



# Lifecycle



● With Australian manufacturing under siege from low-cost competitors, the mantra has long been either to take production overseas or invest in innovation and value-adding as a way to compete. That the Chinese are adept and shameless copiers and are investing in technology themselves only makes the race to the top all the more urgent. One Melbourne textile company is defying China and proving that there really are new products and processes to be discovered, even in the oldest of industries, if only one is focused on innovation.

Founded by industrial chemist Peter Leipnik in 1978, Specialty Group has created a business turning over as much as \$20 million a year making specialty industrial and safety fabrics. The company spends about 5 per cent of its turnover on research and development and has a global outlook despite employing only 30 people – four of whom work overseas.



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Specialty buys fabric on the open market and then coats it at its Moorabbin factory to make product tailored to the needs of the armed forces, police and emergency services, industrial users and mining companies. It makes anti-static, arc-resistant and flameproof fabrics.

Fabric bought from China for \$2 a metre can fetch eight or 10 times that price after processing. A recent success is its waterproof, breathable fabrics which have won acceptance by high-end winter clothing makers. “It is the niche strategy which allows us to survive,” chief executive Daniel Leipnik says. “What we do is we add value by making specific fabrics for specific purposes for 20 different industries.” Specialty’s latest hit is a patent-pending process for coating fabric with a photo-luminescent material encapsulated in a plastic polymer. “Expose the product to light and it absorbs [the light]. When it goes dark, the product glows even in complete darkness.” Ten minutes’ exposure allows the fabric to glow for about three hours, with the fabric easily recharged by placing it in sunlight or under a lamp. Initial success has come from leading winter sports clothing brands including The North Face, Quiksilver, and Salomon-Adidas.

Sales director Norma Leipnik – Peter’s wife – expects strong sales from police and emergency services and for workers performing hazardous tasks such as night roadworks.

Its next innovation is its application to flame-resistant DuPont Nomex fabric. “Initially safety workwear companies weren’t interested. But it is a much bigger market and a more stable market than the sports market,” Daniel says. **BRW**

Interviewed by Peter Roberts

## Daniel Leipnik

Position:	<b>CEO</b>
Organisation:	<b>Specialty Group</b>
Milestones:	<b>1978: Company founded by Peter Leipnik</b>
	<b>2005: Energlo fabric first marketed</b>
	<b>2006: Launch of ski and winter sportswear clothing that glows in the dark</b>

LIFECYCLE:

**FOCUS**

An innovative textile company beats China at its own game