

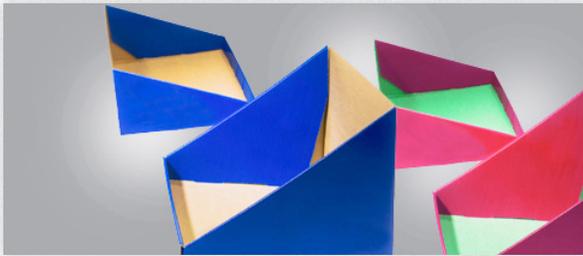
GreaterHalifax
PARTNERSHIP

Attitudes: More Important Than Facts

Imagine you could find new markets all over the world by changing one simple thing: Your attitude.

"Back in 1931," says Gary Johnson, President of Maritime Paper Products, "our business was located on Almon Street, Halifax, to supply Oland Breweries when they switched from wood to paper to transport beer. There was no corrugated packaging company in Atlantic Canada at the time, and the Lawson family from Ontario saw this as an opportunity to start one up."

A Hantsport family, the Jodreys, bought Maritime Paper when it came up for sale in the 1950s. The Jodreys had an attitude of wealth-creation and community investment and grew the company out of its headquartered location to Burnside Industrial Park in 1967.



These days Maritime Paper ships up to 90 truckloads of custom-made "light as air" corrugated products to its 900 clients such as Big 8 Beverages, McCain, Oxford Frozen Foods, Moosehead and Labatt every week – enough to cover over 50 football fields a day and custom manufacture 12,000 different SKUs. Seven to eight hundred containers of this product will travel by sea to Newfoundland alone this year.

Corrugated paper is a huge industry and employer in North America and "its model is based on being close to your users who are processors or manufacturers," says Gary. "They all need 'just in time' inventory served quickly and daily." Think poultry, fish or fresh produce. "Service is paramount to these clients."

Around the early 1990s, business was shrinking. Local manufacturers and processors were being bought out by larger organizations. It was clear. Maritime Paper was running out of business at home.

"We had become comfortable just like the Ivany Report says," says Gary. "We thought our product wasn't exportable over long distances. We thought geography limited us."

"I would be the biggest guilty party in that thinking," says Gary. "I wasn't campaigning against it, it's just that I couldn't see it based on what I thought I knew about our product. It was fun to be proven wrong."

A key opportunity to explore new markets arose in May 1994. The provincial government invited Maritime Paper to join it on a trade mission to Cuba.

"At the time, we could afford to go on the trade mission and take a shot. The risk was low."

"All the companies in Cuba are state-owned but they're joint ventures," says Gary. The joint venture side of that company is usually quite sophisticated – it could be Israel, Spain or Germany providing the technical expertise to the Cuban partner.

"We were targeting a weakness – lack of corrugated paper. We weren't necessarily all that much better than anyone else in the world, but we were smart enough to provide that answer to the marketplace."

Now Maritime Paper has agencies in Ireland, Iceland and Portland, ME in addition to Cuba where they started with citrus, expanded to fish and returned to their roots – this time, rum.

"The Port of Halifax gave us the opportunity to export, and our government pushed us and opened the governmental doors for us in Cuba." In any given year, Maritime Paper's exports now account for 20 to 25 percent of their business.

Not surprisingly, another expansion was needed. "We added more manufacturing space, investing about \$21 million in modernization between 2004 and 2010."

Today, the company has 250 employees in five locations throughout Atlantic Canada, having most recently joint ventured two of competitor Normapac's branch plants in Moncton and St. John's.

"As the saying goes, 'you can't downsize into prosperity!'" says Gary.

"Sometimes expanding in the face of hard economic times is good timing, sometimes good luck – but mostly, it seems to happen to people who think the right way."