

North Island News

Salmon plants' merger is Sidney's loss, Port Hardy's gain

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Black Press

We've all seen the cartoon of the bigger fish swallowing the smaller fish.

But how about a smaller fish processing plant swallowing a bigger fish processing plant — and creating 25

new jobs for Port Hardy?

Hardy Buoy's Smoked Fish Inc., which already employs 15 people full time making hot-smoked salmon for supermarket chains in Western Canada and, lately, the Maritimes, has merged with Pacific Seafoods International of Sidney, and will move its trucks and

machines up here over the next few weeks.

"It's good news for the North Island," says Hardy Buoy's partner Carol Dirom. "The economy here is already showing signs of improvement and we are proud to be in a position to be looking to hire 25 to 30 new people in the next month."

The merger is "synergistic," says Carol. The lion's share of Pacific Seafoods's business was cold smoked salmon (or "lox" to aficionados of New York bagels), which is cut thin like sliced ham. Hardy Buoy's makes the thicker, chewier hot-smoked variety.

"We aren't in competition. We've been meeting at trade shows for years," says Carol.

The operation in Sidney was started 30 years ago in an undeveloped countryside. But this January, the founders and owners Mick Farup and Todd Harmon approached the Diroms with a problem: residential neighbourhoods had encroached on their plant. Sidney had grown up around the plant and the town council was encouraging them to move across town. "Construction of a new plant would be very expensive and we had an ongoing problem with finding new staff. We were always about 10 people short," says Harmon, the firm's marketing and sales director.

At the same time, the Diroms were in a quandary.

"Although our business has grown steadily over the



HARDY BUOYS PARTNERS BRUCE & CAROL DIROM (R) WITH NEW GENERAL MANAGER BARNEY BJERMELAND

past few years, it seemed that for Bruce and myself, with increased revenue came increased expenses and required an increased amount of time to manage," says Carol. "It seemed as though our business hit a plateau that unless a major change happened, we actually feared that by continually turning away business, we may actually end having it backfire on us."

Then along came Pacific Seafoods.

Initially they proposed contracting out the processing to Hardy Buoy's while continuing to manage the brand. But Hardy Buoy's didn't have the capacity to handle the workload with its existing equipment. A different deal was worked out, which saw Hardy Buoy's merge with Pacific Seafoods, lock, stock and barrel.

Pacific Seafoods has been producing 8,000 lbs a week for restaurants and food chains on the Mainland

while Hardy Buoy's has been turning out a quarter of that. It has been selling locally, to major B.C. chains, and, recently, Sobey's in Eastern Canada. Now it will inherit Pacific Seafoods' business.

Construction is underway now at Hardy Buoy's to expand their existing facilities to accommodate the new smokers, freezers and other machines that will arrive from Sidney in May. The Hardy Buoy's store will double in size, but that is only a small part of what will be going on in the back room. The new processing plant encompasses floor space in the North Island mall, from the Kinsmen Recycling Centre to the old Fisheries and Oceans offices. The space will include offices, the larger store, staff lounge and lockers, storage and the processing plant.

"The new plant will be more automated, more computerised and far more streamlined," says Carol.

"The new facility will even be kosher," maintaining a longtime Pacific Seafoods service with its cold smoked sliced lox. Some of the places that will be selling smoked salmon produced here in Port Hardy are Overwaitea/Save On Foods, Sobey's and Country Grocer."

The couple still faces the challenge of finding employees.

"Now I've got to find the bodies to put in the plant," says Bruce Dirom.

The couple, who have supervised and run the Hardy Buoy's operation themselves along with about 15 employees, have opted to add some middle management to handle the new load.

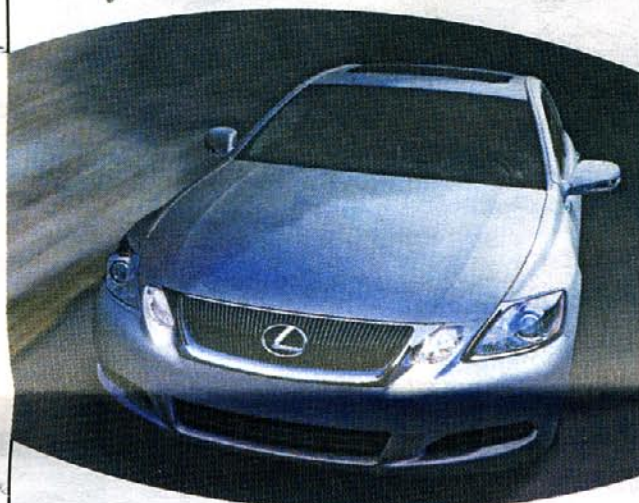
Harmon and Farup will continue with the company, serving respectively as sales and marketing manager and manager of operations. The friendly merger of Pacific Seafoods came with the offer of jobs for most of its 35 staff, but so far, says Carol, "only two people have expressed an interest. Most of the workers are married women whose husbands can't move up here."

Along with all the changes, comes a name change as well. Hardy Buoy's is now Pacific Seafoods International.

Meanwhile, in Sidney, Harmon has been hard at work finding jobs for all his employees.

"All my people that want jobs have them," he says happily. "We value our employees." **BE**

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