

SUCCESS STORY: DESCH CANADA



ABOUT DESCH CANADA

Established in Germany more than 100 years ago as an owner-operated family company, DESCH has grown into a global company specializing in advanced mechanical and plant engineering. Today, DESCH is an international manufacturer serving the oil and gas, construction, mining, and marine industries.



Much of the company's growth can be attributed to DESCH's North American headquarters—aka DESCH Canada—located in Cambridge, Ontario, in the Waterloo Region.

In fact, since its launch in the mid-1980s, DESCH Canada has grown substantially, including expanding its manufacturing space from 10,000 to 80,500 square feet.

In early 2018, DESCH also announced that it will invest more than \$11 million (with the help of government funding) into further expansion that will double its workforce in the coming years. This investment will also help create a new product line and create more manufacturing capabilities, including state-of-the-art test rigs.

CHOOSING THE WATERLOO REGION

Since arriving in Waterloo in 1986, the North American headquarters has led manufacturing, assembling, distributing, selling and testing industrial drivetrains such as gearboxes and clutches.

But why did the company decide on Waterloo initially? It came down to very practical reasons.

"Back then, our Germany headquarters wanted to break into the North American market—and Cambridge was certainly an attractive location for many reasons," says Rena Sath, PR and marketing manager for DESCH. "First, it's located in an industrial area, so it makes sense for manufacturing buildings to be here. Cambridge was also low-cost, because DESCH was dealing with the Canadian dollar."

Currently, the majority of DESCH customers are based in the U.S. As Waterloo is a relatively short drive to two major border crossings (New York and Michigan), this provides convenient access for shipping and distribution purposes to both the Eastern American seaboard and central heartland.

THE BENEFITS OF NETWORKING

Making connections has been especially beneficial to DESCH's growth.

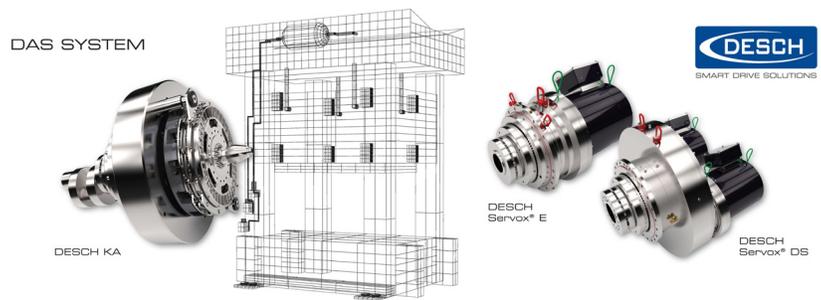
DESCH believes it is important to know how certain legislative bills will be passed, and how those bills may affect the company. As such, DESCH has made a point of networking through many channels throughout Waterloo, such as the Chamber of Commerce.

Waterloo EDC has also invited DESCH to several industry events, enabling the company to make new contacts in new markets.

For new businesses considering coming to Waterloo, Sath stresses the importance of networking.

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“So many companies are not aware of opportunities for governmental funding, and networking can act as a great tool for building those resources,” she says. “We’ve gotten lots of great one-on-one support from the Province of Ontario with regards to them guiding us through applications—they’ve been excellent to deal with.”



RICH TALENT POOL

As a company that manufactures complex and niche products, DESCH requires a rich talent pool to draw qualified employees with specialized skills.

According to Sath, Waterloo is home to a good number of very highly skilled workers including assemblers, machine operators and millwrights.

In addition, DESCH has benefited from hiring students from local post-secondary institutions including the University of Waterloo, University of Guelph, and Conestoga College. The company has taken part in job fairs and reached out to the local universities and college to look for co-op students with special skills.

As a result, DESCH has been on the receiving end of many eager, qualified students who consistently exceed the company’s expectations.

PARTNERING FOR SUSTAINABLE ECONOMIC GROWTH

DESCH also enjoys supporting economic growth by partnering with local suppliers in the region.

“We like to choose manufacturing businesses that are in close proximity to us, that have the capabilities to create small components to help us make our products,” says Sath.

“By partnering with us, other companies are able to create new jobs, invest in different machinery, and grow their own business. Meanwhile, it helps our own business reduce lead times for manufacturing, because we are so closely located and the relationships are so strong.

“Basically, Waterloo has become a really cool hub for businesses to build and grow here—and DESCH is happy to be part of that growth.”

A FRIENDLY, WELCOMING ATMOSPHERE

While most DESCH Canada employees are from the Waterloo region, the company also employs a few ex-patriates (many from Germany). These young professionals are often without families when they first arrive—but tend to stay and make a life in the area.

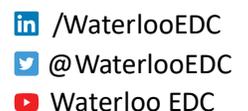
Sath cites the region’s overall friendly atmosphere as a major reason why international employees decide to stay.

“The region is very diverse and welcoming to outsiders, and they put on lots of initiatives to ensure that if you’re a newcomer, you’re welcome,” she says. “There are also lots of events here to go to for meeting new people and feeling more comfortable.”



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