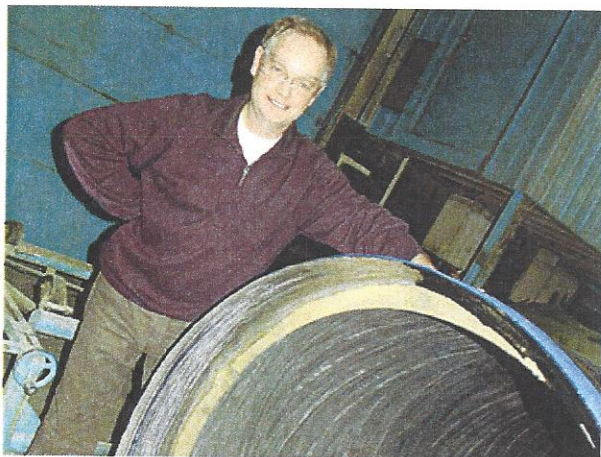


NORTHERN ONTARIO Business

Gold projects, dog tunnels keep North Bay duct company wagging

By: Liz Cowan



Don Croteau, managing director of Schauenburg Industries in North Bay, stands beside a fiberglass duct, used primarily as ventilation in the mining industry.

Schauenburg Industries has had a presence in North Bay since 1969, but its profile has been very low key.

However, in the past two-and-a-half years, it has doubled its workforce, doubled its sales, and expanded its footprint.

"A lot of people in North Bay don't know who we are," said managing director Don Croteau.

The manufacturer of flexible ducting and fiberglass ducting, primarily used in the mining industry, is part of the Schauenburg Group of Companies based in Germany.

Its current location, on Bond Street, started out with 6,000 square feet. By the late 1980s, it grew to 18,000 square feet.

"Two years ago, we added 800 feet for the entrance and offices and renovated the original space. Last summer, we added a 4,900-square-foot warehouse in the back. We didn't have room since our business had grown so much," he said.

The product lines have stayed the same. The company first started manufacturing flexible ducting and then in the late 1980s, it added fiberglass ducting. It is the only company in Canada manufacturing fiberglass ducting.

Its products are used in tunneling, but the gold mines have been a major customer, and have triggered the recent growth.

"More and more mines are being developed and most of our business is in the gold mines and they have been busy the last few years," Croteau said. "We had about 10 people three years ago and now we have more than 25. It's been quite a success story.

"It was limping along for 10 years with steady business and then we made some changes and put a good team together. That, along with the mining industry, has made a real difference."

Croteau is looking to expand in other areas, such as in Western Canada, since much of the business is in Ontario and Quebec.

"Mining is still strong in Western Canada, and there are all indications it will get busier there. There is only so much market right now, so we need more opportunities for us to grow even more," he said.

Its products aren't just used for industrial purposes. The company has supplied dog agility tunnels over the years, but it began to focus more on that division about two years ago.

"We set up a new website for that product and we have more than doubled the business in that area," Croteau said. "We sell worldwide, with a lot in the U.S. and Canada."

This year, it will partner with the Canadian Cancer Society and will manufacture pink dog agility tunnels. A portion of the sale of each one will be donated to the society for breast cancer research.

"Some of our customers are excited about it and they think it is a great idea. That business picks up more from spring to fall, since during the summertime, there are a lot of competitions," he said. "We bought the pink material and I thought about how would that go at the mines. They might think it is neat, but I haven't talked to them about it yet. We are always looking for new ideas."

Croteau said Schauenburg Industries focuses on the customers and servicing them, since mines have been growing at a fast rate. They often need the product in a hurry, so if it can get part of an order out quickly, and the rest a few days later, it helps them out.

"We try to keep them going because without ventilation ducting, their production will stop and we understand it is important they don't run out of it," he said.

Two years ago, the company was ISO 9001 certified, which was a big step, and it opens the door to a new customer base. It also implemented a new enterprise resource planning system that replaced hard copies in files with a new software program.

Recently, the company received funding from the Yves Landry Foundation, in conjunction with the federal government, for employee training.

"Relatively half our employees are new, with two years or less, while others have 25 years or more," Croteau said.

"Now we are looking at getting some new equipment and new technology, now that we have the room, and as we continue to grow."

While the company continues to focus on growing its markets, its presence in North Bay may be a bit more known.

"As part of our expansion, we cut down some trees in front of the building since it was like a forest here, and we put up some signs. We want people to know who we are," he said.

www.schauenburg.ca

www.dogtunnels.net

© 2013 Northern Ontario Business Ltd.