

PROFILING: TYRE SHIELD®

An interview with inventor and businessman Jonathon Slottje

Jonathon Slottje, an Indigenous businessman and inventor of the world renowned Tyre Shield® product, typifies how having vision, passion and faith in a unique business idea and product, and being dedicated to turning his invention into a business success, can result in a product brand that now has global use and recognition.

BlackBiz recently caught up with John and asked him to share with us some of his inspirational business story.

John can you tell us a little about your business story, when and how did you get started in business?

I was inspired to develop Tyre Shield® from my jackaroo days when I would be riding motor bikes on sheep stations. Having regular flat tyres led me to invent this product. I drew on the knowledge of chemicals and their compounds I gained from marketing products for the petrochemical industry. I developed a formula after appointing ISO endorsed chemists who refined the formula meeting my strict specifications. Safety and environmental considerations have been key to me in developing this product. Eventually I came up with a product which has been tested by the mechanical division of the University of New South Wales. Tyre Shield® has also been test driven in all terrain types throughout western Queensland, Northern Territory, South Australia, Victoria and the high Alps of NSW; from bush tracks, sandy desert roads, hot tropical

bitumen roads to the Victorian snowy country. More than 100,000 kilometres and many different types of tyres were used. In the 17 years since beginning the business, we have received numerous testimonials about how well Tyre Shield® performs under all kinds of conditions.

What have been your inspirations along your business journey pathway?

In the early days I attended many field days across Australia. I used this opportunity to talk with customers and directly show the effectiveness of my product, by plunging a screw driver into the demonstration tyre to show how the tyre does not become flat. At the first Gunnedah Ag Quip I attended, I sold all 500 bottles and returned home and decided to set up the business, risking all on making Tyre Shield® a viable enterprise. The inspiration was seeing first hand the response of customers to a product which I had developed and brought into the market place.





What are some typical business challenges you have encountered in getting your product into the marketplace, and how did you tackle these challenges?

Lack of capital was an initial problem. I had a great product, but without any assets, I found it impossible to finance through the banks. Not to be deterred I began researching alternative financing options and secured a loan through a private organisation, Australian Ethical Investments. They were the only financing group to give us a loan. In fact they finance Indigenous enterprises throughout the world. However, the stringent contractual conditions placed on our business by Australian Ethical Investments meant that they would own 46% of the company. This was something I was not happy about. However, we were able to secure a loan with ATSIIC to pay out Australian Ethical Investments and re-secure 100% of the business ownership ourselves. In spite of these first loans, we were never able to borrow sufficient money to fully develop the business. Now Tyre Shield Australia is fully self funded.

To promote the product Tyre Shield® in the market place, I drew on my background as an Insurance salesperson. I began the long committed process

of cold calling potential retailers. I built a sales distribution network travelling in an XB Falcon station wagon through Queensland, Northern Territory, South Australia, Victoria and New South Wales, setting up retailers in each of these States. I travelled this round every month for five years, eventually building a base of 400 retailers.

Getting Tyre Shield® established was difficult. It took commitment and determination from both myself and my wife Elizabeth. We have certainly encountered a number of challenges along the way.

Firstly, I encountered resistance due to my Aboriginality. Some people did not want to know me; others told me 'he should hide it more.' There were those who were simply amazed that I was Indigenous. Their stereotyping did not allow for an Indigenous person with such motivation, determination and innovation! When we first started the business, we were living in a caravan park. Not in a caravan, but under a tarpaulin. Our complete faith in the product and the vision of the business we could build, gave us the strength to keep going.

Secondly, we needed a better distribution system that would provide regular cash flow. The process of



finding reliable wholesalers who are passionate about the product has been a lengthy one. Fortunately now, I have a team of wholesalers who pay cash in advance prior to despatch. I no longer have to sell Tyre Shield® from the back of my car. Nor do we have to bottle Tyre Shield® ourselves. We now contract a team of 15 employees at a supported industry workshop who do this with our plant and equipment. This has put the business in a much better position. We now have on going cash flow, as in many small businesses cash flow causes the growth of the business to be constrained. It was hard in the early days because the retailers would want a 30 day account which would turn into a 60 day account. It was hard to generate income to buy more product and expand. I now use freight companies, but I could not in the early days when I would drive to Brisbane from Mudgee in New South Wales just to pick up a cheque.

Thirdly, the international market presented unique challenges. While I was keen to export Tyre Shield® I have learnt some valuable lessons when it comes to trading in the global market. In the early days Roxanne Smith, Aboriginal Business Development Manager with the NSW Department of State and Regional Development assisted us in making a presentation to Beijing Television in China. The product was picked up and info commercials were created selling Tyre Shield® to the home viewers for their bicycles. Three shipments of 20,000 units were sold to China at this time.

Another incident involved a US based business that tried to dazzle us. The business offered us a million dollars US and a million shares in their company to sign over our world rights. They even flew Elizabeth to Los Angeles where they hired a casino to launch the American version of Tyre Shield®. However I was able to investigate them with the help of AusIndustry, and subsequently learnt that the president of this American company was actually bankrupt. Fortunately Tyre Shield® did not lose any money. Today Tyre Shield® is in over a thousand retail stores across Australia and is also exported to New Zealand, USA, Papua New Guinea and continually expanding its reach. We now do not need to actively canvass sales, as sales are generated from our web page and also word of mouth.



Jonathan Slottje and wife Elizabeth with Joseph Assaf at the 2010 EBA Indigenous in Business Awards

What business tips or advice can you give to other budding Indigenous entrepreneurs out there?

Developing and maintaining a business is a continual process, it takes effort, resilience and sheer hard work. We worked even harder to prove that Indigenous people can be more successful than non-Indigenous people – proving it takes effort, commitment and ambition.

In our experience, there are many professionals who do not provide a competent service. Aboriginal business creates an industry of optimistic professions who only see a bucket of money at the end of the “Aboriginal rainbow,” and do not respect, but rather patronise the enterprise for their own gain.

My advice to budding Indigenous entrepreneurs is that they have

- Belief and Vision
- Excitement and Passion
- Appropriate Advice and Assistance
- Financial Management Systems
- Knowledge about the market

My final suggestion, when contemplating a business, do not speak to negative people, avoid them and remain positive. 

For more information on John’s inspirational business story and journey, visit his business website www.tyreshield.com.au



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