



Venshore President John Jurcik, above, and the company's new fabrication plant

## New directions

### Domestic markets enable strategic turnaround for Thunder Bay company

We could all learn lessons in evolution and creativity from Venshore Mechanical Ltd. The Thunder Bay company was founded in 1987 to provide industrial contracting services to the pulp and paper industry and soon served all seven pulp mills in northwest Ontario. In the early 2000s, however, the bottom dropped out of the newsprint market, leaving only three pulp mills in the region. Venshore had to diversify or die.

Venshore President John Jurcik concluded that his firm had to expand in other dimensions. It needed to offer new skills and capabilities, upgrade its equipment and explore new markets in other locations. "We said there's more to the world than just northwest Ontario," says Jurcik. Indeed, Venshore not only accomplished a strategic turnaround, but it kept growing even while its major market was crumbling.

The secret to Venshore's success was focussing on its four main metals-trade capabilities—the work done by pipefitters, ironworkers, millwrights and boilermakers—and applying these highly technical skills to new industries. The company found a market in power plants, water treatment and waste water plants and oil-related facilities throughout western Canada, upgrading systems and installing new ones. Venshore even helped one newsprint plant retool to produce higher-demand cardboard. "We invested a lot of money in new equipment, and now it's paying off," says Jurcik.

In 2006, Venshore moved into a daring new business: fabricating

entire subassemblies for new industrial and power plants in its Thunder Bay factory, then shipping them on trucks to be installed on site. This in-house (as opposed to on-site) production offered more consistent quality while avoiding time-consuming slowdowns in Alberta caused by labour shortages in that province's oil patch. Recently, Venshore opened a new \$3-million fabrication plant to house more of this work. Its payroll now comprises 100 employees, up from 50 in 2004.

Even high-end technical industries need effective marketing. In mid-2010, Venshore is one of five major companies that, along with more than 40 other metal-fabricating companies, formed the Thunder Bay Metal Fabricators Association. Venshore or one of the other four major companies will take the lead on each project (depending on the services required), but it will be a true team effort, says Jurcik: "These companies are all saying we're going to work together as a single presence." The association will launch its first advertising campaign in early 2011, targeting Alberta industry.

Jurcik is looking even further ahead. The next step, he says, is to invest in training and equipment to enable Venshore to work in nuclear plants. This is not just a fast-growing industry opportunity, he says, but a potential stepping stone into the U.S. market, where there are plans for a half-dozen nuclear plants in the coming years.

It seems downturns can be more than a signal to change course; they can be signposts pointing the way to opportunity.