

MAY 2015

CASE STUDY

Australian Made speaks louder: A profile on Krix home entertainment and commercial loudspeakers

Krix started designing and manufacturing high quality home entertainment speakers in Australia over 40 years ago, and after pioneering world-first designs that are now sought-after globally, it took on the commercial cinema market.

While export markets make up a large percentage of its customer base, Krix is best-known at home in Australia, where cinemas around the country are now fitted out with its custom-designed Australian Made speakers.

"If you've been to the movies in Australia, it's likely you've experienced Krix surround-sound – it has to be heard to be believed," Krix Managing Director, Gary Krix, said.

"Currently approximately 30 per cent of our sales come from export markets. That percentage has been up and down with the exchange rate in recent years, but we have a unique product offering, so we've always managed to maintain our status in the cinema market worldwide."

Mr Krix said his family manufactured in Australia in order to maintain control over quality and responsiveness.

"We've been manufacturing speakers locally since 1974. We wanted control over the process and things just progressed from there – it's the way we've always maintained consistent quality," Mr Krix said.

"Manufacturing locally means we can adapt to meet different demands very quickly, creating small batches and tailoring product sizes and finishes to suit different requirements – something fairly unique that very few of our competitors can offer."

It's that flexibility to adapt, coupled with extensive R&D that has enabled it to succeed in the competitive home entertainment market.

"Our goal is to do really well in this space," Mr Krix said.

"We're constantly working to improve our manufacturing and production processes and design the products Australian consumers seek.

"The vast majority of our competitors are overseas, and as almost all of our local competitors import, we think we can fill a niche in the market."

Krix has been using the Australian Made certification trade mark for as long as it has been in existence, at trade shows and on products, to demonstrate its speakers have been made to Australia's high manufacturing standards, and communicate the fact that they represent value for money.



"The logo has always given us an edge at trade shows and on showroom floors – if buyers saw the logo it seemed to elevate the brand," Mr Krix said.

"It also helps get buyers over the line. If you're comparing two products and they both look great, they both sound great and the price on both is similar, the logo can help win the sale."

Krix puts the logo on the products themselves with packaging featuring the slogan 'made with passion in Australia'.

Speaking on consumer support for the Australian manufacturing industry, Mr Krix said supporting local industry and local jobs was important, but at the end of the day it's about good acoustic performance and long-lasting quality.

"People will pay a premium for premium quality, but we aim to remain Australian Made, well-made and cost-competitive," Mr Krix said.

"We wouldn't ask consumers to buy Krix and Australian Made if the product was inferior; we ask them to buy our products because they are world-leading."

"We are proud of our world-class designs and well-made products, and the fact that they are manufactured locally, supporting local jobs – the Australian Made logo helps us express that through our branding," Mr Krix said.

To find out more about Krix, visit www.krix.com.au.

ABOUT THE AUSTRALIAN MADE, AUSTRALIAN GROWN LOGO

The green-and-gold Australian Made, Australian Grown (AMAG) logo is the only registered country-of-origin certification trade mark for the full range of genuine Australian products and produce.

The AMAG logo supports growers, processors and manufacturers in Australia by helping businesses to clearly identify to consumers that their products are Australian. At the same time it provides consumers with a highly recognised and trusted symbol for genuine Aussie products and produce. It does both of these things in conjunction with a campaign encouraging consumers to look for the logo when shopping; it has been doing this since its introduction by the federal Government in 1986.

The AMAG logo can only be used on products that are registered with the not-for-profit organisation Australian Made Campaign Limited. The strict set of rules governing the logo's use also require that it must always be used with one of five descriptors; 'Australian Made', 'Australian Grown', 'Product of Australia', 'Australian Seafood' or 'Australian' (for export use only). To use the logo goods must meet the criteria set out in the Australian Consumer Law as well the more stringent Australian Made, Australian Grown Logo Code of Practice. More than 2000 businesses are registered to use the AMAG logo, which can be found on some 15,000 products sold here and around the world. Australian Made Campaign Limited is located at Suite 105, 161 Park Street, South Melbourne, VIC 3205.

www.australianmade.com.au