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A Roaring Success

With four decades of experience in the automotive industry, Tynan Motors is strategically positioning its direction for the road ahead.

Images by Scott Ehler

Tynan Motors is strategically manoeuvring through the congested lanes of the Australian automotive industry with the help of its strong relationships with partners and suppliers, its deep roots in local communities, and its devoted staff.

Michael Tynan is the founder and managing director of Tynan Motors and has seen the company grow over five decades from a single car dealership in 1966 to a large network of respected dealerships. Michael sat down with *The CEO Magazine* to discuss the company's well-established place in Australia's local communities and its automotive industry.

The CEO Magazine: Can you give our readers an overview of your career?

Michael: I commenced my working life on a dairy farm. I was there for two years, and then I started, by default, in what we

"We believe our brand performance is exceptional, as we are attuned to our local community."

- Michael Tynan

used to call a general warehouse, which catered for all the country stores and city stores from jewellery right through to picks and shovels. I started there in the jewellery department, and then I opened my own jewellery shop when I was 21 with the help of some very good people.

My favourite hobby was rally driving. At that stage, I was driving for the British Motor Corporation. Finally, I moved to General Motors, which was interested in relaunching the Vauxhall brand in Australia, and competed in a Vauxhall VX4.90, which was quite advanced for that era. By this stage, I had three children.

I then received a phone call from a company in the city that said they'd like me to come have a look at a vehicle and if I'd take it in a rally. I had to say no to them because I'd finished rally driving; but I was so taken with the vehicle that they said to take it home for the night. I showed it to my wife and she said, "Well, maybe one more."

I took it back in and said it just needed some new tyres on it for the rally driving. Back then, all the rally driving was on dirt roads. It was quite surprising because the car didn't let any dust or water in. I came back and gave them my report, and eventually they asked me whether I'd consider opening a retail motor business with that product. In March 1966, Tynan Motors commenced business with a dealership in Sutherland, and the company still occupies the same site today.

From this first Mazda dealership, you expanded and added more names to the brand, didn't you?

It's obvious that you can't rely on one product. If a model/brand/range fails to be attractive, innovative, or the pricing is wrong, the financial impact on a sole franchise dealership is drastic and can lead to closure. Manufacturers occasionally misjudge the market, hence we now share the risk through 15 new vehicle franchises. >

When looking for a new brand, what qualities do you look for?

The first thing we look at is market share. The second important step is to question if the company and staff have an affinity with the philosophy of the brand. The question is simply: Have we all got enough confidence in the business plan to perform to our expectations? That's basically how all our decisions are made. Once we decide to commit and invest, from there it's all about developing the brand in our local market and building customer confidence.

What plans do you have for expansion and growth?

We've got two directions. We've just finished a strategy meeting on where the automotive industry will

be in 2020. It's very difficult to find an accurate assessment, as the market is so fluid and forever changing. We have spent the past few years researching the possibility of accepting the role of an importer-distributor for appealing brands that are not yet represented in Australia. Our investigators may suggest commencing a rental car division, motor homes, or caravan sales. This is a challenging period in the history of the company that is coupled with significant opportunities to grow the business.

What are some of the challenges that Tynan Motors faces, and how do you overcome them?

On a global level, I think Australia is considered as one of the most competitive automotive markets in the world. There are 64 different brands and a myriad of models within each of those brands, so there's an enormous amount of choice. We have constant competition every time we open

the door. We recognise that we must position our company as a dealership of choice by the model of mutual respect.

All dealerships are allotted prime market areas of responsibility, and our role is to exceed the national market share of the brand. We believe our brand performance is exceptional, as we are attuned to our local community. We've got to look after the area that we're given by the manufacturer, and I think we do a pretty good job. We're very attuned to our area; we hate losing a deal from our own area. We are quite passionate about that. Our market penetration in the Sutherland Shire for each of our products is more than 80 per cent. We are always working to represent those brands. For every Honda that's sold in our area, we sell 89 per cent of them. It's an incredible record.

The challenges are there constantly: How do we service our customer better in the

workshop and technical centres? How can we improve our spare parts? We are constantly revisiting those concerns. We're training new staff, particularly on the sales side, and we try to build them up so we have clear succession strategies for management.

How important is good staff to the business? What qualities do you encourage in them?

We've got varied types of staff because we've got sales staff right through to technicians. Technicians for new product servicing require factory and internal training, and their role differs significantly to the old motor mechanics. They are very difficult to find because nobody seems to want to become a motor mechanic today. We've got a shortage of trained technicians in the motor industry, but we're training up apprentices all the time. I think we've employed about 22 apprentices at the moment. By the end of the year, we'll probably have around 10 because they just drop off over time.

With the sales side, we mainly look for a proven record in customer service. That's the most important thing to us. Next, can they work with us and our culture? It's something that we're very disciplined and strict on. We try to get people who are family and from the local area. In other words, they can communicate with the community and get involved and give back to the community.

You mentioned that community involvement has always been very important to Tynan Motors and your staff. Can you tell our readers a bit more about that?

I know people say that we're a very closeted mob out here in the Sutherland Shire, and it's probably right. We try to engender in our staff a feeling for their community and that it's not just about them; that they've got to put something back in. I think we've tried to practise that very deeply and sincerely from a company perspective. I can't drive the staff to do that, but I can encourage



"I have worked with the Tynan family in excess of 30 years. They have grown into a dynamic enterprise, which has been achieved through both good times and tough times. They have always worked as a partnership, with respect flowing both ways." - Tony Devers, General Manager - Automotive, Suzuki Australia

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- Michael Tynan

them to do it, and so far we've had great success.

I like to think we're very loyal to our community and we've got a great love for it. I think we are repaid through their loyalty to us as well.

In terms of the operational side of things, how do you work with your business partners and suppliers?

Dealers are franchised to the brand, manufacturer, or distributor. It's a business model that has been around for decades that operates successfully. We focus on the front line, dealing with the customers, and protecting the brand while striving for market share. We work very hard at that.

I would say that in our relationships, we work as a partner. Usually, we'll sit down and talk it through if we've got a problem,

and our partners feel the same way about us. We don't shut the door on them. They've got a job to do, as do we. We like to think that they trust us and that we've got a lot of integrity. They won't always agree with us and we won't always agree with them, but, at the end of the day, we all try to do the right thing by the brand.

What is it about the business itself that gives you the most satisfaction?

Surprisingly, I still look for opportunities and enjoy the challenges they represent. I believe we have the business under control, and it is supported by a strong and vital leadership team. But we have to continually challenge ourselves to keep improving. Management devotes a significant amount of time and talent to the possibilities of the future in an attempt to lower the risk value in decision-making. ●