

## labrador rewinding | françois gamache

The economic engine of Labrador West's economy is revving into high gear. Expansions are planned for the iron ore mines. Businesses are going at full throttle and no one is going faster than Labrador Rewinding. Motors are necessary for exploration, for extraction, for processing and for transportation of minerals. Labrador Rewinding is playing a vital part in keeping the Labrador West economic engine roaring.

Labrador Rewinding is in the business of servicing industrial electric motors. Motor rewinding involves stripping down the interior of the motor, cleaning it and replacing all of the components. As the name suggests, it also involves rewinding the coils in the motor.

Labrador Rewinding is a family owned and operated business. Two generations of rewinders have been at the wheel of this company. François Gamache, the founder, began in the rewinding business in the late 1960's learning the trade on-the-job with industrial giant Westinghouse.

After years working for Westinghouse, François began his first entrepreneurial business in 1986 in his home town of Sept-Îles, Quebec. As part of this business, the company serviced some Labrador clients as no rewinding shop existed in Labrador. Then demand began to grow for motor rewinding in Labrador West. Businesses were expanding in the area and they were losing time and money shipping motors out of Labrador for servicing. François saw the opportunity. With the assistance of the federal and provincial governments, he acquired the necessary assets and established Labrador Rewinding. For almost two decades it has been a thriving business securing contracts with businesses such as Iron Ore Company of Canada (IOC) and Wabush Mines.

François managed to maintain his business in Sept-Îles, Quebec and establish and grow a sister business in Wabush, Labrador. Today François' son Jeannot is the president of Labrador Rewinding Inc. The Quebec business is called LRI Sept-Îles and is run by Luc Gamache, another son. The brothers consult with each other frequently, but neither is involved directly in the operations of the other's plant.

The Gamache men know motors and they know business. Jeannot worked summers in the family business and specialized in engineering trades at a private college. Just as François saw opportunities and seized them, Jeannot is following his father's example. He says, "My father planted entrepreneurship in my head since I was five".

Jeannot saw his father set up, manage and grow two businesses in two different provinces. As a young man, he worked with his father as the company expanded its operations to provide additional services such as pump repairs and the sales of electrical motors and electromechanical components. In 2004, Labrador Rewinding expanded again and installed new equipment: a 10 ton overhead crane, a test panel, a milling machine, a lathe, a balance machine and a new varnish tank suitable for larger motors. Under Jeannot's leadership the company looks forward to even more expansion. This will mean a need for added space and additional employees.

Labrador Rewinding, like many businesses in the region, experience difficulty attracting and retaining employees. The motor rewinding business is highly specialized and the training is offered in Quebec and Ontario. It can be challenging to recruit people to work in Labrador. To counter this, Labrador Rewinding has offered the opportunity for on-the-job training for millwrights, mechanics and electricians.

This has not completely alleviated the labour shortage. Once employees are trained, there is no guarantee the rewinders will stay with the company. Labrador Rewinding addresses this problem by offering competitive salaries and excellent benefits. However, even these measures are not enough to ensure a sufficient supply of labour; recently Labrador Rewinding has begun engaging employees from outside the country.

Importing employees from outside the region presents another challenge in Labrador West: accommodations! The economy in the region is so strong that there is not a sufficient supply of housing to meet the demand. Consequently rent is high... A two bedroom apartment costs between \$2,000 and \$2,500 per month! For anyone who wants to own a house, there is very little to buy and little available land to build on. That which is available is very expensive. Attracting and retaining employees is a challenge, but Jeannot still won't hire just anyone. He wants people with good attitudes and work ethics who are willing to learn. The team is small but dynamic and effective, with nine skilled trades people employed in the shop and additional employees in sales and in the office.

Labrador Rewinding has grown due to the huge demand for their services in the region. The company does not take this success for granted though. They have established good relationships with the mining companies and they believe that it is their customer service that keeps the major companies coming back. Jeannot says, "We make ourselves available 24/7. The first qualification for working with Labrador Rewinding is to be available all the time." competition

Labrador Rewinding has competition. This includes large, out of town companies as well as a New Brunswick based operation that has opened a shop in the region. The out of town companies have the disadvantage of extra time and added shipping expenses in getting the motors back and forth. With regards to the nearby competition, a company spokesperson for Labrador Rewinding stated that the company's superior customer service combined with the prompt turn-around time will maintain customer loyalty.

To establish their customer base, Labrador Rewinding has built strong personal relationships and provided good work. While web pages and internet advertising are growing in importance, in this business, it is personal meetings and a company's reputation that matter most. Jeannot wants to expand his customer base. He wants to make sure that there is no need for potential customers in Labrador City-Wabush to go out of town to get their engines serviced. He also sees potential to expand his electric motor sales to the island part of the province. Jeannot does not see any limitations in their location. Recently he explored doing business with a mining company in Morocco. Jeannot says it is important for any business person, new or established, "to keep your mind open to customers in different markets." Jeannot looks at the accelerating mining activity in his region and sees immense opportunity. Like his father before him, he will seize these opportunities, and Labrador Rewinding will continue to be an essential component in the economic engine of Labrador West.