

Creating the Details

Algonquin Automotive Muskoka, Ontario

Major automobile manufacturers get the credit for producing the vehicles that we know and love, but it is smaller firms like Algonquin Automotive that define our favourite details.

Items such as running boards, tube steps, spoilers, body claddings or grill guards add a unique character to any car or truck. They can be functional and attractive at the same time. And for just that reason, they must be well designed and well built.

After creating and selling these items for some 35 years, the people at Algonquin Automotive have learned what is possible. They turn this knowledge into highly prized products, regularly developing new intellectual property. The company currently employs around 350 people in facilities spread between two towns located in central Ontario's Muskoka region.

Algonquin's business has expanded dramatically in the last 10 years, from \$7 million in annual sales to over \$80 million in 2004. In fact, convoys of trucks carrying company goods now routinely travel from Muskoka to the US markets and even to a General Motors plant in northern Mexico.

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and 25 new products. A recent launch included 4 different products for GM's new Hummer 3, a smaller version of the tough off-roading Hummer 2. These parts include an underbody protector for the transmission, tube rocker protectors, a running board and a u-step. Each launched product represents security for existing jobs or additional jobs for the people of Muskoka and for the company's many suppliers across Ontario.

Don Waddington, Algonquin's President, attributes this success to an application

of current technologies and process into products that customers want. "We are technology integrators. We listen carefully to our customers and their end users so that we can interpret their current problems and attempt to fulfill their needs. We then scan the industrial market for the right technology solution. This approach ensures that worthwhile products have

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a higher likelihood of success in the market place.”

On the current Nissan Quest minivan, for example, Algonquin offers a light emitting diode array that highlights the outside edge of the running board providing safety, reliability and aesthetic appeal to customers. These LEDs last up to 10 times longer than conventional light bulbs, as well as better withstanding rough treatment and drawing less current. Waddington regards the company’s adaptation of this new technology as typical of the kind of creativity that is essential to thriving in the crowded, competitive automotive world.

“A critical core value is to take calculated risks in an atmosphere that’s open to new ideas,” he says. “It’s that strong commitment to creative problem solving through technology integration that has enabled this company to diversify both product lines and customers. It helps us to survive the cyclical nature of the automotive business, and it is leading the way to a very exciting and prosperous future.”

Algonquin shares this core value with the federal Industrial Research Assistance Program (NRC-IRAP). An initiative of the National Research Council, Canada’s foremost research and development agency, NRC-IRAP works closely with small and medium-sized enterprises, helping them grow their businesses, increase their competitiveness, and enhance their impact in the marketplace.

NRC-IRAP has teamed up with Algonquin on various projects since 1990, helping the company perfect new products and techniques, as well as providing access to research and development expertise available at National Research Council facilities. This interaction has contributed to the company’s progress in handling new materials, shipping methods, and design strategies.

“IRAP has been a valuable partner for some of the key steps we have taken,” says Waddington. “They’ve helped us over some technical hurdles, and they’ve helped us position ourselves in the market. They’re a big part of why

you’ll find our products on vehicles all over the world.”

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SMEs are the most dynamic sector of the Canadian economy.

NRC-IRAP is working to keep it that way.

