

Machine heads

Bathurst company's engine repair expertise keeps resource industry on path to profits

In good times and bad, whether they are in expansion mode or cutting costs, companies in the resource extraction business can't ignore repairing their machinery when it breaks down.

For the companies operating in Atlantic Canada, Bathurst, New Brunswick-based Rogers Electric and Machine is a company they turn to in their time of need. The Iron Ore Company of Canada, Trevali Mining, and Atlantic Gold Corporation—these are some of the companies who seek its expertise. "When an electric motor fails, they either have to turn the lights off or get the thing repaired," says Chris Landry, director of business development and sales with Rogers Electric and Machine. "We've been growing 15-20 per cent in revenue year over year."

The company, which also has an office in Wabush, Labrador, opened its doors in 1969 as a small electric repair facility. In 1998, Todd Morrison bought the company and set out to transform it into a larger player in the electric motor repair business. Almost 20 years later, Morrison has succeeded. Not only does Rogers Electric and Machine have clients like IOC but also J.D. Irving and Northern Pulp in Nova Scotia.

Landry says over 50 per cent of its business is related to mining, but the forestry sector (thanks to its work with Irving, Northern Pulp and sawmills in the region) is an important revenue stream, along with the oil and gas and shipping/transportation industries. With the mining sector accounting for a good portion of the firm's business, the extended downturn in that industry could have left it in a precarious spot.

But Landry says the lean times haven't impacted Rogers Electric and Machine much because of the work it does: engine repair. "In the repair business, the bust times almost strengthen our business. Mining companies aren't buying new assets, they are repairing current assets," Landry says. "They need our support more in the down times because they are focused on repairing equipment."

In fact, the company is expanding its business. It's in the middle of a \$3-million project that includes a 13,000-square-foot addition to its Bathurst facility, installing a crane capable of lifting 30 tonnes and two additional cranes able to lift 10 tonnes each. The expansion is part of a plan to invest in modern technology and allow Rogers Electric and Machine to handle heavier lifting needs.

Even though the company has been growing during lean times for the mining industry, Landry admits it hasn't been easy to pull it off. "We've gotten a lot of pressure from clients to reduce costs. It's tough," he says. It's also tough to maintain staff levels and invest in the business when your core clients are demanding you deliver your services at cheaper rates. However, the company has been doing just that. The expansion project, which was scheduled to be completed in December of 2017, is one example. Another example is that Rogers Electric and



Rogers Electric and Machine's (left to right) Chris Landry and owner Todd Morrison have the company focused on growth.

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Machine has continued to spend money on marketing and sales. It hired a full-time salesperson in Halifax in 2017 with a goal of growing its natural resources business in that province and going after small and medium-sized clients.

The focus on chasing work it hasn't pursued before started two years ago. It's a wise strategy considering how volatile resource extraction sectors like mining and oil and gas can be, and it's led to new clients like Marine Atlantic and Halifax Water—the municipal water, wastewater and storm water utility serving the Halifax Regional Municipality. "Two years ago we weren't doing any business with Halifax Water," Landry says. "It's this low-hanging fruit that helps keep the lights on."

With approximately 40 full-time employees and growth on its mind, Rogers Electric and Machine is in no danger of turning the lights off in Bathurst and Wabush. But even though Landry thinks the resource sector is showing signs of recovery in 2018, he says industry players remain cautious. "Companies are still being very careful and very particular about their expenditures. That's why we've got to engage new markets and not try to cut corners with sales and marketing. Our strategy has been working so far." |nrm

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