



PETER LEE, RECORD STAFF

With a mind to a growing demand for environmentally friendly products, Cambridge's Algranti Group of Companies found success with its line of esthetically pleasing rain barrels, says Gerry Fung, the firm's vice-president of merchandising.

Algranti's green rebirth

Cambridge company finds success with rain barrels, environmentally friendly products

By Matt Walcott, Record staff

CAMBRIDGE — The humble barrel has served humanity for centuries with little need for innovation. Vessel for Niagara Falls daredevils, garment for Denver Broncos fans, material for downtown Waterloo sculpture — the cooper's creation has performed its duty admirably.

As a landscaping object, however, the traditional barrel leaves much to be desired.

With water conservation top of mind, the rain barrel has made a comeback.

Unfortunately, like other green products, rain barrels are not known for their beauty, says Gerry Fung, vice-president of merchandising for the Algranti Group of Companies.

"The challenge was to create a green product, but it had to be esthetically appealing," he says.

"That is where we thought we could compete with the Chinese."

With its inconspicuous, environmentally friendly products, the Algranti Group has made Waterloo Region a barrel-making centre for the first time since Canbar Products of Waterloo shut down nearly 20 years ago.

Algranti Group of Companies

Location: 100 Pinebush Road, Cambridge

Phone: 519-623-7810

Website: www.algreenproducts.com

Employees: 25

Demand for the Cambridge company's rain barrels has far exceeded expectations; last summer, trucks lined up on Pinebush Road waiting for the highly prized products as Algranti produced them as fast as it could.

Algranti's success is the result of a high-stakes bet the company placed on green two years ago.

The 25-year-old diversified manufacturer was in a pickle because of overseas competition, rising gas prices and the strong Canadian dollar. The company had already shut down its toy business because it could not compete with cheap-labour Chinese factories. A product line of waste tanks for recreational vehicles lost its major U.S. customer when fuel costs spiked.

With only about 25 employees, Algranti lacked economies of scale. It needed a higher-value product with more cost flexibility.

Polls showed the environment was becoming a top-of-mind issue for North Americans, and the region had just gone through a water shortage.

Trade magazines talked about the popularity of rain barrels in drought-prone areas, but the ones available for sale were not visually appealing.

After experimenting with different de-

signs, the company came up with two sizes of rain barrels designed to look like terracotta pots. A planter in the lid allows shrubbery to spill over the top, integrating the barrels into the surroundings.

"We were very, very nervous," says company owner Sol Algranti. "We invested a lot of money, and we didn't have customers for quite some time."

He needn't have worried. When the company demonstrated prototypes at trade shows last winter, retailers were ecstatic. Rona, Lowe's, Sam's Club and Home Depot all placed orders.

Barrel production soon outpaced that of all of Algranti's other products, such as garden accessories, pond liners and outdoor hand tools.

The company expected to sell 7,000 rain barrels last summer; it wound up selling 13,000 and would have shipped more had it been able to make them.

"It got so bad, we had to build additional moulds, because we couldn't get them out fast enough," Fung says.

The success of the rain barrels has allowed Algranti to maintain its workforce despite weakness in the North American economy. Products that help people save money in the long run, like rain barrels, continue to sell well, Fung said.

Next year, Algranti will also sell a similar-looking composter, which will appear a lot more attractive on the outside than it will on the inside.

mwalco@therecord.com