



# SouthGrowN Productivity

Productivity is raging in southern Alberta. Someone must be keeping the wheels greased within the businesses you’re about to meet, because all are vibrant, vital industries helping to make the SouthGrow region a star attraction on the province’s economic stage.

As you read these success stories, it will become clear the “grease” in the machinery doesn’t come from a can; it comes from ingenuity. The people who run, work at and thrive in these businesses all found their groove. They discovered a better way, a different route, a new mindset that allowed them to plant, grow and blossom, whether they opened their doors a century ago or have been around a scarce few months; whether their product hasn’t changed since the Industrial Revolution or was invented in a 21st-century lab.

SouthGrow is proud to showcase these industries and, more to the point, the people who allow them to flourish. None of the companies featured here would manufacture a bolt without people, and the managers we spoke to all concur their greatest resource is the men and women who don smocks, coveralls and hardhats daily to help them achieve their lofty goals.

Their success, they will tell you, is far from theirs alone; it is nurtured through ideas and foresight from the shop floor, workers who discover efficiencies, promote safety and take pride in their product.

SouthGrow is grateful to those who allowed us to peek behind their curtains and gave us a chance to tell their stories. Once the tours were taken and the interviews done, we came away realizing our area is home to some pretty amazing people and products.

- Did you know:**
- Lethbridge Iron Works relies on robotics to manufacture items it’s been making for almost a century?
  - Lucerne Foods in Lethbridge ships locally grown peas and corn from Alaska to Mexico?
  - Haul-All Equipment uses grizzlies to test its bear-proof garbage bins?
  - Flexible Solutions turns sugar-beet juice into bio-degradable detergent?
  - Flexahopper Plastics is packaging its sustainability practices around the globe, while produce from around the globe comes to Lucerne Foods in Taber to be packaged?

These are but a few of the factors that make the SouthGrow region one of inexhaustible exhilaration. And when these leading businesses pool their best practices, their combined knowledge becomes a multiplier for success throughout southern Alberta.

SouthGrow salutes all who share in driving this dynamic region forward, who recognize the opportunities that abound here and who have staked their futures on being part of something greater than their own concerns. **SG**

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# METALS

## Robots rule the shop floor at Lethbridge Iron Works

Automation is allowing employees at Lethbridge Iron Works to forge precision and increase productivity.

Robotics are moving Lethbridge Iron Works into its second century. >



When Lethbridge Iron Works opened its first foundry in 1898, perhaps only Jules Verne could have described the production methods it would one day employ.

Less than 50 years earlier, Verne had written a novel describing a world of skyscrapers, calculators and a global communications network. Perhaps he envisioned the dirty, backbreaking work of a foundry in the early 20th century would one day be done by robots in the 21st.

Lethbridge Iron Works has been a city fixture for almost a century and, essentially, its purpose hasn't changed all that much. But the methods of production, particularly in its 25,000-square-foot, \$8-million, addition, opened last September, certainly have.

A new production line has modernized Lethbridge Iron Works to where, as general manager John Davies notes, it resembles more of a General Motors plant than an old-fashioned foundry.

"We have equipment that allows us to automate the process," says Davies. "We are not eliminating positions, but rather removing the labour from the work."

And, beyond normal automation, Lethbridge Iron Works has three robots to do much of the repetitive work, particularly tracing and grinding its castings. As Davies jokes: "We keep its nose to the grindstone."

Lethbridge Iron Works is a jobbing foundry, one that takes on client-designed projects; in all, it turns out some 2,000 individual products. The technology allows a programmer to "teach" the robot how to deal with a particular piece, a series of instructions that can then be stored in a computer should that piece require subsequent manufacture.

"The work is very repeatable with no natural variation," says Davies, meaning a piece produced five years from now will be to the same dimensions

as one turned out today. "Plus, it's far less labour intensive and much safer."

Lethbridge Iron Works first tinkered with robotics in 2005 and, says Davies, soon realized the benefits. Two were originally employed; a third larger model was added as part of the firm's recent expansion.

Yet another robot of sorts allows its operator to perform amazing feats of strength, a mobile arm capable of lifting large castings with extreme sensitivity, sort of like Arnold Schwarzenegger in Kindergarten Cop.

"After a day of training, you can manipulate it," says Davies. "After two weeks, you're amazing. It's 20 feet long, but you can move objects a quarter of an inch."

Most Lethbridge Iron Works automation runs off computer code to attain accuracy and, of course, humans have to program the computers. What would have been a sci-fi job in a foundry in 1898 is a key position today.

Finding the exact machinery it required sent Lethbridge Iron Works on a hunt across North America to find a rail-mounted crane with an operator's cab. The operator uses the crane's computer to set an "x" (north-south) axis, a "y" (east-west) axis and the depth required. The bit can be positioned to within a fraction of an inch. A second robot, operating on the same principles, pours molten metal into moulds, perfectly programmed to fill each with the exact amount of iron. Set aside any 1898 concepts of foundry work: this machine requires a joystick.

"We might soon be looking at employees who have a PlayStation dexterity," says Davies.

As he states, Lethbridge Iron Works is not attempting to replace employees with its drive toward automation. Instead, its goal is to increase productivity. Davies calculates that, in the last 20 years, automation has allowed the company to produce five times the work with twice the employees, a decent trade-off. The work is still

repetitive (a customer might order 100,000 copies of one design) but each will be precisely done with far less waste. The new production line is still in its infancy. Davies predicts it will take two years to "work out all the bugs."

"We're learning our lessons and working on the issues," he says.

Lethbridge Iron Works is also pioneering a long-term goal to have every employee trained at every position and regularly rotated through them, helping the firm maintain its level of productivity and allowing employees some variety on the job.

Davies predicts his 112-year-old company is heading into even more change soon, in what he says is a busy time for foundries. Lethbridge Iron Works took a hit during the recession, laying off almost half its employees and placing the remaining 90 on work-sharing for several months. But late in 2010, it was back to 120 employees and still hiring into December.

"We tend to be a harbinger of economic shifts," says Davies. "We normally slow down ahead of the curve, and pick up ahead of it."

Lethbridge Iron Works is most heavily involved in manufacturing pieces for agricultural machinery, shipping mainly to Western Canada, Ontario and the American Northwest and Midwest. It also makes some auto parts, and fastening systems for railways, spring-loaded clips that have replaced old-style ties on light-rail transit lines.

The company measures productivity in tons poured (12,000 last year) and tons shipped (about 55 per cent of the amount poured). It also calculates the man-hours required per ton, a consideration in which the firm has made strides.

The history of Lethbridge Iron Works mirrors that of the city itself. Among its initial shareholders, it counts Lethbridge's first mayor, Charles Magrath. It is that rich background that is now providing context for the firm's leap into the world of robotics. [SG](#)

### FACT

Innovation creates opportunities. Manufacturers can identify new processes to become more efficient, to automate, and to prepare for growth, often resulting in an increased employee base.



Automation has helped keep the venerable company thriving.



# Grizzly attacks thwarted by Haul-All’s know-how

The Lethbridge manufacturer knows its bears, vital information that helps it clean up in the trash-container industry.

Dennis Neufeldt with his Winter Olympics entry. >



Black bears have curved front paws, grizzlies do not. To most manufacturers in southern Alberta, that might qualify as an interesting wildlife factoid, but likely nothing more. To Haul-All Equipment, however, the physiology of *Ursus arctos horribilis* is an important design factor in the manufacture of bear-proof trash bins.

No Haul-All employee competed in the 2010 Winter Olympic Games, but one of its products was as ubiquitous in the centre of Whistler as red toques: a specially designed obelisk-shaped trash bin in stainless steel, for which it received the contract two weeks before the games opened.

As Dennis Neufeldt, Haul-All’s owner, tells it, the Lethbridge firm had to modify the lid catches on its bear-proof bins, which, while tested successfully in black-bear country, didn’t prevent grizzlies from pawing their way inside thanks to their flat front feet.

When your product is being placed throughout national parks in western North America, such knowledge is vital. Haul-All’s products can be found in the most scenic of locales and have, quite likely, made a few holiday picnic highlight reels.

Haul-All manufactures some 200 products, from recycling transfer stations to construction-site heaters. But likely its variety of trash bins is its most recognizable line. If you’ve stopped at a highway rest stop or dropped off recyclables throughout the city, you’ve used a Haul-All creation.

And, while no Haul-All employee competed in the 2010 Winter Olympic Games, one of its products was as ubiquitous in the centre of Whistler as red toques: a specially designed obelisk-shaped trash bin in stainless steel, for which it received the contract two weeks before the games opened.

It’s a product of which Neufeldt is most proud, containing two doors, one for garbage, the other for recyclables.

“I kept watching the TV to see if I could see one of them during the ceremonies, but there were too many people in the way,” he says.

The “source-separation” bins used for recycling in Lethbridge are Haul-All’s product. Neufeldt contends the cost of recycling in the city is the lowest in the province. However, some municipalities are finding it cheaper to use single-stream containers and separate the material later. Haul-All must keep up with these changes in the marketplace.

Haul-All has also shipped products to Colombia and Venezuela in South America; China and Hong Kong; but the United States ranks as its main

international customer. That’s raised a few hassles for Neufeldt, partly due to the strengthening Canadian dollar and partly because of the “Buy American” impetus south of the border.

Then, too, he says, the American municipal system relies heavily on contracted services (80 per cent, compared to 20 per cent in Canada), and contractors don’t consider the long-term implications of their buying decisions. Rather than pay for a product that will last 20 years, they’ll opt for a cheaper model that will last five. Then, too, contracts can take up to five years to be approved.

Haul-All ships its products, the larger ones by crane-equipped truck. Some are shipped assembled, but depending on the size and destination, others leave Lethbridge in parts, to be assembled on site. Items bound for British Columbia, for instance, are often heading into mountainous terrain on narrower roads; the province doesn’t permit loads as wide as those allowed on the prairies.

On the factory floor, Haul-All is a mini-United Nations. At this writing, its 100 or so employees originated from 16 countries, earning the company a local Immigration Achievement Award for promoting diversity in the workplace. The Haul-All plant in the city’s industrial park includes a powder-coating paint booth, dip tanks and ovens, necessary for products requiring painting. Raw steel is obtained locally or from the United States; Galvaneel is used for its paint-adherence quality.

Building products to befuddle grizzlies is a far cry from the original products envisioned by Neufeldt’s grandfather, who started Neufeldt Industries after emigrating from Russia in the 1930s. That company, chiefly a blacksmithing operation, became Neufeldt and Sons, operated by Dennis’s father and uncle. It built agricultural products, including a device used to level land for flood-irrigation before the advent of pivots. In all, the firm has some 200 products in its repertoire.

None, however, is tested as fascinatingly as its bear-proof bins. They’re set up at Yellowstone National Park’s grizzly centre with peanut butter smeared on their handles. The “testers” are then allowed to do their worst to the products, at first using finesse to open them, and then simply relying on brute strength (500 pounds of force per front paw) to bash them apart. Those that fail are relegated to a bin “graveyard.”

“Making products for wildlife areas is a whole separate industry,” says Neufeldt. “It requires precise manufacture and correct installation.” So far, Haul-All Enterprises has passed the bear exam. [SG](#)

## FACT

The primary business environment factors shaping innovation and product development strategy are the increasing need for product or service innovation and the new global economy.



# PLASTICS

## Ring Container Technologies puts its people before its plastic

**Manager Bill Halley believes a productive workforce is built on great employees. So far, his theory is proving sound.**

*Bill Halley credits worker pride for Ring's success. >*



Bill Halley knows the tasks in his plant aren't among the most inspiring his employees could find.

"At times the work can be tedious," concedes the Lethbridge plant manager of Ring Container Technologies Inc., one of the largest manufacturers of blow-moulded plastic containers in North America. "The work itself is pretty routine. So, we develop people. We go out of our way to treat our employees well. I hate hierarchies; I believe no one is better than anyone else."

It's likely why, in the gallery of employee photos in the corporate lunch room, Halley's hangs at the bottom.

"We're here to support the people who do the work," says the Scots native, former Plant Manager of Pratt & Whitney, V.P. of Canbra Foods, and Director of St. Michael's Hospital. "When I came here, it was like a breath of fresh air; it's a place where employees are truly appreciated."

Ring, an American firm originating in Tennessee, opened its first Canadian plant in Lethbridge in 2007 to be close to Richardson Oilseeds, owners of Canbra Foods and its canola crushing plant. Richardson Oilseeds is still its largest customer, but since opening, Ring has added Bunge Foods, another oilseeds plant in Edmonton, and cat-litter manufacturer Normerica of Lethbridge.

"It has to be the right business," says Halley of Ring's clients. "We're looking for value-added, specialty containers only."

Elsewhere, Ring handles containers for snack foods, creamers and Jif Peanut Butter, among others. The containers are PET (polyethylene terephthalate) and HDPE (high-density polyethylene), both recyclable materials.

Coming into Canada was a risk for Ring, which first had to learn Canadian rules. As the largest manufacturer of blow-moulded plastic south of Calgary, the firm had to find and invest in qualified employees to run highly automated equipment specifically designed and modified for its purposes. After a year of study, Ring was ready to commit \$1.5 million for the Lethbridge project. The 42,000-square-foot plant opened with nine employees, initially to run one processing line until 2009, when a second line would be considered. But success spoiled the schedule. By 2008, Ring was ready to invest another \$1.4 million to expand to two production lines and add six employees, none of whom had experience with the blow-moulding technique. It was, for the family-owned company, a leap of faith in its Lethbridge operation.

### Ring attributes its success to solid relations with key clients Economic Development Lethbridge, chambers of commerce, and the University of Lethbridge.

In 2008, the plant produced slightly more than 2.5 million jugs; and in 2009 the plant expanded to 64,000 sq. ft. and added a second shift in August 2010. Projections for the year were set at more than seven million jugs. Ring attributes its success to solid relations with key clients Economic Development Lethbridge, chambers of commerce, and the University of Lethbridge.

Ring also initiated the "lean" method of manufacturing, harmonizing functions and increasing efficiency and job experiences. In the past two years, the Lethbridge plant has become an example to the 18 other Ring operations (17 in the United States, one in the United Kingdom) of how an aggressive business plan and a dedicated staff can perform. Halley hangs most of the plant's glory around the necks of his employees, who have embraced the lean concept and understand what Ring is accomplishing.

"It's not like teaching math; it's teaching a feeling," says Halley. "It's a way of having people truly work for you, make a connection to the company and have pride in what they accomplish. Sure, we could make more jugs, but the magic is in getting people to care."

One of those who has embraced the Ring philosophy is Adam Savidant, the plant process technician. As he navigates tours around the building, Savidant, who joined Ring with zero experience and a desire to learn, can cite the numbers for visitors. Ring containers are 100 per cent recyclable. Three shifts a day require four employees each. Waste has been reduced 85 per cent since the plant opened. Each day, Ring goes through 15,000 to 16,000 pounds of plastic, making 14-, 21-, and 30-pound, as well as 17- litre containers. Depending on the size being

produced, one production line can turn out 640 to 700 containers an hour. The plant's labour target is a ratio of 2.4 man-hours per one machine hour.

The math is convincing. Halley believes Ring's experience with the lean method is an example others can use as a blueprint to build client bases and survive economic downturns.

"Quite often down-turns and recessions prompt suppliers to retract, restrain or slow growth," says Halley. "This can provide opportunities for competitors who see a downturn not as a way to stop improvements, but to seek-out opportunities and prime themselves for the inevitable upturn. During recessions, companies should position themselves for opportunities that either may come, or that they can create. At Ring Container we prime ourselves to do this. From the outset we staffed our operations with a very flexible multi-tasked workforce. We considered the 'what-if's before they happened. Cost control is not something we had to impose because of a turn down, it's there all the time."

Product flow in lean manufacturing is vital, says Halley. Understanding constraints in your process and using process improvement methods of just-in-time manufacturing, with strict controls on inventory, all help the lean process work.

"You cannot invent this as a result of a recession," he says. "It should be a living program that is part of your culture, one you can simply ramp-up or scale back as the economy dictates; it should not be a new thing, or a reaction to economic influences."

Ring's relationship with Normerica, for instance, has led to an expanded contract and a stronger future. It is, he says a winning combination of finding excellent employees and motivating them with a companywide "can-do" attitude. **SG**

## FACT

**Supply chain partners are important company assets. Long-term growth and enhanced competitiveness will come from a relationship grounded in collaboration, communication, and trust.**



# Flexahopper paints its products green

Energy conservation is not an add-on at this plastics plant. Owner Bill Spenceley ensures it’s part of the company’s creed.

A computer helps a Flexahopper employee determine energy savings. >



Bill Spenceley wants you to know green is good for business. The owner/president of Flexahopper is going global to explain how energy conservation can be achieved and how it can be calculated directly to the bottom line.

Spenceley and his crew in Lethbridge’s industrial park have embarked on a mission to become Kyoto compliant next year and have already pared their CO2 emissions to 1990 levels. When the firm expanded its plant five years ago, environmental considerations were built into the construction.

“Canada signed the Kyoto Accord and has an obligation to meet it,” says Spenceley. “But we weren’t seeing a lot of push, just a half-hearted effort. So when we expanded, we looked at ways we could incorporate energy conservation in the new building.”

Flexahopper, as with most manufacturers, relies on energy-intensive processes to create its plastic products. Cutting down on consumption in any way it could, and finding ways to reuse the energy it creates is now a company initiative.

“We were releasing air heated to 240C into the atmosphere,” says Spenceley. “We looked for ways to do something to reuse that energy. It soon took on a life of its own.”

Flexahopper began its green initiative with an audit of its procedures.

“The key starting point is an audit,” says Spenceley. “You need to know where you are before you can determine where you’re going and how you’re going to get there.”

With its employees involved in the audit process, Flexahopper began replacing motors and equipment that was inefficient in the process of heat use.

Flexahopper began purchasing electricity from Bullfrogpower, a wind-energy producer servicing Alberta, British Columbia, Ontario and the Maritimes; by 2007, it was the largest Canadian manufacturer on Bullfrogpower’s client list, obtaining all its power from the green firm.

“That started to feed the process,” says Spenceley. “We’re all part of the problem. We want to influence that culture of asking questions and finding better ways to do things. It doesn’t matter what station you’re at with the company, you can get behind the initiative. We’ve found our workers are our greatest resource for ideas. You’re missing a big opportunity if your ideas are not connected to the shop floor.”

While it has cut its carbon-dioxide emissions to levels of two decades ago, Flexahopper is six times larger than it was in 1990. Something is going terribly right, and Spenceley has suddenly found himself a sought-after speaker by firms in Australia, New Zealand, South Africa, India, Europe and the United States. He tells his audiences they have to be in the game for the long run.

“You have to think long-term, more like the European mentality than the North American in which everyone wants a six-month payback,” he says. “When the payback is three or more years away, it’s not attractive to most companies here. It’s a cultural thing where quality is important, where robots and automation produce a better product and result in a leaner operation.”

That concept, says Spenceley, helped Flexahopper through the 2008 recession, boosting sales 14 per cent by focusing on energy-efficient products and making the firm a leader in conservation in its industry.

“That’s where it’s going,” he says. “We’d rather be at the forefront of energy conservation than anything else.”

As the firm has reaped greater international exposure, employees in Lethbridge have become a tighter-knit group, galvanized, says Spenceley, as a team. He recognizes change for many firms is difficult, but suggests they can do more than they think they can to rein energy costs. And smaller firms, he says, are more able to be adaptable.

“Remember when wearing seat belts became the law? We got used to it and adapted,” he says. “Now fastening your seat belt is commonplace.”

Speaking of vehicles, Flexahopper is considering purchasing a Chevrolet Volt, and providing 220-volt outlets to any employee who drives one to work.

Meanwhile, Spenceley keeps his passport handy. In 2012, he becomes president of the Association of

Rotational Moulders, an international organization of plastics manufacturers and his international speaking will increase. He couldn’t have predicted the connections he’d be making and the growth of energy conservation globally.

“You can’t avoid it,” he says. “You begin with baby steps and you discover how rewarding and interesting it is. The responsible thing to do is to share your knowledge with others, even if they’re competitors. Your customer base is going to start asking questions about your manufacturing processes.”

Spenceley is a chemical engineer by profession, whose father worked for DuPont Canada. He came to Lethbridge from Alberta in 1973 to work at Flexahopper, then owned by Ducan Industries and located near the Lethbridge County Airport. In 1981, he and his father bought out the remaining shares and, in 1987, moved Flexahopper to its present location. Now, he and the firm are adding to the international knowledge base, something he finds fascinating.

Flexahopper has instituted lean production, a concept started in the 1990s by Toyota.

It’s a practice, says Wikipedia, “that considers the expenditure of resources for any goal other than the creation of value for the end customer to be wasteful, and thus a target for elimination.”

“Our goal is to make it right the first time; it’s the most cost-effective way,” says Spenceley. “As for energy efficiency, it’s just a good business decision.” **SG**

FACT

Energy management benefits industry with reduced operating costs, increased productivity, retention of manufacturing jobs and value-added, reduced air emissions, and deferred investment in energy infrastructure.



# VALUE ADDED AGRICULTURE

## Lucerne takes it from the field to the freezer

Lethbridge plant harvests peas and corn for tables across North America, making it one of the largest “farmers” in southern Alberta.



Come spring this year, Colin Campbell will likely have the Weather Channel among his cable “favourites.” However, despite the photo of St. Andrew’s famed links on his office wall, it’s not his golf game the Scots-born plant manager at Lucerne Foods in Lethbridge is most concerned about. When you have up to 6,000 acres of southern Alberta under contract for peas and corn to feed your production lines, the weather, as for any farmer, becomes a determining factor on your bottom line.

“He attributes the plant’s success to its employees, some who have been with Lucerne many years and who provide the staff with a strong core of knowledge and experience.”

Unlike its sister plant in Taber, which relies on products shipped to it from afar, Lucerne Lethbridge processes mostly local produce. It leaves nothing but the climate to chance to ensure the vegetables it packages for Safeway stores across Western Canada and from Alaska to California are the best they can be. Lucerne supplies the seed, assists farmers (between 20 and 40) whose land it contracts with planting (timing, depth and spacing are all exactly measured), dictates watering except when Mother Nature takes a hand, and, come fall, harvests the crop itself.

This final step is crucial, not so much for corn, but for peas which have a tiny window of opportunity to be certified Grade A when they’re bagged. How small a window?

“Under Canadian standards, 10 to 15 hours can change a pea from Grade A to Grade B,” says Campbell. “They are very time-sensitive, whereas corn can be held in the field for up to a week without losing quality weather dependent.”

Such delicate timing cannot be left to chance. Fields are monitored by a Lucerne agronomist regularly throughout the growing season and when he says pick ‘em now, a fleet of harvesting machinery, winter-stored at their field shop operation in Taber, hits the fields. Trucked to Lethbridge, the veggies are processed to a rigid timetable and under close scrutiny to ensure safety and quality before being stored in a freezer the size of an airport hangar. The peas arrive shelled, but the corn comes in unhusked; its processing, says Amber Nielson, plant superintendent, is truly a marvel to watch.

“When all the machines are working, it’s the most exciting time of the year,” says the former Fort Macleod farm girl.

Lucerne plants adhere to Canadian Food Inspection Agency standards, and Lethbridge was recently certified by the British-based BRC Global Standard for Storage and Distribution.

“The BRC certification was a big plus for us,” says Campbell. “It takes us to a whole new level.”

Those regulations, plus Safeway’s own “5-S” standards for plant operations, ensure consumers the quality and safety they expect. Two years ago, the Lethbridge plant won a World-Class Manufacturing Award, the pinnacle of achievement, notes Campbell.

He attributes the plant’s success to its employees, some who have been with Lucerne many years and who provide the staff with a strong core of knowledge and experience. “They are a great resource, people who take pride in their work,” says Campbell.

Also a proud lot are the farmers who contract to Lucerne, says Larry Conley, plant engineer. It’s a symbiotic relationship which provides them with another commodity during their crop-rotation cycles and gives Lucerne with unlimited, top-quality produce, provided Mother Nature plays nice. Lucerne Lethbridge also produces concentrate for several juice varieties and all the lemonade you can drink, two weeks a month, year-round. In one batch of 5,600 kilograms, it can turn out some 16,000 cans to which the consumer merely adds water.

All these vegetables and juices have to please palates from San Jose to Saskatoon, and regional tastes are not identical, explains Nielson.

“Americans want their corn to have a stronger corn taste, while Canadians like a sweeter taste,” she says.

Lucerne’s maintenance crew, too, ensures productivity can be maintained when the harvest hits home from July to October. Each year during the off-season, all machinery, from harvesting to processing to packaging, is taken apart and rebuilt.

“Once, we reacted to problems, fixing things when they broke down, says Keith Randle, maintenance supervisor. “Now, if something breaks, the guys feel like they haven’t done their job.” **SG**

## Quality assurance spurs Lucerne’s quest for efficiency

Stringent routine helps the Taber plant lead its North American rivals in efficiency.

*Spices from around the globe are part of the Taber Lucerne line.*

On any given morning in homes throughout Mexico, children are spiking tiny straws into juice boxes, likely unaware the burst of flavour they are about to enjoy was packaged at Lucerne Foods in Taber, Alberta.

After all, their image of Canada, if it isn’t a Mountie astride a horse, probably involves snow-capped mountains, hardly the source a kid would envision for her “tropical fruit blend.” Yet, here it is, trucked to her town from the “Sugar Beet Capital of Canada” so she can sip it in the shade of a Mazatlan palm.

Added to that geographical anomaly, the orange juice she may drink tomorrow might have come from Brazil, packed in a carton that started life in Texas as a roll of Tetra Pak box material. Ah, the magic of a global economy.

But if Tim Baswick, Paul Enns and their team at Lucerne Taber are on their game, families from Puerto Vallarta to Prince Rupert who shop at Safeway can be sure of one thing: the juice they consume is 100 per cent safe. It was processed and packaged, like all Lucerne foods, under regulations more stringent than prescribed by Canadian law (and those are pretty tight to begin with). It’s clear product purity is paramount.

“I am always aware that what leaves our plant in Taber can affect millions of people if we don’t do our jobs,” says Enns, plant superintendent.

That plant, located in the old Cornwall Canning building and since extended, produces one-serving and one-litre juice boxes, tomato-clam cocktail and all the Safeway spice selections, for everything west of Thunder Bay, Ont., including southern California and across the Rio Grande. It adheres to Safeway’s “5-S” quality assurance program: sort, shine, store, standardize and sustain.

The program is Safeway’s take on the concept of lean manufacturing, a process, says Wikipedia, “that considers the expenditure of resources for any goal other than the creation of value for the end customer to be wasteful, and thus a target for elimination.”

Lucerne, through parent company Safeway, also

### FACT

Companies can work more productively in the five main areas of productivity: extension, process improvement and of the business.



# ices excellence



“I am always aware that what leaves our plant in Taber can affect millions of people if we don’t do our jobs.”

employs TPM (total productive maintenance) in which a team of employees will strip down an older piece of equipment and rebuild it. It’s this Team Lucerne mentality, one that gives every employee a role in improving output, that has helped the Taber plant to reach a 5-S efficiency rating of 92. And that score, admits Colin Campbell, plant manager of Lucerne Lethbridge, the friendly rivals down the highway, has made Lucerne Taber a model for the other 11 Canadian and 20 American plants.

“Taber was our flagship plant this past year,” says Campbell. “They’ve reached the top, but we’re all going to get there sooner or later.”

In Taber, 35 employees work two shifts Monday to Friday, and whether they’re bottling bay leaves from Turkey, apple juice from Washington or Mexican vanilla, every step is monitored to first ensure food safety and then to torque productivity. Moving ahead, Lucerne Taber will soon be packaging dry goods.

Each shift begins with a meeting, where successes are lauded and problems recorded and tracked until they are solved. Efficiency levels are recorded for each shift and those that fall below the standard are discussed to determine the cause.

“We want to be the employer of choice in Taber,” says Baswick. “It’s not easy to attract good employees, so when we do, we want to keep them.”

The plan is working: while most plant employees live in Taber, others are willing to commute from Vauxhall and Bow Island to be part of the team. And thanks to the 5S program, those workers are surrounded by safety. As of early January, Lucerne Taber had gone close to 18 months without a mishap. (Note to Colin Campbell: that, too, beats your current record.)

“Sure there’s a rivalry between the two plants,” says Enns. “We’re in the same family, so we fight like siblings. But it’s healthy competition. Each plant offers its good ideas to the other.” **SG**

actively by addressing any of  
y: product improvement, market  
, system solutions and renewal

# Sugar beets become queens Of the global oil patch

Flexible Solutions  
in Taber has found  
a unique place to  
use beet juice: the  
North Sea.

*Good things for the environment >  
are happening within the walls of  
Flexible Solutions’ plant in Taber.*



Sugar-beet juice from southern Alberta is being used to clean oil wells in the North Sea. Is there any product, country and purpose that can’t be combined into an economic opportunity?

And the great thing about what Flexible Solutions International’s (FSI) Taber plant is producing? It’s biodegradable, in keeping with the company’s philosophy of supplying only environmentally friendly products, even when they’re being used for dirty purposes, such as unclogging oil wells.

The plant’s productivity has been hampered since it opened in 2009 due to a required piece of equipment. However, once it’s in full cry, it will produce 5,000 tonnes of aspartic acid, the chief ingredient of poly-aspartic acid, or TPA, which, beyond the oil patch, is used in dishwasher and laundry detergents, in water treatment as an enhancement in fertilizers.

All of this from sugar-beet juice. In fact, says Jason Bloom, an FSI contractor in Victoria, the process works with any sugar. But FSI chose Taber because of its proximity to sugar beets.

So what’s with the science? Well, if you remember your high school chemistry, negative ions (aspartic acid, for instance) attract positive ions (iron and calcium, for example). When oil is being drilled, calcium tends to plug the hole, while iron rusts the pipe. When both contact thermal-poly-aspartic acid, they’re pulled out and flushed away. The acid biodegrades, while its competitor, acrylic acid, may take up to 300 years to do so.

The same process takes place in a washing machine or dishwasher. The process is sustainable, says Bloom, because crude oil is not required; the acid is made from sugar beets and is not using up a non-renewable resource needed by humanity elsewhere, such as corn or wheat.

The Taber plant sits in a building once used for potato processing, beet storage and vegetable freezing for some three decades. FSI turned it into a cutting-edge biological conversion plant, the only one of its kind in the world. It will, FSI believes, reduce its own reliance on oil-based ingredients in its products.

FSI will buy beet juice from Lantic Sugar, which buys the beets from the Alberta Sugar Beet Growers Association. Inside vats filled with the beet juice, millions of microbes go to work on the sugar, turning it into acid in a few days. It is, says Bloom, much like making wine: “you hurry up and wait.” Once the bugs have done their work, the resulting white crystals are bagged and sent to FSI’s Chicago plant where they’re converted to thermal-poly-aspartic acid.

“We believe that using specialized microbes to convert plant matter into high performance

chemicals is one of the ways that humans will diversify from dependence on fossil fuels,” says FSI president Dan O’Brien on the firm’s website.

The plant has some 10 employees now, but that number could rise once production hits industrial levels. The microbes are difficult to grow and keep operating at high efficiency.

FSI chose to locate in Canada, says Bloom, primarily because it has no sugar subsidy, as does the

The process is sustainable, says Bloom, because crude oil is not required; the acid is made from sugar beets and is not using up a non-renewable resource needed by humanity elsewhere, such as corn or wheat.

United States. That and an attractive corporate tax rate were on the upside, while higher wages were on the downside.

“It’s not a labour-intensive process,” says Bloom. “You basically put an ingredient in a pot, stir and wait. But it’s hard to find anyone in Alberta who will work for less than \$20 an hour.”

Still, loans from Edmonton and Ottawa helped with start-up and FSI has already begun paying back the Alberta Farm Services Corporation loan.

Ironically, while TPA is used in fertilizers to increase their efficiency, Bloom says it’s not economically feasible to use TPA products on the fields of southern Alberta because of the shorter growing season. It is, however, wildly popular in the United States, primarily in irrigated areas, for corn and wheat production, where productivity by 10 per cent.

With governments introducing more stringent environmental regulations, products such as TPA are rapidly becoming more attractive. Manitoba, for instance has banned phosphates in detergents, while Wisconsin has called for its limited use. The entire Mississippi valley is watching the progress in that state. Many European countries have introduced regulations to either ban acrylic acid, or to require the use of an alternative biodegradable product where available. These changing realities make FSI’s product the darling of the oil industry.

The firm estimates its new process could bring in between \$22 million and \$30 million a year within three years from one detergent contract, resulting in the need for near-term expansion of the Taber plant.

So, if one was pondering “six degrees of separation, a Vauxhall-area beet farmer and a North Sea oil rig roughneck are now tied together, their industries joined by a unique need. Wonders of the global economy never seem to end. **SG**



# BUILDING PRODUCTS

## Continuing education rocks at Kodiak Mountain Stone



At his head office in Cardston, owner Jeff Heggie is mixing book smarts and experience to cement his firm’s success.

< Jeff Heggie encourages his employees to read, read, read.

You could spend an hour discussing business with Jeff Heggie, owner of Kodiak Mountain Stone, and come away without ever learning just what it is his company produces. (Answer: concrete facing for the fronts of buildings, made to resemble natural rock.)

Heggie is much more interested in discussing his passion for education and how he’s nurtured Kodiak Mountain Stone through a learning process that has taken him and his employees on a journey of personal growth. He’ll tell you how his production plant down in Utah depends for its success on the right mix of personalities and leadership, as much as it does on the right mix of water and cement.

He’ll show you, sitting in his sparse office on Main Street in Cardston, home office of an enterprise with warehouses in Pennsylvania, Washington and, likely by now, Georgia, to handle the produce from the Utah factory, his stack of business magazines, including his recent copy of the Harvard Business Review, one that is actually read rather than serving as window dressing in the lobby.

He assigns all management-level employees book reviews, and has them give reports on what they’ve read. He believes educated employees, those who understand his business model and what he and Dave Olsen, his CFO and right-hand man, are trying to accomplish are the most productive. Word of his technique is spreading. A recent hire applied at Kodiak Mountain Stone because she had heard of its education program.

“I want this company to invest back into its employees,” says Heggie. “We do it to make the company stronger, but it also helps their personal lives, and that rolls into their jobs.”

Heggie grew up in Raymond, played for the Comets high school basketball team, and became an accomplished steer wrestler on the intercollegiate and professional rodeo circuit. While matching resolve with a steer one day, he was knocked unconscious and spent more time than is healthy in that condition in hospital. When he awoke, he discovered his family had enrolled him in college. After two false starts elsewhere, he wound up studying business administration and entrepreneurship at Lethbridge College.

After graduation, Heggie landed a job as financial services manager with the Alberta Treasury Branch in Magrath. It was a good job, there and later in Cardston, but when ATB offered him an advancement that would require leaving southern Alberta, he balked.

When a homebuilder he knew suggested a stone-facing company might just fly, he went to Missouri to learn the ropes. It was a steep learning curve. In May 2005, he started Kodiak Mountain Stone in a Quonset in Leavitt. Workers spread out moulds on a table and filled them with concrete, a tough, manual job that held back production.

“I thought for posterity I’d keep the first brick I ever made,” Heggie ruefully recalls. “Instead, I threw it as far as I could; it came out pink.”

Still, he persevered and in just a few months, had moved production to Cardston and added a facility in Utah. The process, while more streamlined, was still labour intensive and hampered by human error. Alberta was in an economic boom, and potential employees were lured by the big bucks of the oilfields. He considered expansion into Arizona, but instead brought in others to run the Utah plant and returned to run the Cardston operation, unhappy with results in both locations.

Then he found Dave Olsen, a Cardston native with a master’s degree working in California, and brought him home as CFO.

“Dave is what every CFO needs when he’s starting out, but at that point you can’t afford him; it’s a Catch 22.”

They closed the Cardston plant, took back control in Utah and added a warehouse in Lethbridge. The two men worked hard to find the right team members in their locations, realizing that the proper leadership in a plant environment is crucial to success. They ultimately reduced labour costs by 47 per cent, and increased productivity.

Back in Cardston, married with three children, Heggie would arrive at the office early, leave the computer off, and read magazines, books: whatever could increase his business acumen. When other employees showed up, he’d embarrassingly hide the evidence of his studies and switch on the computer.

“I kept asking myself ‘why do I feel so guilty; I’m studying,’” he says. “So I implemented an education program.

“Whenever I found information to share, I’d send out emails to all employees. Now I get everyone to read the material on their own. I assign the book reviews and ask them to report back on what they’ve learned and how it can improve Kodiak Mountain Stone.”

The books that have impressed Heggie the most include *Think and Grow Rich* by Napoleon Hill; *How to Win Friends and Influence People* by Dale Carnegie; and *Good To Great* by Jim Collins. All have given him something to help him reach his core goal.

“I wanted to help the local economy by creating manufacturing jobs in Cardston, but the competition was tough. Instead, we’ve created white-collar jobs for people like Dave [Olsen] who grew up here and want to stay in the community.”

Kodiak hopes to open a storefront location in Calgary this year, and more will hopefully follow. Heggie is proud that, while his product is manufactured in the United States (the Utah plant employs 45 staff at full summer production), 70 per cent is sold in Canada, the majority in the West. He can spot his stone on homes throughout southern Alberta.

“We’ve had great local support,” says Heggie. And Heggie has retained his southern Alberta roots. He coaches the Cardston Cougars boys’ basketball team (brother Todd coaches rival Raymond) and he supports the Lethbridge College Kodiaks. In all, Kodiak has been a local success story.

“We’ve tried different things to be more efficient,” says Heggie. “We’ve gone from the table top to the assembly line with the right people and the right leadership.” [SG](#)

### Timeline

**2005:**  
Jeff Heggie and two partners, all with no experience in the manufactured stone industry and no pre-arranged sales contracts, start Kodiak Mountain Stone in a small factory in Leavitt. They make 700 square feet a day with fewer than 10 employees.

**2006:**  
Heggie moves Kodiak to a larger factory in Cardston, making 2,500 square feet per day with some 30 employees. Later that year, Kodiak opens in Springville, Utah, at 5,000 square feet a day.

**2007:**  
Two years after start-up, annual sales hit \$2 million.

**2008:**  
A labour shortage in Alberta and excess capacity in Utah requires consolidation in the United States. Administrative staff remain in Cardston. Product for Canadian customers is shipped to Lethbridge.

**2008-present:**  
Kodiak continues to increase sales throughout Canada and the United States, provide white-collar jobs in Cardston and provide a good return for investors, primarily located in southern Alberta.

### FACT

Focusing on training and development and investing in human capital to build confidence and empower employees to work smarter rather than harder is the key to managing performance and improving productivity.



# A crash course on marketing from the guy at Prairie Cedar

Jake Van Schothorst knows about wood. He has also taken pains to understand how his customers think. You think buyers always want the cheapest deal? That’s not been his experience.



At some point in the dozen years Jake Van Schothorst has owned Prairie Cedar in Coalhurst, he seriously considered extending his product line to include lumber from other species. Most wood structures in these parts are built of spruce, for instance, and who doesn’t appreciate a nicely turned piece of oak? But when you’ve established yourself as the area’s cedar expert, the go-to guy for a popular specialty commodity, tinkering with the formula can often blow up in your face.

“You could say we’re a one-trick pony,” says Van Schothorst. “We were confronted by diversity and concluded it would be a poor move; over time, that decision has been proven correct.”

“Customers are not always driven by cost, so never take it for granted that they are. ... at the end of the season, the cheaper product was still in the yard because the customer had already made the decision to pay for quality before they got here.”

It’s unusual to be drawn into a philosophical discussion at a lumber yard, but while Van Schothorst is passionate about cedar, he is equally interested in the psychology of marketing, a subject he studied at Lethbridge College and in which he later obtained a degree. And he’s willing to share what he’s learned in his own “research laboratory” in Coalhurst.

Here, then, is the wisdom of a businessman who has studied his product, his customers and how the two come together in the marketplace.

On sticking with one line: “We’re rare; there are just three cedar-only outlets in Alberta. It came down to soul-searching, to determining what made us unique. Other lines were already being done well by others.”

On understanding your product: “Customers have cedar questions; we have cedar answers. We can save them countless hours of work and give them an optimum outcome which they don’t have to trade off based on their options. You have to know how the wood is being used and what properties of the cedar are wanted. We can talk technical terms all day, but most people trust that you’ve done your homework. You can destroy your reputation if you take it for granted.”

On understanding your product when that product is western red cedar: “Cedar is an outstanding building material with a good price point, but it has to be sourced properly for the job. Cedar from the coast grows quickly with wide growth rings; cedar from arid areas grows slowly, with tight rings. Knowing that we live in a semi-arid area allows us to source appropriately. If you want decorative

“If a loyal customer drives here five hours one way from Timbuktu, you have zero tolerance for disappointing them. It’s not an option.”

cedar that the knots won’t fall out of, you want cedar from an arid area. It’s regionally applicable information that’s not transferable.”

On maintenance-free building material: “Nothing is maintenance free.”

On maintaining a quality-price balance: “You need to be diligent and not sell out to cost if you want business down the road. You might make a sale, but it will be more difficult in the future if you lose your integrity.”

On understanding buyer motivation: “Customers are not always driven by cost, so never take it for granted that they are. I had a customer who told me ‘I could have gotten this cheaper somewhere else, but I wanted the best.’ I told him in fact, he was getting it cheaper at our place. Remarkably, he seemed disappointed to hear that. We carried three qualities of cedar and discovered, at the end of the season, the cheaper product was still in the yard because the customer had already made the decision to pay for quality before they got here.”

On dealing with suppliers (Part 1): “You have to tell suppliers exactly what you need and expect. You can’t afford to make a mistake when your supplier is hundreds of miles away. You have to tell them “I can’t ship this back and still remain friends. You can’t pass on the cost of a poor supplier relationship to your customers.”

On dealing with suppliers (Part 2): “Talk to your suppliers and develop a relationship. Allow for give and take. You’ll do better if you remain loyal to one and don’t jump around. You’ll get service, consistency and product performance.”

On maintaining standards (Part 1): “If a loyal customer drives here five hours one way from Timbuktu, you have zero tolerance for disappointing them. It’s not an option.”

On maintaining standards (Part 2): “Sure, you take a risk in setting a standard and you’ll get beat up periodically on price. You have to develop a spine and stick to your commitment. Your customer has values and you need to listen to them. We can beat anybody on price, but we have chosen to stand out with quality. The other way will not sustain you. After a few years of trial and error, I’ve started to get the warm fuzzies about that.”

The crash course ends. Prof. Van Schothorst would like to sum up: maintain standards diligently; know your product; understand your customer; establish a trusted supply source; be brave in the face of adversity on the high road. He hasn’t stopped learning; neither should you. [SG](#)

FACT

Identifying and optimizing value streams as well as having a good understanding of your product, processes and customer demands and needs are critical to improving productivity.



# BUILDING PRODUCTS

## Bethel Windows frames the future with expansion



To come out ahead in the recession, president Gerald Van Seters decided to double his plant size. Turns out, it was an astute business move.

< Heather Thomas, senior machine operator, “welds” a frame.

When the recession hit southern Alberta in 2009, many businesses were faced with battening the hatches to ride out the economic storm. For some, the method of choice was to downsize staff and cut back on the scope of operations.

Bethel Windows & Doors of Coaldale chose Option B: it doubled in size.

“We made that choice in 2009 to first maintain what we had and then to expand,” says president Gerald Van Seters. “To shrink with the economy is a difficult way to go; the less product you make, the more it costs you. To meet our price level, we had to become larger, which in turn made us more attractive to our customers.”

So, while the winds blew outside, Bethel Windows maintained its sales at 80 to 85 per cent of pre-recession rates and, when the storm abated, it was prepared to forge ahead in its prime marketplace throughout the SouthGrow area. It managed to maintain its orders and its customer base and actually added new clients. Now, says Van Seters, Bethel is poised to double its annual sales of \$10 million.

Dick Groenheide, Van Seter’s father-in-law, established the company in Calgary in 1960 as Berdick Windows, and moved the operation to Coaldale in 1976. On his passing in 2000, the firm was left to his four children, including Van Seter’s wife Margaret. In 2009, the other three siblings sold their shares to Margaret, and the Van Seters changed the name to Bethel.

Bethel produces high-end, custom-made PVC windows on a modern, automated production line. The Van Seters retained all staff, many of whom

are long-term employees. The firm is the only window manufacturer of any size within the SouthGrow region. A large percentage of its sales are in the residential construction market, but it also sells to three modular-home manufacturers in the area, and has a burgeoning renovation market. Interestingly, however, Bethel does not install its product in renovation projects.

“Most manufacturers are into installation, partly to make up for a difference in sales, but we don’t want to go there,” says Van Seters. “We’d rather see renovation firms grow and be healthy. We’ll manufacture the windows for them and let them do the installations. There is a monetary value out there, but to get into it would set a dangerous precedent.”

Bethel has an exclusive contract with the Green Acres Foundation to provide windows for all new construction.

While it rode out the recession, Bethel took a hit in 2010. The year started well, better than most Januarys, in fact, and hopes were high for a banner year. But by fall, construction had tailed off dramatically and the year finished well below expectations, says Van Seters. However, he predicts 2011 will be a year in reverse, starting slowly and building to a crescendo by end.

**“To shrink with the economy is a difficult way to go; the less product you make, the more it costs you. To meet our price level, we had to become larger, which in turn made us more attractive to our customers.”**

The firm supports an average of 50 employees, something of which Van Seters is especially proud. “We want to grow so we can support more people locally,” he says. “It’s a benefit to everyone. We can have a much larger impact in the Coaldale community than we could in Calgary.”

Bethel holds a large chunk of the southern Alberta window market, but Van Seters believes there is enough trade in the area to increase his business by 50 per cent. It irritates him that outside firms establish

office-only presences and cut into his business which is supporting the local economy through employment.

“There was a real influx of them in 2009 and they’re getting more aggressive,” says Van Seters. “They do nothing to help the local economy.”

Bethel’s modern production line is a marvel of efficiency. PVC frames are “welded” together by a framing machine that uses a computer to determine how much heat to apply to the four corners to be joined and for how long. An operator can create a frame in minutes using this technology.

The process also allows Bethel to easily change production to break into a normal run to create custom frames when renovation orders come in. Thus, a customer doesn’t have long to wait for an odd-sized order; it can be ready quickly.

Van Seters, then, is capturing his market by pushing forward, selling a quality, high-end product manufactured to specifications that outdistance the industry requirements. The formula has worked to date; chances are if another downturn hits, Bethel will simply increase its capacity again. **SG**

### FACT

Adopting best practices, new technologies and state-of-the-art processes can improve production and support growth.





## SouthGrow provides the spark for prosperity

Its members are taking on the challenges that stand in the way of their potential and, one by one, overcoming those drawbacks to reap the harvest that grows from hard work, diligence and determination.



South-central Alberta is renowned for its resources and its versatility. Sunshine, fertile land, irrigation all join the ingenuity and fortitude of its people. All make it a prime area for business growth and retention.

Every now and then, however, a fire is required to rekindle those elements that make southern Alberta a propitious investment. SouthGrow Regional Initiative recognizes the importance of productivity to economic success and is prepared to provide that spark. It has long recognized that the sum is greater than the components, and has served to help its constituents drive the region forward.

SouthGrow understands the importance of bringing resources to the economic engines in this area so they, and the region, can be positioned for their diversity and productivity.

Along highways 2, 3, 4, 5, 23 and 36, its member are taking on the challenges that stand in the way of their potential and, one by one, overcoming those drawbacks to reap the harvest that grows from hard work, diligence and determination. SouthGrow is supporting them in their quest for excellence.

SouthGrow envisions a region unified, prosperous and sustainable. Its mission is to accelerate and enhance quality of life, development and sustainability for its communities through:

- fostering a south-central Alberta shared vision for regional economic development
- creating new economic development opportunities in the region
- encouraging and enhancing shared services among communities through co-operation and
- providing a unified voice on regional priorities.

Through conferences, regional awards, political influence and more, SouthGrow is enhancing the scope of opportunity throughout the region, ensuring it remains a strong economic dynamo for years to come.

Of course, SouthGrow isn't creating this success by itself. It has built bridges with organizations and individuals, all of whom share a vision and a goal. Almost three decades ago, when the Industrial Association of Southern Alberta was established, its prime function was to intervene in the setting of electrical rates. Its job as an advocate and support for industry in the south has widened to where it now speaks for 18 companies in manufacturing and food processing.

IASA is there to speak for those it represents on the cost of doing business in the region. It presents a common voice to governments, regulatory boards, commissions and other groups whose scope affords them jurisdiction over matters affecting industry in southern Alberta. Through the IASA, members can access the information they require on various issues that may be beneficial to them.

**IASA's job as an advocate and support for industry in the south has widened to where it now speaks for 18 companies in manufacturing and food processing.**

IASA was a vocal opponent to volatile electricity costs a decade ago, providing a unified front to battle what it saw as an inequality between Alberta and the other western provinces. Today, it helps its members maintain a positive environment for "investment, diversity and wealth generation for Albertans."

Another close SouthGrow ally is Productivity Alberta. When the provincial government needed an "exercise program" to help businesses get off the couch and back into shape, it created Productivity Alberta.

And Productivity Alberta's regimen starts with "working smarter, not harder." It brings several tools into play to help businesses reach their potential, turning their resources into high-quality products at a more efficient cost.

Truth be told, Alberta has been sagging a little around the middle lately, and lagging behind other provinces in the footrace for productivity excellence. As Productivity Alberta explains it, there are varied reasons for this general malaise:

- a lack of awareness about the importance of productivity
- a gap in leadership and management capability
- poor production processes
- minimal investment in new equipment and technology.

**For those businesses yet to figure it out, Productivity Alberta has created a talented team of people and organizations to help them reach their peak shape and achieve their goals.**

Interestingly, the businesses you've read about in this publication all seem to understand those reasons and have eliminated them, worked the bugs out, so to speak, to ensure their productivity numbers remain solid.

For those businesses yet to figure it out, Productivity Alberta has created a talented team of people and organizations to help them reach their peak shape and achieve their goals.

The Productivity Alberta team cuts through the information fog to provide clear thinking and one-on-one support. For those a little more sure of themselves, Productivity Alberta can provide directions for a slight course change that's required to improve.

Rather than reinvent the wheel, Productivity Alberta pulls together information on global leading practices and shows businesses how such practices can help them hit the high notes of productivity.

In southern Alberta, manufacturing and exporting often survive in tandem. Whether shipping across the country, throughout North America, or overseas, businesses have found greater strength together than independently.

SouthGrow encourages its members to take advantage of the tools and supports provided by the Canadian Manufacturers & Exporters. The CME provides a common voice they require to promote the competitiveness and success of Canada's goods-and-services exporters in markets around the globe.

The CME hits issues critical to its members: manufacturing competitiveness, opportunities in the United States, international markets, people and skills, energy and the environment.

Among the CME's members you'll find Canada's leading manufacturers and exporters, those who account for three-quarters of Canada's manufacturing production and 90 per cent of its goods and services exports. Interestingly, though, more than 85 per cent of its members are small and mid-sized.

Partnerships with other associations extend CME's reach to more than 100,000 companies across Canada, engaged in manufacturing, global business and service-related industries.

Finally, there are perhaps the greatest resource, the people of southern Alberta who envision a future as bright as the past.

Last year, SouthGrow helped to facilitate productivity/Lean assessments in interested organizations. This year, based on feedback

received from the core productivity networking group, SouthGrow helped frame the Alberta Productivity and Competitiveness Conference, being held in Lethbridge March 3 this year. The core group, consisting of John Davies, Lethbridge Iron Works; Craig Leonard, Kawneer Canada; Brent Bosley, Lucerne Foods in Taber; Bill Halley, Ring Container; Larry Conley, Lucerne Foods in Lethbridge; and Jeff Heggie, Kodiak Mountain Stone, helped shape the conference by suggesting hot button topics that are of interest to industry.

All took a step outside their own organizations to see the potential for the entire region. It's their kind of initiative SouthGrow takes pride and pleasure in harnessing to keep southern Alberta strong. **SG**



# Creating Opportunities... for Regional Economic Development

SouthGrow Regional Initiative is a member-driven, non-profit regional economic development alliance, consisting of twenty-seven communities in south central Alberta.

SouthGrow Regional Initiative encourages regional collaborations, focuses on regional economic development issues and ensures the south central region has equal opportunity for growth and development within Alberta's global possibilities.



- |                      |                       |                      |
|----------------------|-----------------------|----------------------|
| Blood Tribe          | Town of Coalhurst     | Village of Carmangay |
| Cardston County      | Town of Magrath       | Village of Coutts    |
| City of Lethbridge   | Town of Milk River    | Village of Champion  |
| County of Lethbridge | Town of Picture Butte | Village of Lomond    |
| County of Warner     | Town of Raymond       | Village of Milo      |
| MD of Taber          | Town of Taber         | Village of Nobleford |
| Town of Cardston     | Town of Vauxhall      | Village of Stirling  |
| Town of Claresholm   | Town of Vulcan        | Village of Warner    |
| Town of Coaldale     | Village of Barons     | Vulcan County        |



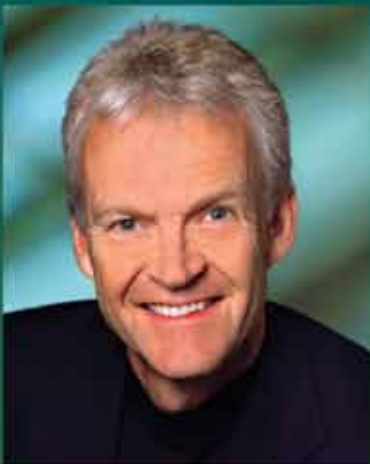
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## KEYNOTE SPEAKERS



**Jim Bottomley**  
Entrepreneur, Futurist, Innovator



**David Irvine**  
Author, Mentor, Leader

# Alberta PRODUCTIVITY & COMPETITIVENESS Conference

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