained in the region until it was no longer economically viable for them to continue operating from the region. As the company grew it became increasingly uneconomic to remain in the Redlands area due to the high costs their expanding customer base were paying to access their services.

### *Shopping hub*

We interviewed one company which was in the process of relocating from Redlands to Camp Hill at the time of the survey. They mentioned the issue of not having a central shopping area in Redlands and as a result shoppers make specific trips to stores but do not have a central shopping location.

#### 14. Overall Summary and Recommendations

The years since the GFC have been a challenging operating environment for many businesses and this shows up in the survey results and the case studies. Increasing competition and reduced demand are an outcome of broader economic factors that are outside of the control of local government.

However, the study shows some factors that are currently cited as barriers to business objective that can be a strategic focus for economic development. It is common for SMEs to criticize government regulations and standards but many businesses in Redlands are struggling with issues around essential business infrastructure including internet services and available premises. Most importantly, firms that sell outside the Redlands region and bring money into the local economy are citing problems with finding suitable premises.

The analysis shows that rapidly growing firms are also more likely to consider leaving Redlands. If these businesses find better infrastructure and access to their growth markets via transport corridors and internet then they may choose to stay in the area.

As described in the executive summary, we see three main opportunities for basing an economic develop strategy on the evidence from this study.

### An economic strategy based on retaining growth businesses in Redlands

#### • Three pillars:

- **Planning to support business growth**
  - Variety of office and business space, to suit needs road arteries to key areas in SE QLD. Cost comparative to other SEQ regions.
- **High performance internet**
  - Redlands is behind in the digital economy and must catch up to retain its best businesses. Internet is now a “Red Queen” race
- **Two-way communication with growth businesses**
  - Possible to identify high growth firms and larger employers. Need to keep the lines of communication open so that these firms are not lost at critical growth points.

### Appendix 1 – Open Ended Survey Comments Limitations to Growth

Comment	Category
<p>Council charges</p> <p>The costs that hit us the hardest are water costs, infrastructure costs, neighbours who have complained and council have made us jump through hoops and it will cost me up to \$10 000 all up considering we have been operating for more than 20 years and now we are being made to jump through hoops to meet regulations that should be outside my compliance/infrastructure.</p>	Council
<p>Requirements enforces on me over and above the requirements for our business which has been operating for some years</p> <p>The state government. I also have issues with them</p> <p>We had to take out a seabed lease and the valuations have up three hundred percent in three years. I have taken it to court there seems to be no limit in what they can charge. There is no comeback.</p>	Council
<p>Federal politics. With the last election being called so early by the previous government caused quite a downturn to the housing market and people's confidence within the public</p> <p>If it is the council that is organising this. The council needs to put more certainty out there for the public, i.e. rates and costs and take charge of their own expenditure like I have to in my business.</p>	Government/Council
<p>GFC and mining tax stopped everything</p>	Economy
<p>Global and QLD economy is bad for retail at the moment. Our workload over the last three years has increased by 40 percent but our profit has dropped by 40 percent.</p>	Economy
<p>I own a block of land down the road from current site and we would like to expand. Can get funds. Can get enough business to fill the buildings but we cannot get approval to build the new building from the Redlands Council.</p>	Council
<p>Lack of money around. GFC. People not building houses so I don't have as much business.</p>	Economy
<p>Naïve and ill-informed council was going to cost me 60 000 for sound and acoustics for my business and we are a hospital for very sick animals. That is one thing they think we have a lot of bio waste and radiation at our practice. Our practice with growth and development we do not fit? in a footprint so we have apply in the urban foot print and have to apply but not accommodating. We have to apply for anything we need to set up. It is not</p>	Council

cost effective for us to expand	
The council at one stage. In relation to the industrial property that we own. The development application. When we put it in the council was very unreasonable. It has taken a couple of years and a change of council to get someone to listen reasonably to what we think the property should be developed into and work with us. E.g. they wanted us to concrete our site and we have 30 tonne excavators driving around which grind the concrete to dust in 6 months. Now we have someone reasonable we are able to develop the site the way we need at a quarter of the cost. It will now suit us and sit within council requirements.	Council
The economy. People are very mortgage stressed on the local area	Economy
The GFC made it very hard for a lot of people. E.g. the building industry. That is significant. If people don't build houses. They are not buying things from the shops and then there is nothing for me to repair.	Economy
The Redlands and government fees involved in trying to move business premises. Redlands town planning and fees are exorbitant. Between council and main roads there was no incentive to move. Council does not help small business at all. In fact I think they hinder growth. Again council says they encourage us to grow our own business but to and operate form our own real estate was almost impossible because of strict town planning guideline and processes	Council
The global economy	Economy

## Appendix 2 Case Study Summaries

### Strategix Training Group



<i>Industry sector:</i>	Training and Assessment
<i>Year established:</i>	2004
<i>Number of offices:</i>	8
<i>Office locations:</i>	Australia (QLD, NSW, WA, SA)
<i>Relocated to:</i>	Logan

Strategix Training Group is a training and assessment company that delivers accredited training programs such as licenses, short courses and diploma qualifications in a wide range of industries to clients across Australia. Clients include job seekers preparing to enter the workforce, as well as employers seeking to upskill their employees. With funding from the Australian federal and state government, as well as industry bodies, training is provided at little or no cost to clients.

The company was established in 2004 and was originally located in the Redlands area as the founders and partners lived in the area. However, Strategix's main clientele in Queensland are based in Brisbane. This required clients to commute to Redlands premises for training that in the long run does not make financial sense. As a result the company considered relocating to be closer to their clients. This was part of the longer-term plan for the company. After considering several areas, new premises were developed and built in the Logan City area near the motorway. Employees in the company now commute from Redlands to the new premises in Logan.

[www.strategix.com.au](http://www.strategix.com.au)

## JJ Richards



<i>Industry sector:</i>	Waste Management
<i>Year established:</i>	1932
<i>Employees:</i>	1600+
<i>Number of offices:</i>	60
<i>Office locations:</i>	Australia (QLD, NSW, ACT, VIC) and New Zealand
<i>Relocated to:</i>	Existing office

JJ Richards is a large waste disposal company that provides solid, hazardous and liquid waste services, as well as garbage collection and recycling. After more than 70 years of operations, the company has contracts with over 65 000 commercial customers and 60 local authorities. As part of their Redlands facility, JJ Richards had biomedical waste operations. As the team grew, office space became limited and the company relocated to an existing premise where there was greater office space available close the Redland City Council border.

[www.jjrichards.com.au](http://www.jjrichards.com.au)

## QPay



<i>Industry sector:</i>	Payment Services
<i>Year established:</i>	2006
<i>Employees:</i>	4
<i>Number of offices:</i>	1
<i>Office locations:</i>	Redland City
<i>Relocated to:</i>	Tingalpa

QPay provides secure payment options for mobile and internet banking, shopping and identification needs through the company's patented security technology. Qpay enables flexible payments by accepting Visa, Mastercard and American express payment options. Their products include Qpay Secure Remote Access, Qpay Mobile Banking, Qpay Mobile Commerce and Qpay E-Document Security.

Originally, the Qpay headquarters were situated in Redlands as the director lived in the area. To reduce their high rental costs, the company relocated to Tingalpa where they found smaller premises with lower rent. Subsequent to the move, employees found that their new location also improved their travel to the office that was located near the Gateway motorway.

<http://www.myqpay.com>

## F Trucks Australia



<i>Industry sector:</i>	Auto Parts Retailer
<i>Year established:</i>	1981
<i>Employees:</i>	65
<i>Number of offices:</i>	4
<i>Office locations:</i>	Australia (QLD, NSW, VIC), USA (California)
<i>Relocated to:</i>	Mansfield

F Trucks is an auto parts dealer specialising in parts for F (Ford) Series Trucks such as suspension parts, lampware, wheels and engines. The current owners have been operating the company since 2005, and due to increased customer demand for parts, the company expanded to include an online auto parts business, Ford Classic Spares ([www.autopartsonline.com](http://www.autopartsonline.com)). Across the two businesses, the company provides second hand and new auto parts for most Ford makes and models.

Originally, the Brisbane premises were located in the Redlands area as many of the employees lived in the area and the area was commercially suitable for their business. The decision to relocate was based on the perceived difficulty of operating business in the area. The company's location was rezoned which restricted their kind of business from operating in the area, their company was misclassified as a wrecking yard and the council was not open to listening to problems or suggestions. The company relocated where their company was correctly classified, had better council interactions and there was less complex regulations to prohibit their operations.

[www.ftrucksaustralia.com](http://www.ftrucksaustralia.com)

## Tecelec (Qld)



<i>Industry sector:</i>	Electrical Services
<i>Year established:</i>	1993
<i>Employees:</i>	9
<i>Number of offices:</i>	1
<i>Office locations:</i>	Australia (QLD)
<i>Relocated to:</i>	Balmoral

Tecelec is an electrical contracting company that provides services to wherever clients are based. Originally, the company was run from a home in Redlands where most of the staff lived. As the company grew, service vehicles would be driven to the Sunshine Coast and down to the Gold Coast, as well as to the Brisbane area. However, as the company expanded, more centralised commercial premises were sought to reduce the cost of travel (including petrol, car maintenance). As a strategic move, the company relocated near the gateway motorway which allowed the company to service both coasts, Brisbane and the Redlands from a central location.

<http://www.tecelec.com.au/home/>

## Aussie Hi Fi



<i>Industry sector:</i>	Home Theatre, Entertainment and Hi Fi retailer
<i>Number of offices:</i>	1
<i>Office locations:</i>	Australia (QLD)
<i>Relocated to:</i>	Fortitude Valley / Camp Hill

Aussie Hi Fi is a small Australian business specialising in high-end audio equipment with a specific focus on home theatre, home entertainment and hi fi products. Unlike low cost dealers, Aussie Hi Fi carefully selects products that represent best price parity and best value for money. As a fully authorised dealer of branded products, Aussie Hi Fi guarantees full Australian warranty and after sale service for customers.

Originally, Aussie Hi Fi was located in Capalaba in the Redlands region as the owners lived in the area and the population was considered large enough to support the demand for Aussie Hi Fi's products. In 2013, the company relocated to Camp Hill as the high rental costs were unaffordable and the company desired to attract a broader clientele. The owner noted that the Redlands area lacks a distinct shopping identity – a 'heart' and 'atmosphere' that other shopping districts can boast of. A significant problem is poor town planning that makes it difficult for customers to travel around the Redlands area and to find parking. As result, customers tend to engage in 'destination port shopping', shopping only for specific items and then leaving, a detriment for local business. Due to the relocation, Aussie Hi Fi's premises are smaller but the owners prefer the lower rent and the opportunity to gain greater access to clients in surrounding suburbs.

<http://www.aussiehifi.com.au/>

## Australasian Agriculture Services (AAS)



<i>Industry sector:</i>	Poultry Equipment
<i>Year established:</i>	2000
<i>Employees:</i>	3
<i>Number of offices:</i>	1
<i>Office locations:</i>	Australia (QLD)
<i>Relocated from Tingalpa to Redlands</i>	

Australasian Agricultural Services (AAS) supplies equipment to the Australasian poultry and hatchery market. AAS products include munters cooling ventilation equipment, Big Dutchman poultry shed equipment and waste spectrum incinerators. In addition to supplying equipment, AAS also offers services such as professional consulting, assistance with poultry house design, and assistance to achieve free range and organic operations. The company originally located in Tingalpa as the owners wished to remain close to home. The owners established their initial premises in a Tingalpa Business Park as it enabled them to customise their building to suit their unique needs as a poultry equipment supplier. The company decided to relocate into the Redlands area as they found their initial premises too large for their current business which introduced unnecessary costs. The company has recently relocated into the Redlands Business Park where they are able to construct premises more suitable in size for their business. The owners believe that greater economic incentives to help new businesses settle into the Redlands area would attract other newcomers to the area.

[www.ausagservices.com.au](http://www.ausagservices.com.au)

## Affordable Skid Steers (Aust)



<i>Industry sector:</i>	Skid Steer Machinery
<i>Year established:</i>	1995
<i>Employees:</i>	5
<i>Number of offices:</i>	1
<i>Office locations:</i>	Australia (QLD)
<i>Considering relocation to Yatala</i>	

Affordable Skid Steers is a machinery retailer and their product range includes skid steer loaders, multi-terrain loaders, compact terrain loaders, forklifts, recycled plastics, mowers, and caterpillar/Australian-made Digga attachments. They also sell a full range of used and nearly new machines. The company runs a large facility in Capalaba and will be soon opening a new facility in Western Australia.

The company initially located in the Redlands areas as the owners sought to be close to home. Currently, the company is facing a challenging economic environment as machinery sales are struggling. In response, the company has put their facility on lease and is interested in a possible relocation to Yatala where rental estate costs are reportedly lower than in the Redlands area.

[www.affordableskidsteers.com](http://www.affordableskidsteers.com)

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(<http://www.qld.gov.au/dsitia/about-us/business-areas/innovation-policy/>).