TETREON TECHNOLOGIES LTD CASE STUDY

Gatwick Diamond-based Tetreon Technologies Ltd designs, develops and manufactures furnace equipment and associated services including installation, commissioning and process development.

Winner of the Gatwick Diamond Business Awards ‘International Business of the Year 2012’, Tetreon currently exports to locations in Europe, Asia and North America, with recent expansion into China and India. “These are potentially the two largest markets for our products as well as being rapidly growing economies,” explains Gerry Thurgood, Chairman and Chief Executive at Tetreon Technologies Ltd. “We have consistently exported over 90% of our turnover and the financial year 2011-12 will show a 50% increase in exports as a result of selection and training of agents; attendance at trade shows in the US, China, Korea, India and Europe; direct customer visits and an enhanced web presence and company logo.”

Although the company was started in 2003, most of the team have many years of international trade experience. “Having been involved in international business for over 35 years, there have been several key factors that any company interested in working with the international market have to bear in mind and they include Communications, local Infrastructure, Logistics and trained staff,” says Gerry. “Bearing these basic but important points in mind, the value of the infrastructure that the Gatwick Diamond brings, particularly to a high technology manufacturing company competing in a global business, was a big consideration when deciding where to base our operations. We considered the Crawley area satisfied the main factors required for international trade with the benefits of easy access to a significant global hub, access to a number of small, local, key specialist companies who are able to support our growing business and, the availability of banking and financial services normally associated with larger international cities.”

To achieve export growth, Tetreon has innovated in a number of areas. “Employment of local staff in overseas territories to support customers in China, Korea and elsewhere has been an important part of our international strategy,” says Gerry. “The web is also a key source of contacts, and as well as an updated web presence, we have managed our site so that we appear on the first page of search engines, usually close to the top, for most relevant queries.”

Because the UK market for production equipment is relatively small, Tetreon had to export from day one to survive. Tetreon’s response to this challenge has been to focus on three key areas which are driving the company’s growth. “Firstly, we identify key geographical markets and concentrate on making inroads into those territories,” says Gerry. “Secondly, we develop products for a variety of technologies, including semiconductors, solar, LEDs, MEMS devices and nanotechnology; and lastly, we differentiate our products by providing solutions, incorporating process knowledge and service support with hardware supply.”

The success of this strategy can be seen in Tetreon’s geographical sales, which show its largest markets to be China, South East Asia and India, while shipping components for the first time to Australia.
“Competing in the high tech sector brings numerous challenges especially in the manufacturing and equipment sector,” says Gerry. “Most high technology manufacturing has closed down in Europe due the escalating manufacturing costs and the high demand for technology in the emerging Asian market. Tetreon realises the drive globally for reduced costs, higher reliability of products and creative and innovative technologies, especially in the emerging markets,” he continues.

“To compete globally, despite those challenges, Tetreon is still able to compete against several global competitors, develop new products for several high technologies and by working with key universities such as Oxford and the University of Surrey have been able to develop the key skills allowing us to meet the market demands and, together with the logistic and commercial infrastructure through the banking and financial services, have been able to develop, manufacture and penetrate many new market sectors over the past 4 years,” Gerry concludes.

Rosemary French, Executive Director of the Gatwick Diamond Initiative and member of the Gatwick Diamond Business Awards Judging Panel, outlines the reasons why Tetreon Technologies was shortlisted: “The Gatwick Diamond Initiative encourages businesses to capitalise further and faster on growth through international activity, as exemplified by Tetreon Technologies’ success. The judges were particularly impressed by the company’s increased turnover from a startup in 2003 to a £6.5 million turnover in 2011 and the fact that Tetreon consistently exported more than 90% of its turnover, with 2011-12 showing a 50% increase in exports,” says Rosemary. “Tetreon’s vision, sound understanding of the global market and ability to develop a strategy to respond to a rapidly changing environment is to be commended.”

“Tetreon is surprised but absolutely delighted at having been short-listed in the Gatwick Diamond Award,” says Gerry. “We recognise that there are many other organisations in the area that equally recognise the benefits that the Crawley region provides, particularly when depending on such key sectors when doing national, European or international business.”

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