

In keeping with their trend to diversify markets, Richard Brown, Vice-President of Sales and Marketing adds: "We are steadily increasing our involvement on the craft side, with kits for making rugs and afghans, and plastic canvas pattern kits."

Industry Yarns

The fortunes of the "industry" segment of the business depend directly on the rise and fall in demand from the knitted outerwear industries.

According to Douglas Hay, Executive Vice-President, men's hosiery continues to be the largest single market for Spinrite's industry yarns. "We target for the higher end of the market," he states, "using product innovations such as slub yarns, and special colour mixes, to make the difference."

The Canadian sweater market, as a whole, has been flooded by imports from low-cost countries. Nevertheless, men's sweater knitters continue to represent a major market for Spinrite. And it's a happy boast that "most Canadian-made knit ski hats are likely made with Spinrite yarns." As might be expected, there is a good market in Canada for knit skiwear, and Spinrite is right in there with its products.

The Canadian government, with requirements for knitted outerwear for the Armed Forces, is another good customer, and there are the various other uses for industry yarns, such as mops, carpets and upholstery, that round out this segment of Spinrite's business.

Export and Free Trade

As Robert Hay puts it, "The core of our business may be in Canada, but our outlook is global. Any Canadian manufacturer that is not concerned with the world market may be losing out in the long run."

As a key marketing policy, Spinrite has been aggressively pursuing export opportunities for some years. Ten years ago, 95% of their business was within Canada, but exports have now risen to almost 25% of production.

"Free trade is opening up more opportunity for us in the U.S.A.," says Hay, but he likes to remind people: "We were in the U.S. well before the Free Trade Agreement was in place." In essence, Spinrite now looks upon the Canada/U.S. market as one big marketplace: North America. NAFTA is just an extension of this concept.

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The acquisition of the Bernat yarn business in the U.S. and Canada is further proof of Spinrite's determination to pursue opportunities in both countries. But Spinrite's marketing ambitions don't stop at the boundaries of North America. They are also actively developing markets in other areas, primarily in the U.K., Australia and Japan.

The Japanese business was developed in 1990, when Spinrite bought out White Buffalo Mills, a small firm in Brandon, Manitoba, that had a contract with a Japanese firm for hand-knitting yarn. ... Now they have two of the largest hand-knitting yarn firms in Japan as regular customers, and the market is expanding. ... Spinrite's reputation is spreading throughout the Far East, and inquiries are coming in from China, Korea and Taiwan.

People

Robert Hay attributes his company's progress and success to three major factors: people, modernization and product innovation - but the greatest of these, he insists, are the people of Spinrite.

The Spinrite workforce at Listowel is currently around 300. Most are from the immediate area, and many have had several generations of their families working at the mill. Local pride and loyalty are

factors in the positive relations that exist between senior management and the employees.

In keeping with modern trends in industry, employees are being given a greater degree of challenge, as levels of responsibility for problem-solving and action are passed down the line.

The Quality Circle program has been in action for over two years, and is meeting with great employee interest and success. The program gives employees the tools to do their own problem-solving, in small group meetings. They brainstorm together, collect data, analyze for cause and effect, and come up with solutions.

In one recent case, machine changeover time was cut by as much as 50%, as a result of the solutions arrived at by the operators themselves. "Who knows better about the machine than the person who operates it," adds Linda Shouldice, Human Relations Manager.

The Leading Edge

As a privately owned company, Spinrite doesn't publish financial figures, but Robert Hay is very emphatic about his dedication to his father's policy of consistently re-investing profits in the business to keep ahead of the game.

"We consistently re-invest in systems, processes, and people," he states, "to keep the business up to date, and always at the leading edge. We drive for diversification, innovation and lower costs... We have a young, aggressive management team, and hard-working, dedicated people, and we produce the products the consumer wants." He pauses and looks pensive before adding, "But I'm not denying the market is difficult, and just holding your own can be a big achievement."

Spinrite is indeed a dynamic, lively Canadian company, holding its own - and better - in these tough times.

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