

A photograph of two men in business suits standing in an office window. The man on the left is wearing a dark suit, a light blue shirt, and a blue tie. The man on the right is wearing a dark suit, a light blue shirt, and a blue and white striped tie. They are both smiling and looking towards the camera. The background shows a large window with a grid pattern, looking out onto a building and some greenery.

CANADIAN EXECUTIVE QUARTERLY

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*Furnishings from Calstone's
A-Series office furniture line.*

CALSTONE INC.

Office furniture manufacturer supplies sustainable solutions to clients

by Jake LaDuke

JIM ECCLESTONE WAS A LITTLE TAKEN aback when, in 2006, his 24-year-old twin daughters told him that he should buy out his business partner's share in Calstone Inc. and have the company carry on as a family business instead of selling.

"We thought, 'It's a lot of money,'" Ecclestone says. "Everything we were thinking about retiring on was going to have to be put back into the business."

Of course, when Ecclestone's daughters proposed the idea, Calstone Inc. was already a major manufacturer of steel-based workstations with multimillion dollar contracts with universities and companies across Canada.

Aside from his kids, Ecclestone's company was, well, his baby.

He started the company with his partner, Frank Ober, in 1985 after Ecclestone left a position at Ontario Store Fixtures, where he was the vice president of marketing. Ontario Store Fixtures had decided to steer away from its furniture manufacturing, so Ecclestone seized the chance to go into the business for himself.

"It gave me an opportunity to go out on my own and to manufacture the mail-room furniture and the pack bench on my own, so that's what I did," Ecclestone says.

"I found a financial partner, we found a small company, and we purchased it. That's how Calstone started. "We took the company from a half-million to over \$3 million almost overnight," he adds.

Ecclestone's relationships with two of his major clients from Ontario Store Fixtures proved to be a critical factor

in launching Calstone's success. He had gained their loyalty in his previous position, and was touched that they wanted to continue working with him in his new capacity. "It really was enlightening," Ecclestone says. "It's all about relationships in this world."

One of the company's first major contracts was in 1987 with York University. Calstone later secured similar arrangements with Victoria University, Simon Foster University, the Toronto Transit Commission, and the Federal Government of Canada.

"We sat down with our clients and asked them, 'What is it exactly that you need?'" Ecclestone recalls. "We basically designed our products around the needs of the university. And if we designed it for one university, it basically fits for others."

This model was the staple of Calstone's successful business model until Ober, his longtime partner, decided to retire. Ecclestone was faced with either selling his share of the company with his partner, or furthering his investment and risk by taking up his daughters' proposal and turning Calstone into a family venture.

AT A GLANCE

LOCATION:
SCARBOROUGH, ON

AREA OF SPECIALTY:
OFFICE FURNITURE
MANUFACTURER

EMPLOYEES:
44

PROJECTED
2009 SALES:
\$9 MILLION+

"Some people say, 'How can you go into business with your kids?'" Ecclestone says. "The truth is we're all pretty much on the same page. They have enough respect for their father and we've been able to move forward together."

All three of Ecclestone's kids, now in their 20s, work for their father; Laura is a graphic designer, her twin sister Jamie works in sales and marketing, and their brother Matthew creates the engineer drawings and works with his father on the manufacturing operations.

"They've all been involved in the company almost since day one," Ecclestone says. "When you own your own business it becomes a part of your life. It's not something you can easily separate from your personal life."

Since his kids have joined his staff, things at Calstone Inc. have gotten a lot greener. As a way of differentiating itself in an increasingly competitive market, Calstone has gone to great lengths to

become a zero-emissions company. The company's annual sales, which are approaching the \$10 million mark, continue to grow as the company becomes more eco-friendly.

One of Calstone's many green initiatives is its "Re-manufacturing Plan," which enables the company to buy back and reuse all of its products, which are protected under a lifetime guarantee.

"We guarantee that zero percent [of our products] will ever end up in a landfill," Ecclestone says. "At any time they want to get rid of a product, we buy it back for a token amount of money, and we reuse or recycle every piece of material that comes into our place."

The company's commitment to the environment has particularly appealed to Calstone's clients in academia.

"They're all about sustainability; they're all about credibility," Ecclestone says. "They talk about it a lot but now they can

actually say, 'We're actually doing something with a company called Calstone.'"

That buzz has also spread beyond college campuses. Ecclestone says the new initiatives helped the company form a relationship with the cross-industry giant PitneyBowes. "One of the reasons they chose us was because of our environmental initiatives," he says.

Ecclestone says he has been lucky to have all of the positive experiences he's had at all of the different companies he has worked for over his career. But it is his decision to go into business with his family that has provided him a unique opportunity to watch his kids grow both as people and as professionals.

"One of my greatest strengths is that I've been 100 percent honest in how I approach business, and that's what I've taught my kids," Ecclestone says. "Business is all about honesty. It's all about a good, solid handshake—when you make a deal you have to live up to that." CEQ

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