



// SASKATCHEWAN //



Saskatchewan is an energy powerhouse. We account for a third of Canada's primary energy production. A potential of more than \$40 billion in major investment projects are upcoming – many in the energy sector.

Thanks to energy, our economy is booming and we have the industrial capacity to support that growth. Saskatchewan manufacturers are known for their processing and exploration equipment and modular and relocatable buildings, as well as many other products and consulting and engineering services that serve a growing energy sector – on projects at home, across the country and around the world.

We are building on our number one industry, oil and gas, and the incredible energy potential of resources like the oil sands and the Bakken Formation. It is the perfect time to invest in Saskatchewan, and to check out the capabilities of our companies. Join us.

The Honourable Lyle Stewart
Minister of Enterprise and Innovation

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// HITACHI CANADIAN
INDUSTRIES LTD. //

SASKATOON, SK

The secret of success in Alberta for Hitachi Canadian Industries Ltd. (HCI) can be summed up in three words: smart and steady. "We're quite careful to make sure we stick with businesses and products that fit with our core strengths," says Murray Daku, VP of business development.

When HCI's steam and gas turbine components division was hit with a severe downturn in 2001/2002 due to 911 and the Enron fiasco, the company diversified into, among other things, providing large pressure vessels for the oil industry. "We've allocated a certain amount of our capacity to this type of work," says Daku, "but not beyond that. The oil industry is very project-oriented [and therefore sporadic], so we try to balance this with other product lines."

HCI's entry into Alberta's oil patch started in 2002 with a long period of knocking on doors to let companies know what it could provide. "It wasn't easy at that time," says Daku, "but we established ourselves and were very busy in 2005 and 2006; 2007 was slower, but 2008 looks busy into the next few years."

Daku says oil industry customer expectations for quality, reliability and documentation are very high. "You can't just jump in." For example, the company had to become efficient at cost-competitive custom vessel design. Other challenges have included finding trained personnel and procuring steel in a cost-effective and timely manner.

In summing up how to achieve 'Alberta success,' Daku advises, "Don't underestimate the amount of effort it will take to make the right contacts. There's a lot of turnover in the construction companies. To get on bid lists with contractors, you not only have to find the correct people to talk to, you have to find their associated contacts in the end-user oil company as well."

www.hitachi.sk.ca

// by Treena Hein //

// INDUSTRIAL MACHINE
& MFG. INC. //

SASKATOON, SK

Industrial Machine & Mfg. Inc. had been looking west across Saskatchewan's borders to the Alberta oil sands for over five decades with hopes to one day break into the market. Eight years ago the vision became their strategic reality.

"It was so widely known that it was busy, so we marketed that we had a modern facility," said Tom Foster, general manager for Industrial Machine & Mfg. Inc. "We could start taking backlog off the end-user and their prime vendors."

The company grew with its opportunities, and learned to quickly resolve internal deficiencies as it discovered them.

"Making a part is one thing—supporting it with proper documentation is another. We had to prove to the end user that we had the sophistication to meet their requirements," says Foster. "But once you break that outer shell it's pretty easy. Word of mouth becomes a very strong driver."

Industrial Machine & Mfg. Inc. slowly built the trust of partners, taking on OEM projects and those that involved turnkey components. The company honed the craft of documentation procedures, and approached customer service with a renewed sense of responsibility.

"Be patient, persistent, be prepared to put more energy into servicing the job than simply doing it," Foster said. "A lot of communication with customers can be frustrating—they're very busy and not always quick to return calls—but it's important to stay in contact with them."

The growth has been rewarding. Though the company does not consider itself international, its equipment is shipped all over the world.

"OEMs aren't focused on Alberta. As a result some of the projects are going to the North Seas, others to the Middle East," said Foster.

www.indmac.ca

// by Mike Dynie //

// MODERN INDUSTRIAL
STRUCTURES INC. //

SASKATOON, SK

If there was a competition for most successful new company serving the Alberta market, Modern Industrial Structures Inc. of Saskatoon would be a finalist, if not the winner. A manufacturer of portable offices and more, Modern Industrial Structures has ballooned from 30 employees and 10,000 square feet to 150 employees and 80,000 square feet since their 'big break' on the Alberta scene in 2006. The company also has a franchise plant in Brandon, MB, with 30 employees and 28,000 square feet. And the company will double its size this May.

Barry Williams, business manager says their success is all about filling the needs of an established player. Modern Industrial Structures knew that its product was in demand in the oil sands, and got its start in Fort McMurray with a number of smaller jobs. Setting up demonstration units attracted the attention of ModSpace, a multi-national modular space provider – the major player they were looking for. "That was critical," says Williams, "To establish our credibility, showcase our product and demonstrate our quality. [ModSpace] could also talk to end-users about our ability to meet production deadlines."

"[The oil sands customers] want things up right away," says Williams. "Adhering to our customers' needs has been a challenge, producing enough to meet demand. That was crucial to our relationship with ModSpace." Flexibility has also been critical. The company prides itself on being able to handle order modifications, sometimes after production has started. "That kind of nimbleness is appreciated," says Williams. Modern Industrial Structures' long-term plans include adding at least three more plants in order to provide support to other portable shelter providers. William's best advice? "It's so crucial for a company to liaise with an embedded player... The question is 'How can you work a win-win situation with a player who has all the groundwork laid and relationships built?'"

www.modernindustrialstructures.com

// by Treena Hein //