

Superior Glove among GTA businesses enjoying growth

By Dana Flavelle
Metroland Media Group

Superior Glove Works Ltd. took a hit when North American auto sales plunged following the U.S. financial crisis of 2008.

But the Ontario-based maker of specialized industrial gloves says business has come roaring back in the past two to three years.

Recovering U.S. demand, especially for autos, combined with a falling Canadian dollar, has meant more sales and jobs at its Acton manufacturing plant.

A fair chunk of our business is in the automotive sector and people that supply automotive. They were really hard hit in the recession. We had customers who had ordered for 20 years and then they just stopped in 2008, vice-president Joe Geng recalled in a recent interview.

But the company is now seeing a dramatic recovery in its business. With auto sales on both sides of the border roaring ahead and manufacturing plants expanding, Superior has seen double-digit sales growth in the past three years, Geng said.

That has translated into more jobs. Employment at the family-owned firm is up 20 per cent in the past two years to about 250 people, roughly split between its two manufacturing plants in Ontario and Newfoundland, he added.

Superior Glove, which also sells to food manufacturers and aerospace companies, is among a growing number of Canadian companies reaping the benefits of rising U.S. consumer spending and a lower Canadian dollar.

Canadian manufacturing sales

jumped 2.3 per cent, more than expected, to a record \$53.1 billion in January, Statistics Canada reported Wednesday. Much of the growth was due to higher sales of motor vehicles, vehicle parts and food.

Ontario accounted for half the country's performance, helping offset continuing declines in the price of oil and coal, which have pushed Alberta into recession.

Commercial lenders, like Bank of Montreal, say they see the impact in growing demand for business loans in Ontario, and not just from manufacturers.

Like most people, we think Ontario will lead the country from a GDP (gross domestic product) perspective, said Cameron Fowler, BMO's group head, Canadian personal and commercial banking. And we think Toronto is going to be, not alone, but, in part, driving that.

We've done a lot to make sure we're well positioned to benefit from it, Fowler added, noting the bank has revamped its flagship branch in First Canadian Place and named Steve Murphy, former head of commercial banking, as senior vice-president, Greater Toronto division, personal and commercial banking.

BMO has also opened a second commercial loan centre in Richmond Hill, at Hwy. 7 and Birchmount Rd., to meet growing demand in the 905 region.

You can be downtown, but to do the business within the small- and medium-size sector, which is, say 500 employees and under, it's really happening as much in the 905 as it is in the 416, said Murphy, who took on the GTA role in September 2015.



Superior Glove Works vice-president Joe Geng says his GTA specialized glove company is seeing a dramatic recovery from the 2008 recession due to higher U.S. sales.

File Photo

BMO said it's seeing strong growth among manufacturers, food producers and tech companies. In the suburbs, population growth due to immigration and aging millennials is also driving demand for services, such as health care and restaurants.

What we've seen in the Toronto market is just more and more opportunity, said Shaun Muldoon, of Muldoon's Coffee Service. I can't tell you if it's because I roast, manufacture and deliver with really great service. I also think we're dealing with a pretty strong economy that has felt some shudders.

The Mississauga-based firm, which supplies hand-roasted coffee to 4,000 offices and restaurants, has hired 10 additional people in the last year, bringing

its total to 70 employees. Its customers range from PointClickCare, a retirement home software provider with 1,000 employees, to Entertainment One's head office in downtown Toronto.

FreshBooks co-founder and chief executive officer Mike McDerment said he's seen huge growth in Toronto's tech sector and in demand for his company's services.

In the last six months, we've seen our highest customer sign-ups in history, said McDerment, whose firm provides accounting software services for small business.

We've doubled the size of our company since 2013. We hired more than 100 people last year. And we're planning to hire an additional 40 people in the next few quarters, McDerment said.

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