

Strength to strength: the businesses turning challenge into opportunity during a pandemic

The local companies that saw growth during the past year provide key lessons in strategic planning for other businesses forging their way out of the pandemic.

By **Carla Sorrell** - October 15, 2021



Over the last two years, Ray Brougham, president of Rainhouse Manufacturing Canada, has been re-investing in the company. He has built resiliency into the business by expanding the R&D department, spending time writing grants, identifying collaborations and introducing new products. Photo by Jeffrey Bosdet.

Uncertain times call for certain measures — calculated decisions that take into account evolving circumstances and what those mean together with a company’s mission. Add to that an ounce of risk taking and a measure of flexibility.

When strategic planning in this currently unpredictable world, it’s important to figure out what has changed, what has not changed and what is still uncertain. The dramatic range of effects the pandemic has had on different sectors leaves everyone “starting again” from different positions.

Some industries and businesses — such as construction, cleaning, delivery services, grocery stores, telehealth — have done very well through the pandemic. During this period of growth, the decisions made and directions pursued by these companies provide valuable insight that can help others narrow their focus and identify areas of priority in strategic planning.

Invest in the Company

Ray Brougham was primed and ready for this moment. About 10 years ago, the president of [Rainhouse Manufacturing Canada](#) read a survey of the Canadian economy. Its findings showed that the country’s low productivity was linked to companies “playing it safe.” Collaboration, research and development all suffered; the lack of reinvestment back into the companies stifled innovation and growth.

Fast forward a decade. The company is coming out of its most profitable year, thanks to a collaboration with the Indigenous-owned company Nanaimo Foundry and Engineering Works that secured them a

\$3.6 million contract with the Department of National Defense that was delivered during the pandemic.

Recognizing this success was built through partnerships, Brougham is investing time and money into more collaborations. Over the last few years, more than a million dollars have been put back into the company, expanding the R&D team (whose current scope includes, but is not limited to, sensors that measure vibration, forest temperature and acoustic emissions in a machining process). These days Brougham spends a lot of time writing grants — key catalysts to creating productive partnerships with other companies and universities.

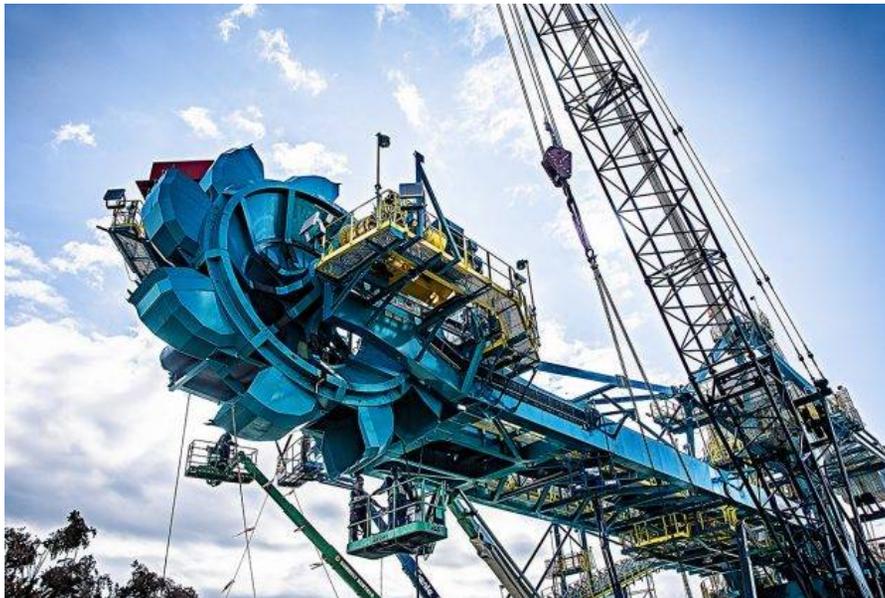
Rounding off an equally successful decade, United Engineering increased employees by nearly 40 people through the pandemic, nearly tripling its workforce at some points. Additionally, a number of acquisitions contributed to the company's growth. It's been the last seven years of investment in new technology, equipment and people that has put [United Engineering](#), part of the Ralmax Group of Companies, in the position it is now.

"There's obviously continued investment in technology. That's so we remain competitive and improve our productivity," says Dave Bukovek, general manager of United Engineering. "We're considering some more strategic acquisitions to get into new markets, rather than trying to break ground, and that steep learning curve you've got when you start from scratch."

Karl Ullrich, owner of [Oak Bay Bikes](#), is buzzing with excitement after seeing a 60 per cent increase in sales over the last year. Watching growth targets jump from five and ten per cent to 50 per cent has infused a drive to keep up the momentum. He's reinvesting gains made over this last year, making changes and improvements to the way the store works to support customers.

"This level of business is almost like a bit of an addiction," says Ullrich. "We don't want to let this go without a fight. My job is obviously to look six months or a year down the road, and I'm pretty vocal that we're not going back to 2018 levels [of sales]."

"I feel like for 30 years I've been adding tools to my toolbox. And now it's time to put them all together."



United Engineering constructed this massive stacker reclaimer for EMS Technologies Canada. With an estimated economic impact of \$26.3 million, the project also showcased the ability of large-scale local fabrication as an option over international alternatives. Photo by Jeffrey Bosdet.

Listen and Learn

We've all experienced the range of new and experimental processes introduced through the pandemic, some enhancing customer experience and some deterring from it. In identifying the new needs of clients and consumers, and how a company can serve them best, the processes implemented for COVID won't always be ones to keep.

It was a fast learning curve for the construction industry and grocery stores, both deemed essential services and forced to pioneer safe and effective working practices early on, with little guidance from the government. The swift change in attitudes around home cooking emptied baking aisles of products. Suppliers struggled to fill orders, with supply chain challenges creating competition for raw materials and slowing things down, due to COVID protocols.

"Many of our safety protocols helped us and all others in our industry operate safely — that was always our number one priority: How can we ensure we can get food to our communities safely?" says Ralf Mundel, VP of operations at [Thrifty Foods](#). "I can't say that in a post-COVID world, these 'improve' how we operate, as they are all designed to create a barrier from the most important relationship that we have — with our customers.

"What I can tell you is that the sense of 'higher purpose' — getting food into our communities — was certainly a catalyst in driving many in our industry forward when faced with a lot of the uncertainty associated with being on the front lines. It is amazing what can happen with this type of drive and higher purpose."

Customer experience — "finding ways to serve people and their bikes better" — is part of the mission at Oak Bay Bikes, where Ullrich's attitude is to reinvent the wheel whenever he can. Some of the processes created for COVID will stay, whether customers think they like them or not. The "meet and greet" reception point was implemented to match customers with sales reps who are best suited to help them with a specific product.

"We recognized early that it allowed us to direct our best experience to the customer," says Ullrich. "The problem over the next couple months is going to be that the customers are going to arrive, and they may perceive this as friction or a hurdle to get into the shop. We've talked about it at length. We are going to have to educate our market — 'This is staying in place because we think we can serve you better.'"

While some companies are learning from short-term hindsight, others learned from long-term hindsight. The financial crash of 2009 was a catalyst for change to the way Moe's Home Collection supplies stock to dealerships across North America. Founded in South Granville in 1986, the company now has 13 flagship stores and licensee locations internationally.

"Our logistics of inventory hasn't been affected that badly," says [Moe's Home](#) Victoria licensee and owner Curtis Vertefeuille. "We have two warehouses in Seattle and Vancouver that are fully stocked out. Moe's learned from the 2009 crash about inventory. When that happened, it took us a good four or five years to recover. So they've kind of been stockpiling since and it's definitely benefited us."

Expansion was already part of future planning for Vertefeuille — COVID and a bit of serendipity only fueled the flame, with an increase in sales of about 40 per cent and access to enough stock to fill the increased footprint. The company stumbled on its new space — over double the size of their former storefront — in the summer of 2020 and plans to open in Langford early next year, once the new build is complete.

Assess the Product Range

The desired product mix has changed, and companies are reassessing what's next, asking questions like: Which products are most appropriate for the current environment? Which products will thrive in

the recovery? What new products could companies develop to better meet customers' needs in the future?

Plans to renovate the [Westin Bear Mountain Golf Resort & Spa](#) were well underway before the pandemic. As part of the Marriott group, global insight gave the hotel confidence to power on. They learned from other parts of the world — like China, Europe and the U.S. — who opened up their doors to tourism before Canada.

The hotel will be home to a high-tech ballroom with a wall of LED screens. This unique selling point will ultimately make the hotel a destination but could equally have been deemed too risky to continue, in light of the dramatic drop in group activity. The company was confident that the product would have value. Today, they have a wait-list of close to 30 weddings and are opening in a working culture that is likely to reduce its investment in office retail and move that spending to renting conference and meeting spaces for day use — a gap in the market that had already been identified pre-pandemic.

"You can have a socially distanced meeting with 50 people in the ballroom," says Noel D'Couto, general manager of the resort, "Big companies might say, 'I've got executives around Canada or North America, and we want to see everyone.' This way, with the technology, we can have everyone on the screen, whether it is 100 participants or more. That is a market that we are looking at."

Reassessing or introducing a new range of products has been an inevitable part of the year for many businesses. At Rainhouse, the move towards research partnerships is leading to the development of new products, which diversifies their previous role as assemblers or design for manufacturing. Contract manufacturing has added yet another avenue. Tapping into new revenue streams, especially with a focus on green-energy products, means the company is not always subject to the fragility of long global supply chains.

Two current collaborations are proving fruitful, creating opportunities to enter new markets. The first is an anti-vibration control system that monitors and modifies a machine's behaviour to avoid breaking down instead of simply warning users it's about to stop.

The second is a fully functional battery pack funded with \$200,000 from the B.C. government and created with research from UVic and input from Canadian Electric Vehicles. Despite having "no knowledge of batteries," Brougham seized the opportunity that arose out of a problem posed by an ocean supercluster project he was involved in. There was nowhere to store the alternative energy that would be generated through a micro-integration unit Rainhouse was building for remote locations.

Strategic planning over the last year was perhaps a more fluid process than in the past. These companies have navigated the uncharted terrain, successfully trusting instinct and experience to make decisions that will benefit them in the short and long term. Learning from these insights will help all businesses approach the "new normal," as they prepare for growth and become open to reinvention.

You may also like:

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