

# Cutler Group

Eddie Cutler jumped on the idea that one person's junk is another person's treasure. His treasure was wood cuts--purchasing surplus wood and finding customers who could make good use of it. Almost 50 years after its founding in 1973, Cutler Group has expanded from that idea into manufacturing and distributing kitchen, bath and other wood products to beautify homes.

<b>Headquarters</b>	81 Royal Group Crescent, Woodbridge, ON L4H 1X9
<b>Year Established</b>	1973
<b>NAICS</b>	337110 - Wood kitchen cabinet and counter top manufacturing
<b>Employees</b>	180
<b>Major Expansions</b>	2015
<b>Exports</b>	U.S.
<b>Parent Company</b>	N/A
<b>Other Locations</b>	-

Cutler's business is built on three divisions: Cutler Fabricating and Distribution, Cutler Kitchen and Bath, and Cutler Modern Living. Fabricating and Distribution is the original, core business which manufactures and distributes wood and laminate panel products. The kitchen and bath division was started in 2006 by Jonathan Glick, the company's chief executive officer and a partner in the business. This division manufactures and supplies cabinetry throughout North America through all major big box retailers and independent brick & mortar showrooms. Cutler Modern Living offers European-style high-end organization solutions sold through independent retailers.

Cutler's three divisions operate in a single 220,000 square foot facility in Vaughan. The company moved to this location in 2015, amalgamating four other Vaughan locations into one with the support of FedDev Ontario. FedDev provided funding to support Cutler's expansion and create 40 new jobs.

Until recently, Cutler Kitchen and Bath played a supporting role in the home construction industry. As such, its retail presence had not allowed it to develop strong brand recognition. However, its approach to a large retailer represented a turning point, adding a new channel for distribution and supporting an increased level of brand recognition. On top of that, an opportunity to sell products on a popular e-commerce platform helped propel the company into export markets.

Meanwhile, opportunities in the domestic market remain. Cutler is targeting the west coast of Canada where it believes its products are competitively priced and offer superior quality to Chinese imports.

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When the kitchen and bath division was launched, the company knew that brand recognition was critical to its success. Glick joined the company from the textile and fashion industry, so the idea of brand marketing was familiar to him. Cutler focuses on quality and speed-to-market as its two key differentiators in the competitive kitchen cabinet and bathroom vanity businesses. Glick wants customers to associate the Cutler name with their cabinets. "I don't want people to buy 'a vanity' or 'a kitchen cabinet.' I want them to experience our products in their everyday lives," he says.

The company believes the pandemic has shed a light on Canada's capacity to manufacture domestically. While the pandemic has led to an increase in home improvement projects, a spike in lumber prices due to decreased supply has also resulted.

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Cutler looks to the provincial government to assist in promoting manufacturing in Ontario. It notes that FedDev has been a productive partner. FedDev's support for Cutler has included nearly one million dollars to consolidate their manufacturing operation, automate processes, hire staff and develop its export strategy. More recently, the southern Ontario office reached out to the company to offer support during the pandemic.

Technology plays an important role in developing new products and helping reach new markets, Glick says, and the company embraces every opportunity to use technology. Production software, including a custom enterprise resource management system, has helped Cutler stay on the leading edge in manufacturing practices. Robotics have been deployed for stacking boards in the plant, and the company continues to look for other ways to increase the use of technology. It has found that wait times for machines produced as a result of innovation in Europe are long, so it continues to explore local automation solutions. Company officials attend numerous trade shows to identify and explore ways to improve Cutler's processes through the use of technology.

Cutler employs 180 people, 60 per cent in manufacturing, 20 per cent in administration, and the other 20 per cent in sales and marketing. Digitization is part of the company's strategy. Cutler has adopted the use of digital twins to create virtual replicas of processes and products. The technology provides a customized customer experience, allowing the buyer to visualize design options like colour and style. When a Cutler kitchen is featured on a home renovation show on television, the company uses its social media channels to capitalize on the opportunity to increase its exposure. On the production side, the company is training employees to expand their 3D design skills.

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In January 2021, Cutler Group announced the purchase of TidySquares, a custom storage solutions company. Founded in 2017, TidySquares provides an online experience for customers to design storage solutions. Entering their measurements and choosing their desired storage components, builders and retailers can obtain on-the-spot pricing for home storage solutions. Cutler and TidySquares hope to benefit from synergies in costing, distribution and marketing. Cutler also believes that bringing TidySquares under its roof will increase its own understanding of what the customer is looking for, as well as adding new rooms beyond kitchens and bathrooms to its product offerings.

In addition to the kitchen and bathroom cabinet division, Cutler's distribution division offers such commodity sheet products as plywood and multi-density fibreboard, high pressure laminates including melamine, fabricated products and adhesives. The majority of Cutler's raw materials are sourced from Canadian suppliers. Laminates and drawer systems are supplied from Quebec and Ontario-based companies. Plywood, veneer and treated wood products are sourced from British Columbia. Adhesives are supplied by U.S. companies, and Cutler secures hardware, including drawer slide systems from Austria, where the company's supplier meets its high standards for quality.

When Eddie Cutler started buying and reselling surplus wood cuts in the 1970s, he based a business on knowing what his manufacturing customers needed and making the connections to fulfil those needs. As the company has evolved into Cutler Group, the original objective of meeting customer needs remains at the centre of the company's strategy. According to CEO Jonathan Glick, cabinets and specialty wood products "are about more than making a box. It is about what that box can do for the consumer." Cutler Group is proud to offer quality products, made in Canada, that help customers fulfil their dreams.