

exporter case study



Cutting Edge



Company profile

In the 14 years since Cutting Edge was established, the Brisbane-based company has grown from three employees to over 120 full-time and 250 part-time staff. Cutting Edge provides world-class post production and visual effects for commercial advertising, feature films, television series and reality television. Cutting Edge offers a one-stop post production solution including offline editing, online editing, visual effects, broadcast design, sound design, plus 2D and 3D animation.

Motivations to export

Cutting Edge decided that to augment the peaks and troughs that occurred within the local market, the company would need to grow outside the domestic marketplace. Exporting has allowed it to be successful in achieving a constant stream of high-quality projects.

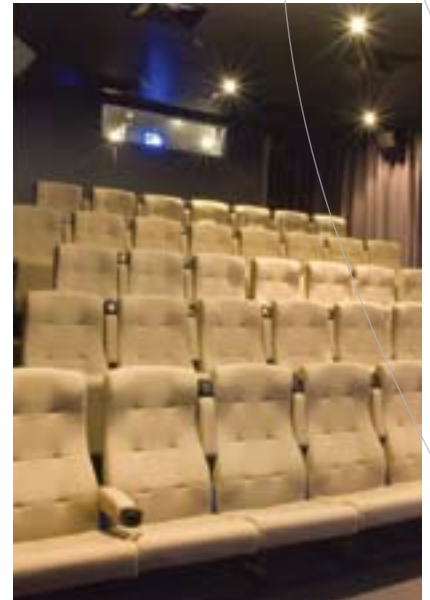
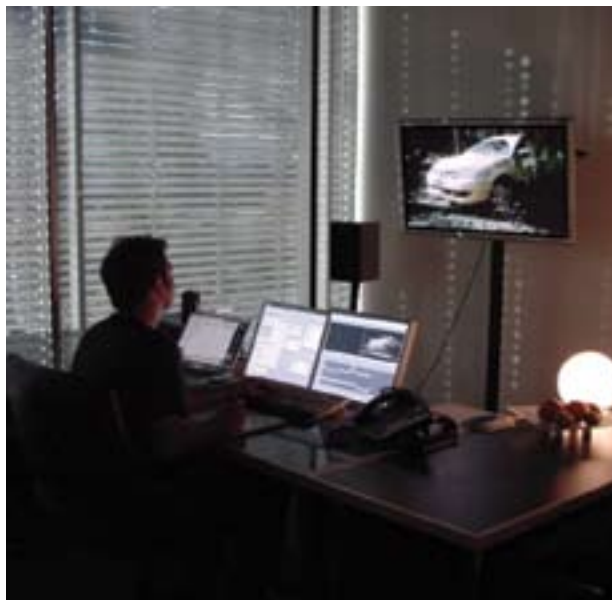
Being successful in the local market, Cutting Edge wanted to take its products further and to test them on the world stage through exporting.

In addition, exporting has helped with staff retention, as employees enjoy the challenge of working on international projects.

Activities that contributed to its export success

Cutting Edge invests in face-to-face marketing to develop strong relationships and reinforce its commitment to clients.

Cutting Edge has positioned itself as a stand-out company by providing products and services with perceived differences which cannot be obtained from just anywhere. The company has written in-house software packages that have set it apart by exceeding world standards.



Lessons learnt and mistakes made along the way

Cutting Edge recognises that it is easy to become too greedy and try to win projects all over the world. Rather than taking a scatter gun approach to marketing overseas, the company chose to spend its marketing dollar intensively on one market. It is imperative to establish good face-to-face relationships with clients, which cannot be achieved if a scatter gun approach is adopted.

It is crucial to research and understand the immigration laws within your export destination, and ensure that your business is abiding by them instead of being sent home due to incorrect visa documentation.

When providing estimate quotations, it is important to talk with the bank at the outset and hedge the currency. Cutting Edge found it beneficial to tie the currency back to the Australian dollar to avoid losing money on projects.

How exporting has benefited the business

Cutting Edge acknowledges that exporting has played an essential factor in retaining staff commitment within the organisation. Sometimes more interesting and challenging work comes from overseas, allowing staff to enjoy and benefit from a variety of projects.

As a winner of the Premier of Queensland's Export Awards and Australian Export Awards, the acknowledgments have helped Cutting Edge strengthen its brand recognition in both domestic and international markets.

Assistance received from the Queensland Government

Cutting Edge has received grants and financial assistance from the Queensland Government and Austrade. Cutting Edge has taken advantage of the Export Market Development Grant for travel expenses, which has meant it could visit its clients twice as much.

The Queensland Government assisted the company with expansion and growth, allowing Cutting Edge to effectively target overseas clients.

Words of advice for exporters

Cutting Edge understands the significance of choosing a market that suits your business, one that you are comfortable with and that you will benefit from. It is important to remain focused on this market rather than adopting a scattered approach. The clients need to see you face-to-face, to understand you and then begin to trust you. You need to promise what you will deliver and deliver on everything you promise.

It is also important to look at support networks and keep your staff informed of the company export plans. Cutting Edge has provided language courses for staff allowing them to become more involved with their clients' markets.

With regards to limiting payment risks, the company has benefited from having staged payments where clients pay 30% – 50% upfront which provides protection to cover the expenses incurred in advance.

Always get the best advice on currency deals to avoid selling yourself short. Also seek advice from state and federal government. In most cases they have people on-the-ground that can provide you with advice, so take advantage of this assistance.

This case study was prepared for the Getting Export Smart workshop series. Please contact your local State Development Centre to register for export workshops and training programs.

Queensland State Development Centres
1300 363 711

If you have any queries about exporting
from Queensland, please contact:

Export Advisory Unit
Telephone +61 7 3224 4035
Facsimile +61 7 3835 1002
tradeinfo@qld.gov.au
www.export.qld.gov.au