

Innovit Pty Ltd

Bang Chau arrived in Australia as a seven year old Vietnamese migrant and now, aged 31, has built a company from scratch called Innovit Pty Ltd. Based in Eveleigh, Sydney (NSW), Innovit is a dynamic company committed to developing affordable e-catalogue management and supply chain integration software for business enterprise.

Although he is a Certified Practising Accountant by profession, with qualifications from the University of NSW, Bang had the idea of developing software that links business computer systems in 1997 when he was working overseas as an IT consultant. He returned to Australia to do post graduate studies in computer science before starting his company in 1998 with the intention of exporting (Businesses that plan to export from the beginning are called 'born global'). In the first 18 months, his company did mainly research and development (R&D) before developing its product called iICE for export to the United States, Europe and Asia-Pacific. Bang thinks that Australia is a good base for R&D because it has low cost structures, lots of talented people, great academic institutions doing leading-edge research and a comfortable lifestyle.

At present five per cent of Innovit's revenue comes from exports but this will be much higher in 2002, estimated at 40-50 per cent. Innovit currently employs six people although there were up to twelve during the initial R&D phases — including contractors and academic consultants.

Bang sees US-based companies as the main threats to niche Australian IT exports because they are far better financed due to their mature venture capital industry and generous tax regime. They also have a larger market from which to incubate and grow their business. However, there are few trade barriers since IT tends to be a fairly deregulated global industry.

IT export opportunities are there for Innovit because Australian-developed technologies are world-class and extremely price competitive. Australians generally use standards and architecture that are easily transportable to any English speaking country without much hassle. So markets like North America, UK, India, Singapore, Malaysia, and Taiwan offer feasible and attractive export opportunities but Innovit will need to localise the language used for iICE for exports to the Asia-Pacific and Europe

Innovit markets iICE by direct sales and local distributorships. They are not a consumer-oriented business and therefore do not spend much money on broad-based marketing. They tend to focus on industry segments and sell direct to those — retail, wholesale and large enterprises.

Innovit was the winner of the 2000 Yellow Pages \$25,000 Small Business Ideas Grant, Austrade Silicon Valley Mission Competition, and the prestigious Australian Technology Park 'New Business Creation Prize' (also known as the UNSW Vice-Chancellor's Prize).

Check out this company at www.innovit.com .