



The Inside Story - July 2011

From the desk of Brad Dunne



In our December Newsletter we talked about the potential of a Perth office to better service the Western Australian

market for our national retail clients and therefore strengthen our business and responsiveness to demand.

Since then we have opened an office in South West Perth and taken the concrete steps to build infrastructure to become a stand alone company in the growing West Australian market place.

This has taken around 50% of my time and our eastern seaboard business has been closely overseen by our GM, Manuel Pena.

Manuel has focused on the continuing development of new business opportunities and the estimating department for an even

more efficient response to new business enquiry: And the presentation of pricing packages for our existing global customers who are responding to the changing market conditions with new store designs.

The establishment of our Western Australian branch has also allowed us to service our established clients on a daily basis while implementing our efficient business model to penetrate the local market and cement our 21 year reputation.

With this increased time commitment in Perth I am able to personally oversee all of our projects from Albany to Broome and ensure our commitment to the West builds for the future.

With our WA operations now in full flight this gives PQ full stand alone licensing in QLD, NSW, Victoria and WA.

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for their continued support and to our new customers for entrusting their fit-out business to our team.

On behalf of our senior management group I also want to thank each and every staff member for their support of the PQ business and to our suppliers, subcontractors and consultants for the part they play in PQ's success as we deliver quality and value to our clients.

Brad Dunne
Managing Director, Projects Queensland

Projects Queensland Goes Rusty



“The latest Rusty offerings can be found at Harbour Town on the Gold Coast”

Recently Brad Dunne caught up with Rusty boss Geoff Backshall over dinner with friends in Perth. They had some things in common: Geoff – sailing, surfing and surf-wear retailing and Brad – sailing, surfing and retail building.

One thing led to another and Projects Queensland, (PQ), with input from Rusty execs Ken Delongville and Dean Whiteman formalised the design for the construction of a prototype freestanding point-of-sale display unit for Rusty retail.

Recently Ken and Dean met PQ production manager Russell Baker to review the prototype and following a few tweaks, approved the fixture for production.

Russell commenced manufacture in May for units for use by Rusty retail around Australia. Surf into Rusty at their website www.rusty.com/au/page/about-us for some Rusty facts:

In 2006, the privately owned Rusty Australia



(Vegas Enterprises) bent their wallet out of shape and bought the worldwide marks for the Rusty brand. If you're familiar with the Australian licensee you'll know they injected a fashionable angle into a label that once bent traditional, but now goes kink. Meanwhile, its prized A-team, Josh Kerr, Jay Davies, and Nate Yeomans feature prominently in the surf press, online, in print and, significantly, on screen. (words courtesy Rusty web).

Ken Delongville who wears, amongst others, the hat as retail advisor said Rusty apparel can be found in around 550 outlets in Australia and New Zealand.

“The latest Rusty offerings can be found at Harbour Town on the Gold Coast,” said Ken.

For Rusty stockists in Oz and NZ go to www.rusty.com/au/page/stockists/1

PQ looks at Trade Education at AITC



CEO Mark Hands & Chairman Dennis Beck with some directors and members of AITC Russell Baker (back row 3rd from right)

HARD FACTS

- Over 80% of 2nd years (i.e., year 12) currently in apprenticeships
- Over 25% of 1st years (i.e., year 11) currently in apprenticeships
- 95% 2010 graduates converted into full-time apprenticeships
- 100% QCE completion for 2010

A popular comment from the PM is the need for an Education Revolution.

Well that revolution is alive and well on the Gold Coast with the April opening of the \$10 million Australian Industry Trade College (AITC) at Robina on a 6000m² site.

AITC's CEO Mark Hands explains that this uniquely designed facility is non-traditional in its learning approach.

"The textbook, chalkboard and the teacher dominated classroom have been replaced with dynamic speed and diversity of student centered investigation as the drivers of this revolution in trade education - our teachers as facilitators not lecturers and assisted by computers and the internet.

"AITC now has the 'runs on the board' to prove the AITC approach to providing industry a 'New Breed of Apprentice' education that really works," said Mr Hands.

College chairman, Dennis Beck and Mark Hands have been the driving force that has seen the creation of a team of educators and industry supporters endorsed by the federal government able to provide trade training to over 500 students with around 700 employers providing on-the-job training for college apprentices. With more to come!

"We are all about providing young people with a clearly defined pathway into trade employment and entry into university if further study is a focus and we have success stories that continually inspire us.

"Our board of directors, AITC members, college staff and industry supporters are all dedicated to the dynamic trade education of young Australians.

"The AITC model is all about unlocking and maximising the potential of our students," explained Dennis Beck and Mark Hands - that's our continuous goal.

Russell Baker, production manager at PQ is a strong supporter of developing apprentice training with the company.

Russell said PQ has three former apprentices in senior roles, Craig Stewart, Josh Turner and James Walsh who collectively have given over 29 years service to the business.

Our leadership team recognises the PQ business is not only about having the best apprentices, it is also about having skills of clear communication within our team.

Currently we have four apprentices with 2nd year Robert Eagle and 1st year Kurt Pearce attending AITC as part of their training.

As a member of the AITC company I am just so pleased that people like Mark and Dennis have had the determination to get this sensational facility transformed from a plan into a reality.

"Each time I visit the college I feel the vibrancy generated by the staff and students - its heady stuff because the reality is that this is: 'The Education Revolution' in action.

"To be a small part of AITC gives me satisfaction - it's providing sound, up to date interactive education and not just in the technical arena, and coupled with strong industry support, is, to be candid, just sensational,

"I can say that this college, designed by Amy Degenhart of DegenhartSHEDD

Architects is state of the art and just so user friendly - I would have liked a college like this in my student days.

"Alder Constructions, the builders of AITC have brought to life Amy Degenhart's design with superb workmanship, employing quality materials that will stand the test of time," said Russell Baker.



PQ Joinery work at AITC.

Thomas Hughes Constructions

MULTI AWARD-WINNING QUEENSLAND MASTER BUILDER

Architect Greg Read has designed some of the most stunning and luxurious homes on the Gold Coast and beyond, and the latest project, just completed by Thomas Hughes is a 3000m² residence at Sanctuary Cove.

Thomas was referred to these UK clients by a business associate and Greg Read gave Thomas Hughes Constructions the highest recommendation.

"When you build a home of these proportions I want the intent of my design to be transformed into reality and with Thomas in charge you know every construction detail is planned and executed with precision.

"Thomas has built homes for many of my clients and the results have been superb, hassle free with on-time completion or better in every instance. When the clients selected Thomas as their builder I knew the project was in excellent hands," said Greg Read.

Most work undertaken by Thomas Hughes Constructions comes from referrals and PQ's experience is similar – like Thomas Hughes the PQ portfolio has been built over many years.

Thomas said the joinery and cabinet work for this project had to be constructed and



installed by highly skilled craftsmen: PQ was selected for their experience in delivering fit-outs for some of the best known global retail brands like Louis Vuitton and Gucci who have the most exacting specifications.

Thomas was aware PQ had completed high-end residential projects and in particular needed the black lacquered kitchen to be installed seamlessly and flawlessly, so PQ's technical skill was invaluable.

"When I saw PQ's installation schedule I knew this massive kitchen would be

installed exactly to every detail of Greg Read's plan – black kitchens are the hardest to get right, however this one is magnificent.

"On their suggestion PQ even included an upgraded paint specification in their fit-out proposal.

"This project, whilst massive in scope has been completed seamlessly and on time - the client and architect are delighted with the finished product and the fit-out PQ has contributed make this project a winner on every level," explained Thomas.

“...black kitchens are the hardest to get right, however this one is magnificent.”



From the Project Management team by Manuel Pena

The past quarter has seen a slowdown in factory work however our project management team has been busy adding the final touches to a couple of projects that are winding down.

There has been considerable activity in the estimating department with our team busy pricing several large project opportunities received at the beginning of June.

To meet the tight pricing deadlines I have received tremendous support from the entire team to put together these complex tenders. So my thanks to all those involved.

Luke Ryan reported at a factory team lunch on 28 June that a major joinery and cabinet fit-out for a large, local residential project was now complete. He said the builder and homeowner were extremely pleased with the quality and delivery by PQ. Luke congratulated the team associated with this prestige project.

Our March completion of Bottega Veneta's first Australian outlet at Westfield Sydney has attracted excellent reviews by Gucci, the owners of this iconic brand, and our smooth, on-time handover has attracted interest from other brands.

Two non-local projects completed in this quarter include:

1. The Omega store in Brisbane which followed our successful completion of a new Omega outlet in Auckland in

December 2010. John Scott managed this project, located at MacArthur Central, 255 Queen Street.

2. John also led the team that successfully completed a refurbishment project for DFS Galleria, located at Abbott & Spence Streets, Cairns.

Other developments include pricing for a new concept store design for an existing client at Westfield in Sydney and confirmation we have won a tender for a new retail outlet at the Hilton retail precinct, Surfers Paradise, amongst others.

Good news is the realisation of our expansion into Western Australia with Brad Dunne setting up an office in South Perth.

This has involved numerous trans-continental flights but Brad said his compensation is the great surf in WA as well as the new business opportunities on offer, with excellent reception from the locals to this PQ venture.

Several WA jobs are now complete and the Rusty business came out of Brad's business development in Perth - work is well underway for the Rusty mobile display units with an additional order for large, modular merchandise shelving units for outlets around Australia.

We are also looking forward to the installation of our new computerised ANDI

router, which we anticipate will increase our efficiency.

An amazing 150 sheets of board will be used during the ANDI calibration over two days, which gives an indication of its production capacity. We also propose to invite customers to view the wizardry of ANDI in action.

Luke Ryan and other team members are getting familiar with the ANDI software package in readiness for its first production rollout, set for late July.

Luke is not only a cabinetmaker but was previously our purchasing officer and was also involved in our estimating department. With his cad programming experience he is ideally positioned to assist in bringing ANDI online.

Two of our apprentices, Robert Eagle and Kurt Pearce have their profiles featured in this newsletter. They are being mentored by our experienced team, particularly by foreman Scott Hawkesworth who is also mentoring Jimmy Walsh in the role of assistant foreman.

Russell Baker, our production manager is very pleased with the progress and the development of our apprentices as they develop their trade careers with PQ.

We expect the next quarter to be very busy with the award of new projects in Queensland and interstate.



Name: Kurt Pearce (left)

Age: 18

Role: Apprentice Shopfitting

Family: One of four children

Interests/hobbies: Surfing – in summer
Skateboarding in winter; Music – Playing
Drums; Travel – when time is free

Career highlights: Travelling Australia,
shopfitting luxury stores.

Favourite food: Thai/Mexican

Favourite holiday destination: Indonesia,
California, Malaysia

Biggest fear: The unknown

Anything else you would like to share?

A big wrap for the boys on the floor.

Name: Scott Hawkesworth (centre)

Age: 48

Role: Foreman

Family: Partner – Terri; Children – Tabitha,
Malcolm, Emily-Rose, Kelsie, Elizabeth
(Betty), Lilliana and Scarlet.

Interests/hobbies: Music – playing and
making guitars; Shooting – target pistols
and rifles; Motorcycles – road racing; Period
furniture – restoration, design, reproduction,
woodcarving and French polishing;
Computer aided design and manufacturing.

Career highlights: Designing and building
fine art in furniture for the Saudi and British
royal families.

Favourite food: Thai/seafood

Favourite holiday destination: Northern
Rivers/Scenic rim of NSW

Biggest Fear: That the skills of old world
master craftsmen and artisans could be lost
in our disposable world.

Anything else you would like to share?

I enjoy teaching and sharing with our willing
young apprentices the knowledge and skills
I have acquired during my career.

Name: Robert Eagle (right)

Age: 17

Role: 2nd year Apprentice Shopfitting

Family: 2 brothers and 3 sisters

Interests/hobbies: Body boarding, gym
and soccer

Career highlights: Obtaining an
apprenticeship during the pits of the
financial downturn.

Favourite food: Mum's lasagne.

Favourite holiday destination: Thailand or
Mexico.

Biggest fear: Sharks!

Anything else you would like to share?

I enjoy my job and the people that I work
with. Projects Queensland is one of the
best places in Australia that I could possibly
think to complete my apprenticeship.

Perth

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