



Hamill Machine Company

Hamill Machine Company Inc. is a diversified small manufacturer of custom machined parts and other machinery for a wide range of industries.

Headquarters 4727 Kent Avenue, Niagara Falls, Ontario, L2H 1J3

Year Established 1948

NAICS 332710 - Machine shops

Employees 15

Major Expansions N/A

Exports US

Parent Company N/A

Other Locations Showroom - Niagara Falls

Organization

Just off the Queen Elizabeth Way and minutes away from the world-famous Niagara Falls lies Hamill Machine Company Inc. (Hamill), a machine shop known for its perseverance and innovative products. Hamill is a diversified small manufacturer of custom machined parts and other machinery for a wide range of industries. Best known for its wine racking systems, microgreens harvesting equipment, and custom machined parts at present, Hamill has built its reputation on providing creative solutions for a variety of businesses in the Niagara Region.

History

While Hamill was founded in 1948 by Tom Hamill, today it is led by chief executive officer Bob Benner. After spending time as Petty Officer in the Royal Canadian Navy, then as a millwright and manager at an engineering company, Benner was presented with the opportunity to buy Hamill. He eagerly approached various banks for financing, but they all saw the endeavour as too high risk. While this setback might have discouraged many people, Benner saw it as only a minor hurdle. Ultimately, he was able to secure a loan from a mortgage broker at a premium interest rate of 13 per cent (most banks were offering 8 per cent), and purchased Hamill in 1998.





Performance

Despite the banks' apprehension, Benner knew that he could grow Hamill into a successful business through perseverance and determination. He decided to take on projects in many different industries to broaden the company's chances for success. From 1998 onward, Hamill built pasta machines for Chef Boyardee, equipment for farming and industrial uses, large-scale wine racks, and many other products. Hamill's largest and most reputable project was a custom loading barge for the Maid of the Mist boat tour in Niagara Falls in 2009. This \$1.1 million contract was the direct result of Benner's tenacious work ethic, and signalled to all stakeholders that Hamill was a profitable business in it for the long haul.

Some projects at Hamill begin when a customer approaches the firm with a photograph or sketch of a machine or part and asks whether Hamill is capable of building it. Others, like the company's rapidly selling wine racks, stem from Hamill recognizing an opportunity to solve a customer's problem. The idea for producing aluminum wine racks for wineries began when Benner sent an employee to visit local wineries and see what equipment they might need. The team at Hamill observed that there was an opportunity to produce lighter, better-quality wine racks to replace the existing heavy ones, so Hamill started producing them. Sales were slow at first, but exploded after customers realized how much more they preferred Hamill's product. These wine racks continue to be a profitable and growing part of Hamill's business today.

Hamill used the experience that it gained from participating in several different industries to break into the agri-food sector. Specifically, Benner's team designed and built equipment for the greenhouse produce and aquaponics industry. The machines turned out to be an instant success because of their quality and the fact that microgreens have become a booming industry. Hamill's best-selling machine, the <u>Microgreens Harvester</u>, takes trays of microgreens and harvests them autonomously by cutting the plants off at the stem near the soil. This process is normally done by hand using scissors, so customers who use Hamill's Microgreens Harvester save thousands of dollars a day per machine.

The quality of the microgreens equipment is largely due to the close relationship between Hamill and Niagara College. Students at the college worked with Hamill to design and test the different pieces of equipment. This experience was a great opportunity for the students, who were able to learn and apply their knowledge in a real-world scenario, and for Hamill, which succeeded in creating a higher-quality product. Benner firmly believes that businesses should be involved in their local communities and find ways to build on the wealth of local industry knowledge, and partnering with Niagara College is one way his company achieves these aims.

Another way Hamill furthers industry knowledge in its area is by thoroughly training students and employees. Benner notes that the day he bought Hamill was the day he hired his first apprentice and many others have come through the shop over the years. He takes great pride in hiring individuals with interest in a variety of skilled trades. Some of Hamill's employees are even certified in more than one trade, which helps the company gain a better understanding of all aspects of the products that it offers.

Challenges

Being a smaller machine shop in the Niagara Region is not without its challenges. Recently, however, Benner finds that his biggest challenge is keeping up with Hamill's current level of growth, particularly in its microgreens equipment line. Staying on top of this momentum requires prudent cash flow management





and working with financing stakeholders to ensure all avenues are taken care of. With Hamill's sales skyrocketing and the number of employees expected to double in the next year, many traditional financers are simply astounded at how fast the firm is growing.

Prospects

Everyone at Hamill is very excited for the road ahead. In the past, all of the company's sales have come from within Canada, but recently, Hamill has begun to sell microgreens harvesters to customers in the United States as well. Furthermore, because microgreens can be grown anywhere in the world (in greenhouses), Benner expects sales to expand across the globe.

The company is also in the process of developing its own, in-house greenhouse where it can grow microgreens. From there, Hamill will be able to test its equipment in order to develop new products and improve existing ones. Hamill employees will be able to take these microgreens to Niagara College where they can work with students to design and test equipment with real produce.

Another promising avenue for Hamill is the booming cannabis industry in Canada; in fact, the company is already pursuing research and development and product design in this area. Benner and his team are looking to use their knowledge regarding microgreens to produce similar equipment for the harvesting and processing cannabis.

Despite all of this progress and growth, one thing that will not change at Hamill is the company's perseverance. Because of the perseverance of its employees, Hamill has grown from a small machine shop with cement floors, no computers, and three employees to a fast-growing, innovative company with advanced technologies. Benner's advice for other similar-sized manufacturers in Ontario is to make this "never-give-up" attitude a core part of company strategy. By adopting this mindset, businesses are better able to deal with failures and more likely to capitalize on profitable opportunities.