

## **RUSSELL EVANS – GENERAL MANAGER**

### **Welcome to our open day and the start of our 2019 season**

Today has been designed around you to allow you to experience the trailers, the business and the lifestyle.

We started with the Odyssey Camper trailer which was born out of Steve's frustrations. Established in 2000 out the back of Melanie in Steve's shed

We've now grown to a business that produces 150 trailers per year, we service nearly 3,000 trailers in the market place, we have 80 committed employees, a following on Facebook of around 15,000 people, we have more than 1 million posts per year on our forum and we have rallies across the country that can include anywhere up to 100 trailers at a time

We were the first off road manufacturer to produce a hybrid super camper, we were the first to manufacture an off road trailer totally from the fiberglass sandwich panel, we were the first to introduce a recycled water system in an off road trailer and we continue to set the standards in innovation across the industry

I'd like to talk about some of the advances we have made over this last 12 month period in relation to our internal systems which have received considerable upgrading by our admin team.

The major improvement we have accomplished is the integration of the inventory software program named Fishbowl. This program keeps track of approximately 3000 stock component movements in and out of our store monthly. We also have the ability to calculate the value of the stock on hand instantly as the system is capable of keeping a running stock take. This is a huge bonus to any business as it allows for accurate financial management like never before.

We have recently revamped our Service Centre here at AOR with the addition of two new management personnel. This has allowed an even greater degree of Service management. We have installed a new software program named Mechanic Desk which allows for accurate tracking of bookings, Job times and invoicing. It also allows for accurate reporting on individual employee performance. Mechanic Desk also keeps an accurate track of van servicing times and builds an individual record of each vans service and upgrade history.

Our Upgrade program has been formalized with the first new Upgrade going out late last year to all affected owners. Our Customer Database has also been accurately collated and recorded for the first time and now allows for very accurate Upgrade information and general communication.

On the Production front we have a few new faces who have come to help build our Fabulous trailers. New software will soon be introduced in the form of computer Tablets with on line build manuals that help train and integrate new employees as quickly as possible. This also has a payoff with conformity of build times and quality as well as training.

Talk about the new Production Leading hand changes and benefits to Quality.

There is a new online Sales tool where customers can log on line to see their customer order at any time, thus reducing the need for paper trails back and forth. Customers can log on to see their sales documents before finalizing their purchase.

A new Owners Dashboard has also been produced where new customers can log online to view the Welcome Kit, workshop manuals and register to become an AOR Ambassador.

The original single AOR website has been split into four Sites. The AOR site, AOR News Site, Service website and Trax RV website, our online Shop which is connected to our Fishbowl inventory system. The last site is for customers who wish to purchase parts and do not need to talk with service or admin, thus making the process very efficient.

Lastly, we have the new AOR Owners Facebook Page as different from the corporate page. This page has a growing audience of people sharing pictures and stories of their travels with our trailers devoid of any advertising medium.

Talk about anything else except my stuff.

#### **STEVE BUDDEN – MANAGING DIRECTOR**

I'd like to take this opportunity to welcome Des and Joe Hayes into the AOR family who will become the proprietors of our first dedicated AOR Service Centre, situated in West Wyong, north of Sydney. The new Service Centre will be solely dedicated to AOR trailers, servicing, warranty repairs, upgrades, spare parts and sales of second-hand vans. Des and Joe will be operating under License to AOR and thus be responsible to AOR to uphold our strict service requirements and customer focus. Des and Joe will be here on site all day to answer any questions.

The show season has started, and we will be attending Sydney, Melbourne, Perth and Brisbane.

The first Rally of the year will be held in NSW in March, South Australia in May, Queensland in Late August and Victoria to be confirmed later in the year.

On The sales front we have a very full order book with an uplift in The Aurora sales being booked out 14 months ahead. Good sales have been experienced across all models with an 8 to 9-month lead time. This is a very good business model even if people have to wait for a new trailer to be built as it helps keep resale values very high. We typically experience very strong resale values, some of the highest in the industry.

There is an upsurge in the enquiries for second hand vans, particularly Matrix series 4 which are sometimes selling for more than their new price.

There has been renewed interest in the new version of the Series 4 Eclipse which has just received a mild redesign, so hopefully that trailer will take off soon. The Eclipse utilizes my Lift up bed design which has proven to be a great space saver and forms the back bone of the new Odyssey series 2 design which has proved to be an instant hit.

We recently have introduced the new Recycle water system which is proving very popular in that it saves approximately 100 litres of shower water in a 280 litre fill thus extending your camping time. This system recycles the shower water to flush the toilet through a dedicated 20 litre tank and almost negates the need for grey tank storage.

My Sales team report a 40-45% customer retention rate for people happy to sell and upgrade to a later or different model. People seem to like the large option list that allows new colours and finishes, the ability to customize the van to a degree and the Quality of our fit out and overall finish of the trailers. The only way we can accomplish this is by hand assembly by experienced tradespeople. If anyone is interested in a factory tour you will be able to see the level of detail that goes into producing these beautiful trailers.

There are many components that make up this customer support, not only the trailers themselves and how they perform in the outback but also our constant customer focus in our sales, admin and service teams.

As some of you know I am very active on our Owners Forum. The Forum itself is a very active place to spend some time and discuss a variety of topics. Over the past 12 months of the 438 Users that make up the forum we have had 622 discussions, 10,000 comments and 1.3 million page views. We have discussed many issues and worked through some new designs. We have had some difficult times but have always worked through them in a very transparent manner. I believe, as most do, that it's a very healthy supporting environment for those involved. The moderation I have had to do over the last 12 months have been negligible much to my delight.

### **What of the Future of AOR**

We will continue to build 150 Vans per year; this seems to be our sweet spot. Our long lead times continue to support our resale values

We will be opening more AOR Service Centre's in capital cities once our new Sydney model is complete.

We will continue to build the Trax RV brand and AOR shop with new products and accessories along with perfecting the distribution of parts to our Service Centre's.

We are looking at an AOR specific Car/Van insurance policy

We are releasing a new Prototype van soon which brings a few new ideas to market. This should be ready in about two months

Lastly we are constantly looking at new materials, and lightweight composites including carbon fibre to manufacture lighter stronger vans with a longer life cycle. We are also experimenting with shapes and aesthetics and we will be travelling to Europe later this year to explore new ideas and finishes to help continue to make amazing trailers.

Many thanks for coming.