

Way South In Australia

I'm writing this column for *Southern Graphics* from the farthest south I've ever been...just a little bit outside of Sydney, Australia on a train heading down from Brisbane. It's Monday morning, May 3rd—early fall in Australia—and I spoke over the weekend at Kwik Kopy Australia's Annual Convention, held at a hotel on Australia's Gold Coast, a resort area just south of Brisbane that looks and feels a lot like Florida.

Tomorrow evening, I'm putting on a seminar in Sydney under the auspices of PATEFA—the Printing and Allied Trades Employers Federation of Australia—which is more or less the Australian equivalent of PIA.

Similar Problems

From everything I can see, Australia's printers have many similar problems to yours, and many similar concerns. There has been a recession here, and while there's some feeling that the worst is over for now, there is also quite a bit of concern that Japan's current economic problems are going to throw Australia's economy into further and deeper turmoil before too long.

The printers I've been speaking to seem mostly positive, at least for the short term. I've heard quite a bit of the same phrase I've been hearing at home lately...*our customers are starting to spend money on printing and promotion again.*

Just as at home, there are too many printers here, or at least too much production capacity. It's a big country, covering essentially the same total landspace as the United States, but that landspace is home to only about 14 million people. Most of the population lives in or around one of the five large cities, Sydney, Brisbane, Melbourne, and Adelaide on the Eastern side of the country/continent, and Perth on the Western side. One of the printers I spoke with described the Australian market as being like five islands, with a great deal of empty land between them rather than open water.

I can vouch for that statement. We flew into Sydney and rented a car and drove up to the Gold Coast which is only about 500 miles north. That trip took us 2½ days, along something called the New England Highway—a main road by Australian standards, but one which the average American would describe as pretty primitive. We drove through a few small cities and towns, but on the whole, we saw a lot more cows than people.

Prices And Profits

The prices Australian printers are able to charge would seem high—and no doubt very attractive—to most American printers, but the higher prices are offset by a significantly higher cost structure. Everything seems to cost more here than at home, and occupancy and labor costs are two of the things that particularly stand out. I spoke with one printer in particular—a quick printer with two retail locations and a central production facility in downtown Sydney—and he told me that his rent alone comes to about a quarter of a million dollars each year.

The labor situation has its own peculiarities. There seem to be plenty of people available to work in the printing trades, in fact, most of the Australian cities and markets have significantly higher unemployment than we have. Most of the printers I spoke with seem very happy with the quality of their employees. But how would you like to deal with this one...every Australian worker is entitled to 4 weeks of paid vacation each year, right from the first year of employment. The Australian printer has to accept the cost of 12 months of pay for 11 months of work. He also has to deal with the reality of one extra employee for every twelve he absolutely needs, just to maintain a full complement while *someone* is on vacation.

State Of Origin

One of the most interesting things we've encountered in Australia has nothing to do with printing. But since most printers I know are sports fans—especially Southern printers—I thought you might find it interesting.

The first of three annual State Of Origin rugby games is being held tonight. Rugby, of course, is the national game of Australia. To most Americans, rugby looks like some kind of combination of football, ice hockey, and street crime. I watched part of a game the other night, and once you realize that it does have rules, it becomes a fairly interesting sport.

The State Of Origin games are essentially all-star games at the highest level of professional rugby, but what makes them very different from all-star games in American sports is that you play not for one conference or division within a league, but for a team made up of players born in the same state. (Australia is made up of six states, but

this State Of Origin business is so far confined to the states of New South Wales and Queensland, the states in which Sydney and Brisbane, respectively, are found.)

That can result in regular league teammates playing on opposite sides, or as they say here, “battles of mate vs. mate.” The newspapers have been full of stories over the last several days about times when regular teammates bashed the absolute hell out of each other in past State Of Origin games. It’s a big difference, apparently, from the all-star games we’re used to, especially the professional ones which have really become more of exhibitions than hard-fought athletic contests.

I like the concept, though, especially as a North Carolinian. I figure that we’d have to be the favorites if State Of Origin ever makes it to the NBA (at least before Michael What’s His Name retires.)