Sustainability in an SME - an Option
Thirty jobless as family firm closes

Since: DAMIAN MAGILL
Photo: ADAM WRIGHT

A FAMILY company that has been operating since 1976 is now in administration.

Shelton Industrial Packaging in Bomaderry has been placed into administration. With 38 local employees, the pallet making company will be run by an administrator until a sale, or a court order, can be made.

The pallet making company was started by brothers Albert and Nelson and originally run under the name Shelton Industrial and gained a high respect for its quality.

Scott Shelton took over the company in August 1993, with a workforce of 27, but by the end of 2003, the workforce had reduced to 11.

He was forced to downsize in the difficult economic climate of the last five years. Employment in the family business had declined to 10 and the company had to reduce its costs to compete.

Mr Shelton said the company had been forced to increase its workforce to 27 and expand to become more efficient.

The day before the announcement was made, the workers were kept informed of the situation.

"I had nothing to hide," Mr Shelton said.

"We thought they were starting to get back on an even footing last year, but then the financial crisis hit us that January period."

Mr Shelton said they had a year in 2003-04 to plan and prepare for a downturn, but the amount of work they had was not enough to keep the business afloat.

Further details will be given at a meeting of creditors on January 16, 2004, at The Bomaderry RSL Club.

Workers consider their future

FUTURE FEARS: Shelton Industrial Packaging employees Peter McGlory, Sted Luccombe, Daniel Usher, John Payne, the West (far right), Brian Creasy, union delegate Troy Russell (at front) and Terry Luccombe contemplate their futures following news that the company had been dissolved.

Workers were shocked by the news and said they were worried about their future. Mr Russell said they were worried about their superannuation entitlements.

"If the administrator was going to come in and see an advertising program, we thought," Mr Russell said.

Continued page 2

Harvey Norman

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Core Purpose

• To supply packaging solutions to business that protects and enhances their products therefore contributing to the success of our customer.
Core Values

• Absolute *Honesty* and *Integrity*
• Constant commitment to *Growth*, *Opportunity* and *Safety* of Our People
• Product *Quality*, *Reliability* and *Innovation* that *Exceeds The Expectations* of our customers
• A commitment to *Suppliers* that offers stability through growth and *Timely Payment*

• *Contribution and Responsibility* to the *Environment* and *Communities* in which we operate.

• To build a *Profitable* business achieving *Return On Investment* and *Capital Growth*. 
• Respect
• OH&S
• Entitlements
• Job security
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Recycling

- steel
- timber off-cuts
- sawdust
- plastic
- paper/cardboard
- product
Balance Sheet

- self funded
- strong ratios
- Non financial measures
- TBL
Community Projects

- Schools Workplace Learning
- Harley - Tutorial Centre
- Little John - Employment Pathways
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• 100% expectation of teams in the business
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- Winner Shoalhaven Business Award
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HELP FROM ABOVE: HOW GOVERNMENTS COULD DRIVE FASTER GROWTH
Managing from the factory floor

A democratic approach to industrial relations and workshop safety has worked wonders for an ailing packaging company, writes Mark Fenton-Jones.

One of the first things John Fisher did when he bought Fieldon Industries in 1995 was to toss down the old union.

"The first day I walked in, there were 300 strikers outside the factory," Fisher recalls. "They had been on strike for 10 months, and I had to hire 100 new people in two weeks."

Fisher, who has run the company since 1994, says that much of his success can be attributed to the new management style he has implemented.

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Next Steps
The journey continues...