



# The Sharpest SOLUTIONS

Sharp Electronics Group is a solutions-oriented company that strives to provide convenience and choice for its customers. The organisation grew from humble beginnings to become one of the biggest names in the industry.

Images by Andy Gock

**M**ore than 40 years ago, John Duncan left his job selling calculators to establish Sharp Electronics Group in Newcastle with a fellow salesman. With a background in early computer programming and operations, John tapped into his experiences to create a thriving business.

Now managing director of a locally owned business that has decades of experience and approximately 60 employees, John discussed with *The CEO Magazine* the challenges of building the company from the ground up, the changing nature of the industry, and the future for Sharp Electronics.

**The CEO Magazine:** What have been the greatest challenges you've faced in building up Sharp Electronics?

**John:** In the early days, obviously we had no money. My business partner and I were both young

married men in our mid twenties with young children, and our wives didn't work, so we were the only breadwinners for the family. Essentially, to try and start a business, buy stock and sell stock, and live off the profits but retain enough profits to grow the business so you've got more stockholdings and greater choice of stockholdings for customers, was very, very difficult for probably the first five years. I think, even to this day, anybody who starts a new business knows those first five or six years are critical to the survival and future of the company. That was probably the most difficult thing.

**Sharp Electronics has five separate divisions: office products, office furniture, print solutions, point of sale, and service. How do you create cohesion across these segments?**

It's a matter of cross-fertilisation between the divisions. In some ways, they can compete against one

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another because a customer of an office-product sales representative may be using a lot of different printers, for example. We all know what the printer business is all about—it's all about the cartridges; it's all about the consumables. We all know how expensive they are.

One of our office-products salesmen may well be selling thousands of dollars worth of cartridges across a variety of different brands and printers to a customer, and one of my print-solutions reps may go in there and convince them to change their print solutions across to a few bigger machines in order to print at something like a fifth of the cost per page that they are currently printing at across their business. So the office-products division loses sales of all those cartridges, but the print-solutions division picks up the sales. That sometimes makes it difficult, but we convince people that they have to work together because there is more to office products than just cartridges. >



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**After more than 40 years, what would you say are the key values that have driven the company?**

I think the greatest asset to the business is the staff. We have approximately 60 staff here at the moment. And just off the top of my head, without looking at it, at least 50 per cent of them would have been here for more than 10 years. There are a number that have been here even more than 20 years, and even a couple for more than 30 years. The staff are crucial to our business. Their relationships with our customers are key to the ongoing business; they are an important element.

I also believe that integrity is crucial in your business: telling the customer the truth and never telling a customer a 'little white lie'. If we are in the wrong or if we have done something wrong, we admit it to the customer, apologise profusely, and do whatever we can to make it up to them and to retain that customer. I think integrity and

staff relations with the customers are key factors in customer retention and the ongoing success of your business.

The other values are with your suppliers: my suppliers, the wholesalers, the distributors, the manufacturers that we deal with both here in Australia and overseas. We must have a relationship with them on the understanding that they need to make a profit, and my customer needs to understand that I need to make a profit, so there must be a win-win-win for all three parties along the line. If you don't have a good relationship with your supplier—for example, if you don't pay your bills on time, if you don't treat your staff respectfully, and so forth—you probably will struggle in business; but if you maintain a good, healthy relationship and a good credit history with all of your suppliers and creditors, you are going a long way to having a successful business.

**How do you ensure a mutually beneficial relationship between you and your suppliers?**

Communication is the key point; we must continue to communicate with one another. If there is something you are not happy about with the supplier, you must communicate with them. Don't harbour it and let it fester; they must be made aware of it straightaway and given the opportunity to rectify it. I think some businesses tend to harbour things for too long and let them fester; then one thing happens that upsets them again, they whack it on top of the other thing, and next you know you have a bad relationship with your supplier.

I have also been a great believer in socialising with suppliers. We go to exhibitions, we have trade functions, trade events, and so forth. I believe that socialising, mixing with them, talking to them face-to-face, talking about things that might be fringe



through the tablet. So point-of-sale technology is always moving quickly.

In print, people ask, 'How far can they go?' Print management, for example, is a term that's been used for a long time. Some big companies like their print to be managed by businesses like ours; others prefer to manage their own. There are pluses and minuses for both, in my opinion. I think this year is no different from any other year and the years in the future.

I'm sure if we are flexible enough to move with the technology, our business will continue to be successful. It's just like televisions these days: We saw that with the flat-screen television evolution. Everyone embraced it, and the desire to have one was very strong. We don't sell televisions, but we sometimes give them away with photocopiers as an incentive to purchase, and that is a promotion that works very well. But look at the new thin screens that you can bend these days—who'd have thought we would ever get to there? That same sort of technology finds its way into the office equipment technology and it's there to be used. That's where our Japanese friends are very, very clever. There might not be a lot of products manufactured in Japan these days, but they are still the inventors of this wonderful technology.

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**Is there anything else you wish to impart to our readers?**

The one thing that I just would emphasise to anybody who runs a business is to operate honestly, develop trust between your staff and management, take an interest in your staff, make sure you know them all by name, take an interest in their families, praise them when and where it is deserved. No matter how big or small your workplace or workforce is, your relationship with your staff is extremely important. And honesty with your customers—you can do no better than that. Always apply the truth and protect your credibility, and you will always have them as a customer. ●

business—you might be talking about personal interests and families—is creating a personal relationship so that they become friends rather than business acquaintances, so to speak.

the counter ready to be paid for and picked up. It can even be paid through the personal device. The merging of those sorts of technologies in point of sale is very, very interesting.

**What does the future hold for Sharp Electronics?**

I think the future is enormously exciting. There is always something happening in this industry, such as the merger of personal electronic devices and being able to communicate with our technology. For example, if somebody wants to order a coffee on the way to the office but they don't want to stand in a coffee shop and wait for it to be made, these days they can order it from their smartphone and that will go directly to the point-of-sale terminal. When they get to the shop, the coffee will be sitting on

Mobile cash registers: again, we have released a tablet where people don't have to get up to order food or a beverage when they are sitting at a poker machine, in a coffee shop, or a restaurant. Gaming turnover is very important to the club and hotel industry, and it's one of the markets with which we interface with our point of sale. It's a very important market to us, so we have developed a mobile tablet cash register so people don't have to leave their chair wherever they are on the premises. It's all about service with efficiency and control, which keeps the customer happy. They can even pay for the order with loyalty points



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**JOHN S HAYES & ASSOCIATES**

**www.jshayes.com.au**