Sustained commitment to overseas markets reaps rewards

In 2003, Softlink International, a Queensland developer of library management systems, signed a major distribution agreement in Japan which is expected to be worth around $3 million over the next three years. This contract, as well as growing sales success in China, is the result of sustained commitment to the Asian markets over a number of years.

CEO of Softlink International, Bob Dunne, said: “It takes time to understand the market needs, find the right partners and localise the product.

“We have signed a distribution agreement with Maruzen, one of the largest book and library suppliers in Japan. Apart from direct sales of our software through their 13 regional offices, Maruzen have organised sales through IBM Japan, Ricoh and Oki. This arrangement is expected to produce multi-million dollar annual revenues,” Bob said.

“In China, we have recently made a number of sales to schools in Shanghai and are in negotiations with two districts for district-wide licences. Many other districts in China are watching these developments. The potential is immense when you consider that China has more than 900,000 schools.”

In 1999, Softlink International was awarded the Premier of Queensland’s Export Award in the Information Industries category. It also won the 1999 Australian Export Award for outstanding export achievement in the field of information technology products and services.

Softlink has built an international operation through a group of subsidiary and associated companies. Today it has over 10,000 library clients in 90 countries covering 10 major languages.

The Logan City office was established in 1983 as the company’s development centre and to service the Australian and Asian-Pacific segment of Softlink’s worldwide network. It specialises in library automation and employs some 20 professional staff and bilingual marketing people.
“I took on specialist help to tackle the Asian market,” Bob said. “While I had established agents in Thailand and Vietnam some years ago, I found that I needed to employ a multi-lingual Asian staff member with a good understanding of the relevant cultures in order to gain a foothold in China and Japan. Lorraine Wu, who was born in Beijing and had spent eight years in Japan, took on this important role. Her appointment proved to be the key to our Asian export achievements and I believe we are very lucky to have people like Lorraine in Queensland.

“I first visited Japan with Lorraine as a part of the Logan City trade mission to Osaka in 1999, armed only with some brief cultural training and some helpful advice from Ken Bennett of Griffith University. I soon saw the huge potential for our products in this market and began to build important trade networks.”

Softlink have received assistance from the Department of State Development, including specific in-market advice and assistance in China and Japan as well as QIDS grants for translation services.

“Results don’t happen overnight,” Bob said. “It is now four years since my first trip to China and Japan, and we are only now starting to reap the rewards. However, revenues from these markets may soon overshadow the rest of our business.”

Productive diversity snapshot

- Softlink has carefully researched potential niche markets in Japan and China and developed library software products to suit the markets, language and culture
- Use of trade missions, Sister City relationships, culturally diverse staff, language and overseas networks have strengthened Softlink’s global position at minimum cost
- Export sales of up to $3 million are expected
- Asian trade potential likely to overshadow the rest of the business
- Softlink a Premier of Queensland’s Export Award Winner

See www.softlink.net.au for more information about Softlink International.