Parsons ADL

Located in New Tecumseth, Ontario, Parsons ADL is a manufacturer of home health care products. The company strives to create innovative solutions that will help improve the quality of life for the ageing population, as well as individuals with disabilities.

Headquarters	1986 Sideroad 15, Tottenham, Ontario, L0G 1W0
Year Established	1986
NAICS	334512 - Measuring, medical and controlling devices manufacturing
Employees	16
Major Expansions	N/A
Exports	US, Asia-Pacific, EU, New Zealand, Chile, Japan, Brazil, Mexico
Parent Company	N/A
Other Locations	N/A

With an offering of more than 1200 products, Parsons ADL (Parsons) manufactures the largest selection of home health care products in Canada. The company strives to create innovative solutions to improve the quality of life for the ageing population, as well as individuals with disabilities. Located in New Tecumseth, Ontario, Parsons ADL supports the Canadian manufacturing industry by sourcing the majority of its materials from Canadian manufacturers. Over the past 30 years, Parsons has developed relationships with more than 900 dealers and distributors around the world, allowing the company to offer its innovative products worldwide.

The company began when Ron Parsons, an industrial designer for a company that sold exclusively to Canadian Tire, decided he wanted to be involved in an industry that was less sensitive to economic fluctuations. He determined that health care products were an essential commodity regardless of how the economy was doing, and developed a relationship with an employee at Doncaster Medical. This relationship allowed Ron to design products that would address some of the issues being faced by patients at Doncaster Medical. Ron and his wife began manufacturing these health care products in the basement of their house. As word of their high-quality products began to spread, they experienced slow and steady growth, relocating to a 5,000 square foot facility to accommodate the increased demand for products. Commitment to product quality and customer service allowed the company to keep growing, and it eventually relocated to its current 27,000 square foot facility in New Tecumseth.

The first product designed and manufactured by Parsons ADL was the Parsons Adjustable Weight Cuff. This product addressed the need for patients to participate in fitness therapy, and could be easily sewn together

by Ron and his wife in their basement. Parsons then began manufacturing cutlery designed to be easier to use for elderly consumers or individuals with limited mobility. The heat cabinet built 32 years ago by Ron to dry the glue used in the manufacturing process of the cutlery is still utilized by Parsons ADL today. Parsons was able to continuously increase its product offering by developing relationships with occupational therapists, as well as attending trade shows to observe any new industry trends. Occupational therapists assisted with product development because they work with end-users of the products and witness issues that need to be addressed first-hand.

With more than 1200 products, Parsons ADL now places more focus on customer service and continuing to manufacture high-quality products, rather than new product development. Instead of selling directly to end-users, the company sells to dealers, distributers, and retail outlets. This allows Parsons to manufacture its products in higher volumes, providing home health care solutions at a lower cost. In addition to the quality of the company's products, customers value Parsons' ability to ship orders with just-in-time delivery, allowing them to maintain better control over their own inventory. Approximately 80 percent of Parsons ADL's sales are Canada-wide, 15 percent are exported to the United States, and 5 percent are exported to various countries around the world.

The longevity of employees at Parsons ADL has also greatly contributed to its success. Current CEO, Peter Shmagola, joined the business more than 25 years ago, and is proud of the relationships his employees have developed with one another. The lack of turnover has allowed the company to build a tight-knit atmosphere, and resulted in the majority of employees developing a wealth of industry-specific experience. The front office and customer service team is comprised of individuals with a university education, bilingual and excellent communication skills. Employees that work in the shop often come to work for Parsons straight out of high school and are trained on the job. Attracting employees has not been a challenge because individuals can begin working at Parsons without industry-specific knowledge. Only industrial seamstresses are difficult to find because it is a skilled labour position that requires knowledge of the craft prior to working at Parsons.

Peter is very intent on using the success experienced by Parsons ADL to give back to the local community. The company donates every year to sponsor the local cadets, sports teams, and other charitable initiatives. Additionally, Peter is on the committee of the Community Living Association for South Simcoe, a non-profit organization that supports individuals with intellectual disabilities by providing them with opportunities to maximize their potential for personal growth. Parsons ADL sponsors an annual golf tournament held to raise funds for this organization.

To this date, Parsons ADL has faced few significant challenges. The company's slow and steady growth allowed Parsons to avoid any immediate changes to their supply chain or manufacturing process in response to drastic growth spurts. Additionally, Peter owns the land where the company's facility is located, so overhead costs associated with rent have never been an issue. The company also benefits from its location in a rural setting because it provides a nice and calm environment in which employees can work.

Peter notices that end-users of home healthcare products now include 80-90 year olds, whereas previous end-users typically ranged in age from 60-70 years old. He believes the age range of end-users is changing because of the ageing baby-boomer generation, and is looking to ensure that Parsons ADL can continue to provide innovative solutions for the older generation. This involves Parsons maintaining good working relationships with occupational therapists to determine if adjustments or refinements need to be made to existing products, so they can better serve the older group of end-users. Responding to recommendations made by occupational therapists also make therapists more likely to recommend Parsons ADL products to

their clients.

Parsons ADL does not have any domestic competitors that are capable of providing the same product quality, range of products or customer service. There have been a few occurrences where small start-ups have attempted to undercut Parsons on certain products, but have failed due to Parsons ADL's strong domestic presence and reputation for quality production. Direct competition comes from large foreign companies that also have a large capacity and product offering. However, the majority of these foreign companies prefer to mass produce products that can be sold to customers in extremely high volumes. Parsons specializes and has developed a competitive advantage in manufacturing smaller high-quality health care products that can be sold in smaller batches to multiple customers. Moving forward, Peter will capitalize on this competitive advantage as the company continues to grow.

Although Parsons continues to manufacture new products that can be displayed at trade shows, Peter is aware that the internet is quickly becoming the world's best trade show. Websites such as Amazon are not only able to showcase new products immediately, but can also offer them to customers at a very affordable price. A long-term goal of Parsons ADL is to offer its high quality products to end-users online. This will allow customers to have products designed to improve their quality of living shipped right to their door.