



## No Guts, No Glory



“In 2000, we knew we either had to shut the doors or grow. We found a bigger space in town at the right price, and expanded into it with the timely support of a loan from **Community Futures**. The banks wouldn’t look at us because they looked at our business as a fishing business. **Community Futures** understood that we are in the food manufacturing business, and understood where we wanted to take the business.”

### A Real Life Fish Tale With a Happy Ending

Today, Hardy Buoy Smoked Fish Inc. is the third largest employer in Port Hardy. The company processes 1.8 million pounds of salmon into 900,000 lbs of finished product, has 45 full-time employees (60 at peak production), and distributes fresh and smoked salmon products to most major grocery chains across western Canada. Behind the impressive numbers is a true tale of guts - fish and human – that were required to build one of Vancouver Island’s biggest fish processing facilities.

The story begins in 1994, with Hardy Buoy (yes it’s a play on words of the famous blue-covered mystery books) co-founders Bruce and Carol Dirom, a classic husband and wife team. Bruce was working for B.C. Hydro to make ends meet for his young family, but also longed to work for himself and forge a better future. “I figured that going into business was the best way to do it,” he says. “I’ve had a life-long love of sport fishing, and knew there was no place for people to take fish to get custom processed from Nanaimo north. I saw an opportunity.”

That year, the couple opened a 1,500-square-foot custom processing facility for sport fisherman, with three employees including Bruce (who worked part-time elsewhere to make ends meet for several years)—and the help of a Community Futures loan.

Not long after, as is typical with so many businesses, Hardy Buoy Smoked Fish Inc. faced a “go big or go home” decision. Bruce knew the company had to either expand to overcome the risks of constantly swimming upstream that his small company was experiencing or call it a day and close shop.

“In 2000, we knew it was do-or-die for the business. We had \$150K of credit card debt. The house was mortgaged to the hilt. We had three kids to feed. Federal regulation was tightening and we needed expansion to make the numbers work,” Bruce recalls. “We decided in April we would go through one more summer, pay off as much debt as possible and grow the business or we’d finish the season and lock the doors September 15.”

As it turned out, Hardy Buoys Smoked Fish Inc. had a great summer and the doors stayed open. The success that summer set the stage for a large expansion in 2008 in that added 30 employees, again with the help of a Community Futures loan.

Even successful companies have obstacles to navigate, as Bruce well knows. There was a gut-wrenching product recall that almost bankrupted the company, but was eventually found to be the result of faulty equipment at the testing agency. And the 2009 purchase of Pacific Seafoods, which was followed shortly after by the cancelation of that company's major retail contract.

"Walls can be climbed," Bruce says. "You can't get discouraged. Too many businesses give up too quickly. We have stuck it out because, not only do we have pride in what we're doing, we have attachment to our employees and our community. "

The major themes in the Hardy Buoys' story are tried and true for business success: drive for superior quality; integrate activity with other local businesses to generate efficiency; and constantly search for new lines of business and reduction of waste.

"Our location makes us price-competitive, we're near the resource (salmon), and we are integrated with other local companies that both supply us with fish and use our waste product," Bruce says. He's always looking for ways to value-add under-utilized fish by-product, which currently includes the potential for salmon pepperoni, sausage and other breakfast products, and the drying of 90 kilograms of skins per day to sell as dog treats. In short, nothing goes to waste. The sophistication of the facility underscores the role technology plays in the company's bottom line.

Bruce has some advice for entrepreneurs who think road to building a successful business is paved with gold – think again. "When we started the business, I thought we were going to get rich quick. The business plan numbers were impressive. By year-five, I was kicking back with some cool ones," He recalls. "Today, I look back and think we were crazy.

"We had the kids in the stroller beside us in the office while we were working. If you're not willing to put in the work and sacrifice, your business will fail."

The Pacific Salmon's journey of 2 to 7 years and up to 2000 km of migration for a return visit to natal streams to spawn is one of nature's great stories, filled with risk, perseverance and hardship. The story of the Hardy Buoys is much the same, filled with risk, hard work, and unconquerable determination.

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