

# Tailored banking solutions are helping Weathertex lead the way



## The Weathertex story

The only Australian owned and run timber-cladding manufacturer, Weathertex, has been operating in New South Wales since 1939, producing one of a kind timber cladding that contains no artificial glues or binders. Weathertex delivers its long-lasting, eco-friendly timber cladding to a range of customers including distributors, builders and homeowners across the globe.

Current Weathertex Chairman Paul Michael bought the business 20 years ago, successfully navigating it through the meshing of old and new technology while playing an important role in improving the sustainability of Australian building products and practices.

## Calling on the dragon

In 2003 Michael needed financial advice and approached a number of banks for help. But their lack of understanding of the needs of a manufacturing company quickly became an issue.

Instead, Michael turned to St.George Bank; attracted by its industry specialists within manufacturing, who have a strong understanding of the whole supply chain and the need to stay at the forefront of innovation. The bank drove out to the plant to take a tour and better understand the business needs of Weathertex. They came on-board that day.

"St.George understands us, and what we are about as a business," said Michael. "Our experience with other banks is that some don't appear to understand the mechanics of a manufacturing business... if you've got a bank that understands what you are trying to do, it makes a huge difference."

It would be two years before the timber company needed further help from the bank, and that help came at a pivotal moment. In addition to Weathertex, Michael owned a number of other companies, but in the unsteady economic environment of 2005 he decided to sell off these businesses in order to strategically focus his efforts on Weathertex.

"We went along to St.George and explained what we wanted to do and they were able to help us because they understood the direction we wanted to take and knew our industry, which made all the difference... Weathertex has just grown from there," said Michael.

## The evolution of Weathertex

Over the last 12 years, the business has evolved in a number of ways. While much of the original factory built in 1939 is still in use today, Weathertex had to keep its factory processes relevant and efficient enough to continue to be economically and environmentally viable.

The evolution of the factory has included the installation of a Supervisory Control and Data Acquisition (SCADA) system that delivers real-time information, diagnosis and control of the factory processes, and a modernisation of the gas boiler used to make Weathertex products.

The business has also adopted a sales and marketing model; meaning it now controls both the manufacturing process and the way the brand is marketed to direct and indirect customers. Part of this strategy has seen Weathertex better promote the sustainability prowess of its products.



It is the first manufactured product globally to achieve Platinum GreenTag Certification for its Natural range, and also the first to earn a GreenTag Product Health Declaration. Recently it was voted the number one trusted brand in the building industry by Architecture & Design.

### **Future proofing with St.George**

The future looks extremely promising for Weathertex. The business is growing at a rate of 10-15 per cent year-on-year and it is enjoying the increased customer appetite of wanting more eco-friendly products. But the company wants to do more, and recently turned to St.George to help it explore how it can become more energy efficient.

As part of the banking group's industry model - one that sees it deploy a skilled team of specialist bankers across a variety of industries including manufacturing, wholesaling, and property - St.George adds value to its clients by partnering them with other businesses.

To help Weathertex, the bank introduced it to an energy services company that designs and delivers energy solutions to protect against growing costs. Together, the businesses are exploring the future opportunity of installing a biomass boiler that will be fuelled by the 6000 tonnes of sawdust Weathertex produces each year.

"The biomass boiler is something that we knew we wanted to do but we hadn't done the engineering on it," explained Michael. "So St.George and its partner came in with their expertise and we got them to do a report on it. Sure, there is a lot more work to be done if we go ahead with installing the boiler, but they got us to the point where I now have a proposal; I know how much it is going to cost and what size it is going to be."

Connecting the different businesses it works with is an area of focus for St.George, as it looks to innovative new ways to grow its customers, explained Matthew Kelly, Head of Manufacturing and Wholesale at St.George Bank. "We work with our customers to add value outside core banking products. Manufacturing is an innovative industry and we strive to be innovative ourselves.

"We are building on this connectivity piece and it's about using our industry expertise to bring market leading specialists in the industry and connecting people as part of that - to assist them in growing their business."

To find out more about Weathertex, visit [www.weathertex.com.au](http://www.weathertex.com.au)

If you'd like to see how St.George could help your business, visit:

**[www.stgeorge.com.au/manufacturing](http://www.stgeorge.com.au/manufacturing)**