



APRIL 2009 ISSUE

In Adversity Lies Opportunity **There's no time like the present**

We are clearly in challenging times. But there is no greater opportunity for long-term growth than during transition periods like these, especially now that the federal government is committing \$12 billion towards infrastructure projects to help stimulate the economy. These expenditures include the kind of spending that will benefit the cabling industry. And that's not including the existing \$8.8 billion [Building Canada Fund](#).

In addition, we have a temporary reprieve from soaring energy costs. But we all know that this won't last, which is why now is the perfect time to propose the optimization of energy management systems using the latest technology and connected by an efficient cabling solution.

A recent article in the Montreal Gazette reminds us that 14% of the country's end-use energy consumption and 13% of total greenhouse gas emissions stem from the approximately 440,000 commercial buildings in Canada. Added to this are approximately 45,000 government and institutional buildings.

Governments will be driven to lead by example so their buildings are likely to be targeted for energy and/or data retrofits under government infrastructure improvement programs. The 2009 federal budget has earmarked \$323 billion for this purpose over the next two years, out of which \$2 billion has been allocated to repair, retrofit and expand universities and college facilities.

Change is now

Creativity and innovation are always immediate by-products of recessionary times. Those of us who have worked through the last recession know that these are the tools you need to survive. There's no better time to apply them now with the cost of borrowing money at an all time low. Just imagine if we took today's economic situation and applied the soaring prime lending rates that existed back in 1991.

From a cabling perspective, if history is any indicator, we will continue to see increasing pressure on bandwidth with information transfer speeds increasing by at least one order of magnitude per decade. Add to this the move to more energy efficient systems and the rise in custom applications and we will see more attention being paid to the performance of cable as well as the cost of installation – both of which you play a key role in providing.

Becoming proactive in changing time

Constant communication with your customers is critical today. A lack of customer contact might well lead to a missed opportunity – where opportunities are few and far between. Keep in mind that the first step to winning any job is simply being there at the right time.

Perhaps it's time to revisit how you are adding value to your customers. Ask yourself what you could do for your customer to address the changing times (and opportunities) we are facing. Now is also a great time for strengthening your product knowledge and installation skill sets. Given that labour and cable are major cost components to an installation, a well trained work force is important in giving you the competitive advantage you need to win contracts.

You can create opportunities by highlighting the benefits of a vital yet often overlooked component of their building controls system – the cable. A quality or performance audit will help clients to understand how they can optimize energy efficiency and realize a quicker payback from their initial investments, while at the same time adhering to an environmentally-friendly approach to building management.



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A few examples of a link to a greener future

The election of President Obama in the United States bodes well for the future of green technology and energy efficient building management systems. He has sent strong signals both prior to and during his inaugural address that he will make the greening of America – and its federal holdings – a priority for the competitive future of their country.

The Federal government of Canada has laid out similar initiatives intended to transform public buildings into models of energy conservation. Momentum caused by the coupling of the green movement and the quest for economic efficiencies have created real market demand for efficient building controls.

Similar signals are coming out of Canada's communications sector with "a broader approach to infrastructure than just traditional infrastructure," according to Bernard Lord, former Premier of New Brunswick. He and federal Industry Minister Tony Clement are pursuing an expansion to the existing \$500 million fund to provide broadband service to all of Canada. Also included in their initiatives are moves to create accelerated capital cost allowances that could generate up to \$12 billion in high tech spending over the next 12 months. (Globe & Mail Jan. 09).

During Obama's recent visit to Ottawa, he and Prime Minister Stephen Harper discussed the issue of border security and how both governments could use some stimulus and infrastructure spending to make even more investments in beefing up security along the border.

Another bright light for the industry is the continued growth in thermal management - particularly in computer related industries. According to a report from BCC Research the thermal management industry was approximately \$6.1-billion in 2008 and is projected to increase to \$11.1-billion in 2013, which represents a compounded annual growth rate of 10.3%. The issue of managing heat and power dissipation is becoming increasingly significant especially from an overall energy management perspective.

Are we reaching the stage of rationalizing the removal and proper disposal of unused cable that threatens our safety? As a cable installer, you are well positioned to provide expertise in this area.

Let's get started.

We're all in this together. And we'll come out of it together. Cercocable is here to support you in any way we can - which is why we will continue to reach out to you.

Cercocable continues to make strides in providing the most functional cabling solutions to a world that is increasingly more complex and demanding. In addition, we continue to improve our efficiencies in inventory management, just-in-time delivery, customized cable design, research and development, as well as cost reduction and purchase consolidation strategies.

In short, we are here to help you take advantage of the many positive opportunities that are going to emerge for our industry in these changing times.

Should you have any questions or comments regarding this article, please call your Cercocable representative at 1-800-361-5961.