

Overview

New Zealand Insulators – Temuka, South Canterbury. Manufacturing porcelain insulators for the electricity industry since 1924. A 'last man standing' local manufacturer. A business working hard to get back into positive growth. A treasured New Zealand asset. This is our story ...

87 years old and unlike so many New Zealand manufacturers, still alive and (albeit smaller than we used to be) – still sustainably profitable.

How can we compete against the scary-low labour rates and heavily-protected exchange rates in the developing world? Everyone asks this.

Well, we own our 210,000 square foot Temuka facility, with cash in the bank. We also own our own clay mine, and operate with regional South Island overheads (we're Scots after all). And we're flexible enough to make specialised products in small quantities, plus we make BETTER products than our competitors. That's how.

So when the cheap import honeymoon fades, and the exchange rate worm turns, as they certainly will – NZI will be uniquely positioned. Better still, we have an entire electrical distribution network who trust NZI product coming out of Temuka, and who express a desire to support locally-made product if our pricing can compete inside a range.



David Chambers,
29 years with NZI

Once we get to the end of 2011, we will have also completed the transition to ensure only products made in Temuka carry the NZI badge. We want our clients to have certainty that when they select the NZI brand, they are buying products manufactured in Temuka.

Of course New Zealand Insulators also represents some global brands – including LAPP (Germany), NGK Stanger (Australia), Yikun (China), Fulton (Australia), Dalian CTC (China), Sofamel (Spain), Bussmann (India) and Efen (Germany). Our 2011 Catalogue is the best way to assess NZI's current core-stock product range.

Plus we make many OEM products specifically for clients (switches, transformers, transmission) ... as well as insulation products for projects (new lines, lines maintenance, rail electrification). NZI has made, over the years, upwards of 500 different insulator designs.

The intention of the Profile is to give you a snapshot of NZI, where we've been and where we're heading.



NZI 11kV
Class 2 Linepost,
Part No. 460818

History

We became New Zealand Insulators when National Electric (NEECO) took over the Canterbury Pipe & Tile Company in 1924. Tiles, pipes, bricks and some insulators had been made on our site since Joseph Whitehead established the Temuka brickworks in 1868.

Using the clay deposit found in our Kakahu Valley mine and with NEECO's capital/distribution - insulator production got into full swing.

The 1930's Depression hit NZI hard but during WW2 NZI was declared an 'essential industry' by the Government and insulator volumes grew quickly.

The Thomas Street site was partially destroyed by fire in 1950, which meant the business could rebuild and install new generation kilns. The expanding New Zealand economy in the 50's and 60's saw infrastructure spending, and NZI's workforce grew to around 250.

In 1966 Cable Price took over NEECO. Variouslly we were then owned by Brierley Investments (1988), Skellerup Group (1993), and the ill-fated Maine Investments (1996).



Rayleine Peattie,
32 years with NZI

Across the 80's and 90's NZI had some boom years, and was split into three divisions with the Low Voltage division having it's own site in Ashburton. The business at peak employed more than 300 people, and many many staff stayed with NZI for their entire working lives.

So far however, the 21st Century hasn't been easy for New Zealand Insulators. Well-organised importers dealt a telling blow to NZI's market share. And rightly or

wrongly, we stood our ground. The company retrenched several times - shrinking gradually to annual sales of NZ\$6million (down from \$18mill in 2002) with just 34 staff. Sales decline is hard.

Which brings us to 2011, our 87th year. We're now part of Tom Sturgess' Tiri Group and enjoy supportive well-funded private ownership. We're making sales and marketing moves which should see NZI have more voice in the market. We've repositioned our prices to compete in the market. We have a newly established Auckland Sales Office. A full-range 2011 Catalogue has now been released.

No point in crying about having lost market share, we're setting off to see if we can't win some back.



NZI 22kV
ALP22/450
Part No. 106941

NZI Branded Product

The NZI brand stands for trusted reliability. Product badged NZI means it has been manufactured by us, in Temuka, to a certified ISO9001 quality system, by local craftsmen and women.

Go to nzinsulators.co.nz and click on the section 'NZI Brand' – it details the following products that we manufacture in Temuka:

- Station Post Insulators
- Line Post Insulators
- Standoff Insulators
- Pin Type Insulators
- Spike Insulator
- Reels
- LV Insulators
- Guy Strains
- Fence Strainer
- Plastic Fuse Holders
- Fuse Carriers & Bases
- HRC Cutouts
- Rewireable Cutouts
- Fuse Disconnects
- Busbar Supports
- DMC Standoffs
- Fastlug Connectors



*NZI 33kV
ALP33/920
Part No. 115029*



Roydon Frisby, 26 years with NZI

Agency products distributed by NZI

NZI also proudly represents in New Zealand the following brands from around the globe:

LAPP (Germany)	Polymeric HV Insulators
Yikun (China)	Polymeric Surge Arrestors
Dalian CTC (China)	Polymeric MV Insulators Polymeric Deadends
Fulton (Australia)	Earth Rods & Accessories Underground Pillar Boxes & Accessories
Sofamel (Spain)	Overhead Safety Equipment
NGK Stanger (Australia)	EDO/HVI Dropouts ABS & SF6 Gas Switches LVI/LVFI & Disconnects
Bussmann (India)	Industrial Fuselinks Motor Circuit Fuselinks House Service Fuselinks DIN Blade Fuselinks 12kV Fuselinks J Type Fuselinks Expulsion Fuselinks
Ferraz (Hungary)	Cylindrical Fuselinks
Efen (Germany)	Switches



Craig Johnson, 26 years with NZI



*NZI 11kV
821 Wrap Lock,
Part No. 103608*

Temuka Pottery

To most New Zealanders NZI is an insurance company and Temuka is a range of pottery. Both of course are true.

But the other NZI is an insulator factory and yes, since 1931, we've operated a separate business within NZI called Temuka Pottery. Here is the Temuka Pottery story ...

In the early 1930's our third Manager Arthur Toplis diversified NZI into also making pottery. He was a skilled potter by trade, and during his time Temuka established itself as a quality brand. He won a contract to make electric jugs, and later we were also appointed to make crockery for NZ Railways. Our 'railways cup' made from the very same Kakahu clay blend we use for insulators today – was generally considered to be indestructible.

Of course Temuka's finest hour was our Riverstone series during the 1970's, designed by the late Jack Laird, of Nelson. The curvy, matt, brown Riverstone sold literally millions of pieces – and still represents the relationship that many Kiwis have with the Temuka brand.

NZI 72.5kV
Stationpost,
Part No. 460990



Riverstone suffered from the cultural cringe of the pink-and-grey 80's and Temuka went into a highly decorative phase, followed by a colourful hand-painted phase which was the 90's. Volumes have declined gradually across the past 20 years.

NZI's decision to downsize the Temuka 'Homeware' retail network, and in 2009 to close our own shop/cafe in Temuka signalled to a watching world that we were turning our back on our pottery business.

But thankfully that's not true. In 2011 we have made moves to revitalise one of New Zealand much-loved brands:

We have started reworking the Temuka Pottery range – with 7 designs being retired and 5 new designs being launched in March this year.

Plus we have reopened the Temuka Pottery Shop in Mendelson Barn, on the State Highway Bypass in Temuka. Operated under license by the owners of the 100% Homemade Café, the new Temuka Pottery Shop has been open and trading well, since 1 March.

At this stage Temuka Pottery remains a small division inside NZI, but stay tuned as we think it still possesses genuine potential.



Dave Johnson, 34 years with NZI

Aspirations

With supportive New Zealand ownership, under the guidance of NZI's thirteenth manager, Greg Howell – NZI is setting out to achieve certain things. We thought it worth noting what they are:

Our primary goal is to get NZI back into growth mode – to reorganise our sales, marketing, product range and pricing so that New Zealand's lines companies can once again have NZI as one of their cornerstone brands being specified. Our goal is to double the size of NZI to \$12mill annual sales. We've set a deadline, but we're not saying what it is as yet.

Our second goal is to ensure NZI is a thriving, sustainable business when our centenary comes around – which is 2024. If we get there, it'll mean we've done that which is required for NZI to be a viable business for many years to come.

However on Greg's watch, we get to not only care about what happens – but also how it happens.

Our new GM is very fussy about manners in the workplace. Nothing too weird - just greetings, farewells, respecting elders, treatment of visitors, never a bad word spoken about our customers, no raised voices, the correct use of email, eliminating the word 'they', no blaming and less gossiping.

His other big thing is balancing the needs of the various stakeholders – Customers, Staff, Suppliers, Shareholders and the Community. Excellent businesses ensure that the needs of all five are met, or at least balanced in a sustainable way.

We'd also like to see if NZI can to hire more staff, and invest in some automation for our competitive position – but that all comes back to goal number one, get some growth runs on the board.

If you're in a position to help us, please do.



NZI 44kV
44/780,
Part No. 461717



Ralph Dodds, 33 years with NZI

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NZI 12kV
Standoff,
Part No. 599263

TEMUKA POTTERY SHOP

57 Vine Street, State Highway Bypass, inside
Mendelson Barn Phone 03-6155651, Fax 03-6155652

Open 7 Days: Weekdays 9am-5pm, Weekends 10am-4pm,
Public Holidays 10am-4pm



Warren Cornelius, 30 years with NZI