

## Bridging the gap

By Stephen Moore

Daniel Roney's Detekt Design is a truly modern design house, bringing East and West together to meet rising consumer standards amid global pressures.

**D**esign was something that was always a part of Daniel Roney's life and something that has continued to grow throughout his career. After completing degrees in industrial design and mechanical engineering he worked a number of years in manufacturing before starting Detekt Design (Melbourne, Australia, and Shenzhen, China) in 2003. The business was a natural progression after identifying the need for a product design capability that provided companies with a quality structure to engage with manufacturing in Asia. The name Detekt was created by integrating the words "design" and "technology" with a German twist (the "k") to emphasize quality. The brand has been built on these fundamentals.

Being based in southern China, Roney has a prime view of industry trends and developments in the "World's Workshop," and in these tough economic times, he has some valuable advice as to what it takes to be successful in global manufacturing.

**MPW:** What prompted you to set up shop in China?

**Roney:** Detekt was a 'born global' enter-

prise and China's booming manufacturing sector offered a fantastic platform for our growth. We reviewed a number of locations in Asia and decided that the city of Shenzhen, in China's Guangdong province, was the most suitable. The decision was based on accessibility, manufacturing capability, skills and government policy. Detekt opened its China office in 2006 and through this establishment provides its global client base with a turnkey, design-to-manufacture service.

**MPW:** What are some of the challenges and pitfalls for small foreign companies operating in China? In particular, do foreign companies underestimate the cost of doing business in China?

**Roney:** China brings a range of difficult challenges for small companies. The obvious ones are the cultural difference and work practices, but the key challenges lie a bit further below the surface. As a result of the high bankruptcy rate with the small and medium-sized manufacturers it has become increasingly difficult to place small manufacturing projects. In the short term this gap has been filled by larger manufacturers who are willing to accept lower order quantities. However, this will all change when the economy picks up.

**MPW:** There has been a lot of news recently regarding thousands upon thousands of manufacturing firms closing their doors in southern China. What is

the reality and what are the prospects for manufacturing in China in the medium to long term?

**Roney:** Due to a high proportion of export manufacturing, southern China has been hit hard over the past three months. Factories have shut their doors, staff have been sent home for an extended Chinese New Year period, and 26 million have lost their jobs. The once-bustling sea ports and overflowing logistics centers have slowed substantially. Bankruptcy levels have spiked and wiped out a large proportion of the small and medium-sized manufacturers.

Although consolidation in this sector has been growing over the past three years, no one was prepared for this. Despite the severity of the downturn, China will continue to be a manufacturing powerhouse as the fundamentals remain unchanged. The Chinese government continues its domestic infrastructure programs undeterred by the current environment and focused on continued industrialization throughout the nation. Just like in key Western markets, the balance between growth and financial stability has been adjusted and this has had a direct impact on the attitude of manufacturers. Manufacturers have become more in tune to the profit drivers in their organizations and more selective in the business they pursue.

**MPW:** Do you think India will ever emerge as a true alternative to China



◀ In the past, Daniel Roney has offered university students from across the globe the opportunity to complete three-to-six-month internships at Detekt Design's Chinese office. The program is open to any student currently enrolled in a recognized industrial design course. Find out more about Detekt Design at [www.detektdesign.com](http://www.detektdesign.com).

as a manufacturing base? If so, in what time frame?

**Roney:** India's large domestic population and continued industrialization will ensure that continual growth occurs within its manufacturing sector. The key factor that will determine whether it becomes a true competitor to China for the West will depend on the Indian government's infrastructure investment plans.

**MPW:** Tell us a bit about the importance of supporting your design service clients with manufacturing and the role that Detekt Manufacturing plays?

**Roney:** At the end of the day, DETEKT's foreign clients are all looking for one thing: quality manufactured products that are fit for sale in Western markets. DETEKT's manufacturing team makes this happen by guaranteeing a seamless process. The team is made up of a balance of experienced expatriates and Chinese engineers and project managers who work hand in hand with our clients. In an emerging industrial environment like China the risks of remote manufacturing are high and the results often disastrous. Who hasn't got a China manufacturing disaster story?

**MPW:** How is the use of plastics evolving in the products you design?

**Roney:** Over the past year there has been an unprecedented level of interest in green products. This has increased the interest in recycled and biodegradable plastics. The increased pressure is stemming from socially conscious consumers and responsible corporations. High-tech plastics such as antimicrobial compounds are also growing in use. This interest, perhaps different from the past, has not been affected by the economic downturn.

**MPW:** Are there any particular plastics or plastic processing methods that have grabbed the interest of your designers?

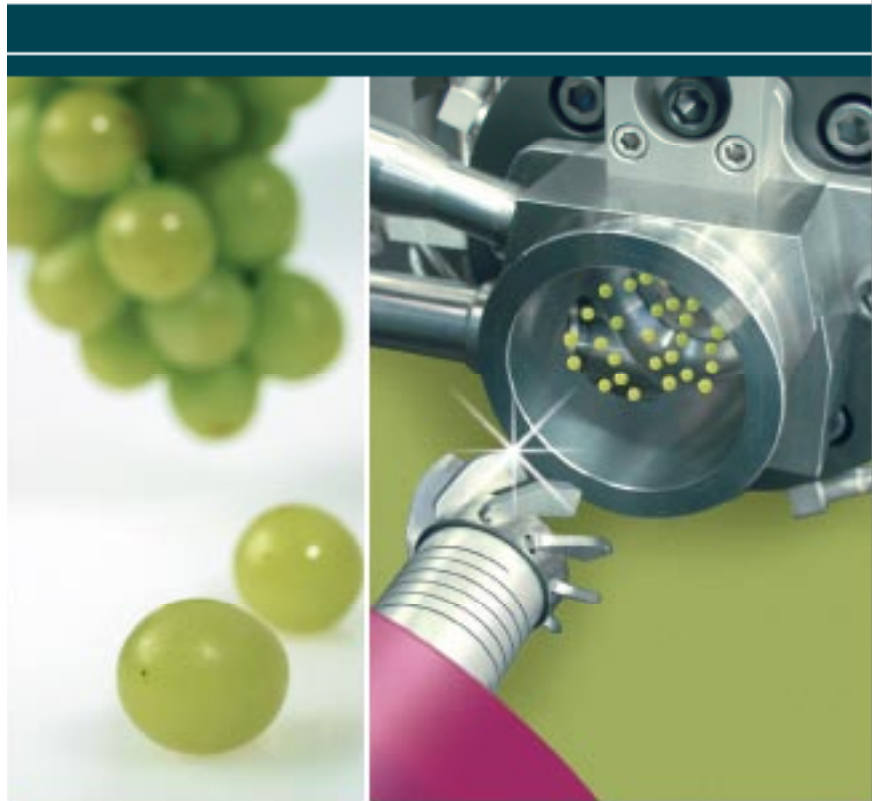
**Roney:** IMD (inmold decoration) is a current process that is drawing the attention of many of our clients. It had been used extensively to apply graphics to cell phones and is now finding applications in other products. More and more Asian manufacturers are adding IMD to their

in-house manufacturing capabilities and I expect to see this continue. The process eliminates the need for post-printing operations and is feasible with high-volume items. It has a special relevance for the Asian market due to their liking of pattern and symbolism. The Detekt designers are rather spoilt due to our operations in China; they are in and out

of the factories on a daily basis and right at the coal front, watching their products transition from design and engineering through to manufacturing. 🌐

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