



CANADA WIRE

Eight-million dollar investment triggers sales surge at Saskatchewan plant

Sales have been soaring

at Alcatel Canada Wire's plant at Weyburn, Saskatchewan, in the wake of a recently-completed \$8-million expansion and upgrading project which added eight new machines and 35 new jobs to the cable-manufacturing facility.

"We had sales of about \$40 million in 1996 and we are on target to exceed \$60 million in 1997," Plant Manager John Murray told *Canada Investment News* in a recent interview.

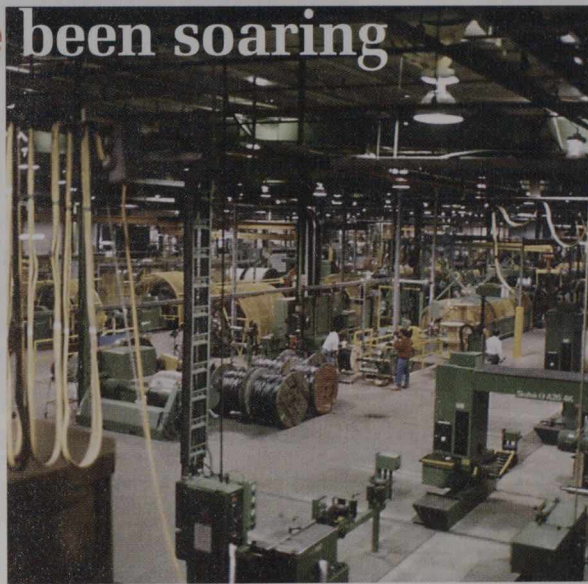
Based in Markham, Ontario, Alcatel Canada Wire is the Canadian subsidiary of Alcatel Cables of Clichy, France.

The plant's history has been one of steady growth, both in sales and product line diversity.

Located in prairie wheat-farming country, the factory first opened in 1956, under the management of Western Wire and Cable and was purchased by Alcatel Canada Wire in 1960. In 1992, to meet soaring demand, the company spent \$11 million to expand production space by 30,000 square feet while installing a state-of-the-art manufacturing line for production of medium-voltage power cable.

With the latest expansion, the plant has increased production of heavy-duty overhead and underground electrical cable for power-utility companies in Canada, the United States and offshore markets.

Speaking at commissioning ceremonies for the upgraded facility, Dr. Gordon Thursfield, President of Alcatel's Cables Group said: "This second major expansion increases this plant's capability and also expands the plant's product line to cover the full range of power cables required by the North American utility industry."



Renowned in the industry for its cost-effectiveness, the Weyburn plant won ISO 9002 certification in 1994.

People and positioning

John Murray attributes the plant's growth to a superlative track record, which stems in turn from competitive edges in terms of labor and location. "As I see it, our most important single advantage is workforce quality," says Mr. Murray.

"In this part of Saskatchewan we're in farm country, in a culture where people are self-reliant and resourceful and hard-working — it's a tradition that says if the combine breaks down, you fix it and keep on going. These traits have given our plant an outstanding reputation for cost-effectiveness, both within and outside the Alcatel world. We also benefit from a very low employee turnover rate: two to three per cent per year."

"In general, Saskatchewan has proven to be a favourable business

environment. The provincial and municipal governments have been supportive and we have our long-term business partnership with the Saskatchewan Power Corporation which has given us a solid and ongoing base."

"Another benefit is market access," says Mr. Murray. "We have good road and railway links to markets — in all directions.

"For years, our largest single customer has been a federal utility company in Phoenix, Arizona, where the state population has been growing at something like 3,000 per month and demand for industrial cable has kept pace. Because of the excellent north-south highway links, we can deliver to Phoenix in three days maximum and often in two."

"We also have good road and rail connections to eastern and western Canada where our customers include provincial power utilities."

With 1996 sales of US\$7.3 billion and 10 per cent of global market share, Alcatel Cable of France is the world's largest cable-manufacturing company. ♦

"As I see it, our most important single advantage is workforce quality."