

Vertical filing units

A small, two-and-a-half-year-old Mississauga, Ontario company, which produces and markets specialized vertical filing units for maps and plans, is building a network of dealerships in the United States and exporting to Europe.

Douglas Verkaik, president and founder of Planon Systems Inc., is a dedicated promoter of the vertical filing system. He says it accounts for 70 per cent of files for drawings in Europe, where it first took root, yet represents only 20 per cent in Canada and a meagre 10 per cent in the United States.

"The situation in North America, which is still clinging to the old large flat-drawer filing method, seems odd," he says, "but it certainly offers us a lot of room for expansion."

He notes that Planon's increased sales verify that the changeover to vertical filing is happening, and at a quickening pace.

The firm, which in the past few months introduced two new systems to the market, has had financial assistance under the Ministry of Industry and Trade's Product Development Management Program, designed for high-volume production of durable goods.

"The value of such government programs is shown in the successes of these new models," Mr. Verkaik said. The Referall, an entirely new concept in vertical filing, which can be taken home or to the job site, has already grossed more than \$200 000 in sales. The larger Excel is also selling well.

Vertical filing takes up less than one quarter the floor space occupied by flat drawers, said Mr. Verkaik, and handling hanging charts and drawings is made easy; there is no need to rustle through dozens of plans laid flat and any drawing can be quickly selected "at your fingertips".

Europeans are more oriented to efficiency in filing, he added, and place high value on floor space. "But now, in North America, following the recession, people are taking more seriously the planned use of existing floor space for files, rather than expanding into another department."

Planon occupies 613-square-metres of office, showroom, warehouse and manufacturing space at the Mississauga plant. It buys Ontario-made metal cabinets, but manufactures the precision mechanism for the three units.

The main marketing thrust is in the US where the company doubled its



Tasha, Douglas Verkaik's Siberian Husky, listens attentively as the Planon president describes the company's space-saving vertical filing unit.

number of dealers when it introduced Referall and Excel. The US is also the biggest potential for exports with sales there averaging 40 per cent more now than last year.

In Canada, Planon operates through a major distributor and selected dealers. Units have been selling well, some to government ministries and to large companies, at an average price of \$2 500.

On a trade mission to Britain last spring, Mr. Verkaik set up his products in a display room at Ontario House, London, and interviewed dealers. "We appointed a distributor, and two months ago he got us our first large UK order," he said. An associate firm in Switzerland is active in seeking European orders.

Mr. Verkaik is only one of three Planon officials on the marketing circuit. A regional manager is based in Minneapolis, and a head office salesman looks after the states bordering Ontario, as well as the US eastern seaboard and Georgia.

(Article from Ontario Business News.)

Canadian firm wins Indian contract

A small Canadian-based firm recently landed a million-dollar deal to equip a solar-powered electricity plant in India.

TPK Solar Systems Inc. has signed a contract to supply India's Central Electronics Corp. with photovoltaic (solar) cells and automated equipment for a 500-kilowatt power station. Central Electronics is to build a 930-square-metre plant.

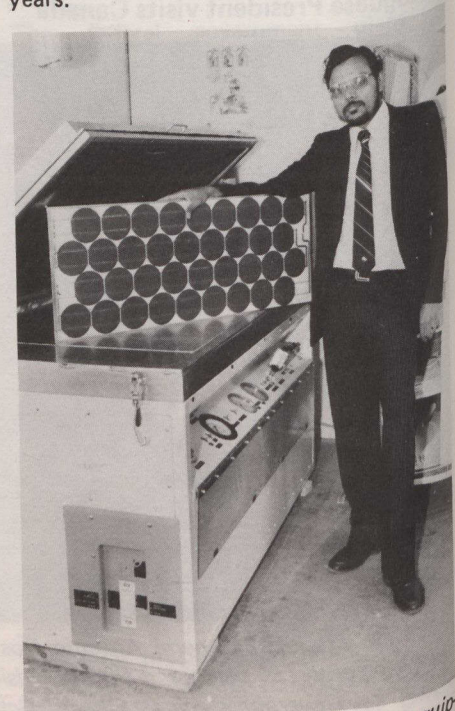
"The contract is a major business jump for the company," said TPK president Raye Thomas, adding that there were more contracts in India he hopes to win.

Mr. Thomas said TPK approached Central Electronics two years ago to set up a joint venture for a solar-powered generating plant. Talks began in January and agreement was reached in March.

Partner Jay Jayaraman said TPK was unique because it was the only Canadian company using Canadian technology that was staking a claim in the international market for solar-power electricity.

"It's a \$100-million market worldwide," Raye Thomas said. "That could grow to a \$10-billion market by the year 2000."

He said the development in solar cells in the past four years had cut the cost of producing one watt from \$50 to \$12; it will drop even more in coming years.



Photovoltaic cells and automated equipment.