



FIVE DECADES OF DEDICATION,

Craftsmanship

AND SERVICE

Vincent Barzotti with Dr. Ulrich Frisse, LL.M.



BARZOTTI
woodworking ltd



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2017

TABLE OF CONTENTS



Introduction: Dr. Ulrich Frisse, LL.M., President, Historical Branding Solutions Inc.	5
Preface: Vincent Barzotti, President, Barzotti Woodworking Ltd.	7
PART ONE – ITALY	
Chapter 1: Growing up in Italy	9
Chapter 2: Apprenticeship and Coming to Canada	19
PART TWO – CANADA	
Chapter 3: New Beginnings	25
PART THREE – BARZOTTI WOODWORKING LTD.	
Chapter 4: Laying the Foundations – Barzotti, 1967-1980	33
Chapter 5: Challenges and Opportunities – Barzotti, 1980-2003	41
Chapter 6: Family Entrepreneurship the “Barzotti Way”	57
Chapter 7: Barzotti in the Marketplace Today	71
Chapter 8: The Future	83

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INTRODUCTION

by Dr. Ulrich Frisse, LL.M.
President, Historical Branding Solutions Inc.

When meeting Vincent Barzotti, the founder and long-time president of Barzotti Woodworking Ltd., for the first time, the one thing that immediately stands out is his unassuming personality. He is still the same hands-on cabinet maker that started a successful woodworking business 50 years ago. In spite of his achievements, he remains deeply passionate about creating things out of wood for the enjoyment of others. Not a surprise to those who know him, at 78 years of age he continues to spend most of his time “in the shop,” providing guidance, filling in and doing whatever job needs to be done.

The Barzotti story is one of vision, hard work, dedication, perseverance and, most importantly, doing things “the Barzotti way.” Whether it is Vincenzo, the young Italian immigrant, becoming an entrepreneur at the spur of the moment or Vincent, the accomplished businessman, being given *carte blanche* to remodel and design the interior of a client’s entire home—Vincent Barzotti has never said “no” when filling a customer’s need or realizing an opportunity. His entrepreneurial philosophy boils down to the simple imperative: “If it is made out of wood, we can build it.”

One of the most striking features of Vincent Barzotti’s entrepreneurship is his intuition. As exhibited many times over the course of 50 years in business, things seem to come naturally to him. Award-winning designs were born out of Vincent sketching out his ideas on paper. It is not a coincidence that he carries several pencils in his shirt pocket at any given time!

What makes the Barzotti story such an important example of entrepreneurship in the 20th and 21st centuries is that it is not just a story of success, but of facing and overcoming challenges at the same time. Vincent likes to compare himself to a boxer who takes a lot of punches but who gets up again and stays in the ring and ultimately wins the fight. Nothing could describe the challenges Barzotti Woodworking faced during the recession of the 1990s better than this, Vincent’s own self-chosen image. Where many other entrepreneurs failed and lost their businesses, he persevered.

When Vincent says that he thrives on challenges, the history of his company attests to the validity of that statement. Combined with a deep sense of responsibility for the company's employees, it is this deep commitment to succeed that has allowed him to build a stable company that provides steady employment for over 150 people.

A strong personality who is not afraid of making decisions and sticking with them, Vincent chose to do things differently at what turned out to be crucial moments in the company's history; at times, this even meant he deliberately ignored the advice of others concerned about his personal and his company's well-being. Even after losing parts of two fingers in a work accident at the plant in 1969, a day later he was cutting wood again – against the explicit advice of the surgeon who had operated on him only hours earlier. In 1981, at a time when many other entrepreneurs were holding back on investments as the economy was entering a recession, Vincent Barzotti purchased ten acres of land to build a new bigger and more modern plant with an eye to the future. When that very same plant was in danger of shutting down during the severe recession of the 1990s, he remortgaged his private home – again against the explicit advice of those fearing that he might lose it all. *Barzotti – Five Decades of Dedication, Craftsmanship and Service* is a story of beating the odds by following one's own intuition.

Run as a family business to this very day, Barzotti Woodworking Ltd. has stayed true to its founder's values: to provide quality craftsmanship and exceptional value and to be one of Canada's leading manufacturers of custom cabinetry, furniture and commercial millwork. Vincent Barzotti brought his trade with him when he came to Canada from Italy in 1959. Against the background of his European origins, the story told in this book exemplifies the many contributions immigrants have made and continue to make to Canada. In exhibiting how a strong sense of purpose and determination, being willing to take risks and caring for employees and family can motivate an individual to achieve excellence, *Barzotti – Five Decades of Dedication, Craftsmanship and Service* attests to the ongoing strength of family entrepreneurship in today's economy.

P R E F A C E

by Vincent Barzotti, President,
Barzotti Woodworking Ltd.

When I arrived in Canada in 1959 as a 20-year-old immigrant from Italy, I would have never thought that today, over 50 years later, I would look back on my life as that of an accomplished entrepreneur and business owner. Coming to this great country with no English, yet as a trained cabinet maker, I was able to build my dream. Blessed with excellent training in my trade, a family that supported me in all my endeavours, skilled and dedicated employees, and loyal customers who can appreciate Old World craftsmanship in all its nuances, it has been a truly exciting journey.

As I am slowly approaching the age of 80, my goal in writing this book is to create a lasting legacy that will stay with our company for many years to come. Having worked as hard as I did in building Barzotti's, it is a greatly satisfying experience to reflect on events, people, challenges and achievements that have shaped almost half a century of "Doing things the Barzotti Way". It is my sincere hope that through its stories *Barzotti – Five Decades of Dedication, Craftsmanship and Service* will help in keeping our company's family and entrepreneurial values alive for generations to come.





PART ONE - ITALY

CHAPTER 1

Growing up in Italy



THE BARZOTTI FAMILY

I was born in 1938 in the Italian village of Santa Reparata, a small farming community in the province of Teramo in the Abruzzi region that had a church and a population of no more than four or five families. The Abruzzi region is in the heart of Italy, halfway up the boot and is equally close to the east coast of the Adriatic Sea and the mountains.

Santa Reparata is part of Civitella del Tronto, an old town and commune that is famous for the Fortress of Civitella, the largest fortress in all of Italy. From my home village it is about 10 km to the mountains and about 15 km to the sea. It is a beautiful area!

I come from a family of farmers. My father, Camillo Barzotti, was born in 1908; my mother, Anna, was born in 1913. Our family farm was a mixed farm: we had livestock, grew fruits and vegetables (such as olives, grapes and apples), as well as cultivating grain. I remember the farm work being very labour-intensive because everything was done by hand. We used to plow the land with cows and ox. During planting and harvesting season we got up before sunrise and worked until about 10 o'clock in the morning; we would take

two or three hours off to avoid the mid-day sun and then return to work until 10 o'clock at night. Although it was hard work, growing up and working on the farm was a great experience for me.

My father did not own the land he was cultivating. In the old days the land was owned by landlords who often treated their farmers like slaves. A quota system prescribed that the farmer had to pay the landlord a certain share of the fruits of his labour: so many eggs a week, so many chicks a month, or so many lambs a year. Prior to Mussolini's rise to power in 1922, the owner of the land received five parts of the crop and the farmer was only allowed to keep two parts. Under those deplorable conditions, it was virtually impossible for farmers to make a decent living. During the Mussolini years new laws were put into place that provided



Top: Me as a young boy at the wedding of my aunt and uncle—Vincenzo and Angela—back in Italy in the late 1940s. Left: My great uncle Vincenzo after whom I was named.



Top: Me and my grandparents—Luisa and Paulo Barzotti. Bottom: My mother's family—the Siennas.

for equal shares between the landlord and the farmer. From then on, farmers were entitled to keep half of what they produced on the farm.

Being forced to give away a large share of the crop to the landlord was not the only injustice of Italy's antiquated agricultural system at that time. To make things worse, children from farming families were often prevented from going to school by the owner of the land. During my parents' generation it was quite common that children of farmers did not receive any formal education. My father, who could read and write, received an education up to Grade 3 – but in order for him to attend school his parents had to make sure that the owner of the land did not know about it. My mother went to school as well, but many other farming people and their children had no education whatsoever. My grandparents did not even know what schooling was!

When I was young, it was common in Italy for families to live in the same house generation after generation. At the time when I was born there were 25 people in our family and we all lived together in one big house. It was normal that the extended family (children, parents, grandparents, aunts and uncles, etc.) would remain together until it grew to a certain size; then it would split up as individual family members set up new households.

I am the third-oldest child and only boy among six siblings. My oldest sister, Quintilia, is four years older than I; the next sister Malvina is three years older. My younger sisters Luisa, Iva and Elza

are three, six and twelve years younger respectively. Today, Quintilia lives in Rome and Malvina in Abruzzi whereas my younger sisters all reside in Canada.

By today's standards my family was poor. The depression of the 1920s and 1930s, Italy's antiquated landlord system and the Second World War all took a toll on ordinary people like us. It was not that we starved; we had enough food, but there was no money.

THE WAR YEARS

I was too young at the time to remember much about the war. Born in 1938, I was a baby when the war started and I was seven when it came to an end. I remember the end of the war in 1945 through the eyes of a seven-year-old child. During the war years, I was always with my grandmother. I remember grabbing onto her skirt when the Germans came to our house and that some of the German soldiers were nice and that others were mean. They would talk to my grandmother in German, but she did not understand anything of course! One night a group of German soldiers knocked on our door looking for a place to sleep. My parents allowed them to stay on the farm, but directed them to the stables. Concerned that the German soldiers would go after my cousin Pierina, who was a beautiful young girl, my older relatives took her away to hide her. At one point, our village was bombed, but fortunately our house never got damaged.

My father's two cousins and his brother served in the war. My father was exempt



Me and my sisters. From left to right: Quintelina, Malvina, myself, Luisa, Iva, and Elsa.

from service in the army because at that time he already had four children. My uncle Marino went to war and came back after seven years with nothing after being held in a Prisoner of War camp for a long time. My other uncle, Florinto, returned home sick and later died at the young age of 33. (Tragically, his daughter passed away when she was only six years old). What I do remember of the Second World War is that it was horrible and many innocent people were killed.

The years during and immediately after the war were difficult times for my family. Between 1943 and 1949 seven members of our family of 25 died. My father's uncle, Vincenzo, after whom I have been named, passed away in either 1946 or 1947. When my grandfather got sick with pneumonia, there was nothing the doctors could do for him and he passed on at the age of 68. My father's aunt and uncle died too; I remember those years as a time of great loss and mourning in our family.

People say to me "How come you say Mussolini was a great man?" Considering what my parents and grandparents went through, the hardships of life in the pre-Mussolini years they told me about, I appreciate him for what he did for Italy based on my family's personal experiences. For example, although certain areas of Italy's North had become industrialized during the late 19th and early 20th centuries already, prior to Mussolini's rise to power Italy remained a mainly agricultural country with high levels of illiteracy and poverty particularly among farming families. While Mussolini made many mistakes, he brought a lot of positive changes to Italy. Before he became Prime Minister in 1922, there were not even real roads in our region. All we had was farmland with dirt roads, not even gravel.

Furthermore, prior to Mussolini, farming people were treated very poorly by the landowners. The situation was so bad that if a farmer said anything negative about



During a visit to Italy. From left to right: Rob, Pasquale, Paul, Marino, myself, and Paulo Barzotti.

the owner of the land he worked, the farmer and his entire family were likely to be thrown off the land they had lived on for generations. They would have nowhere to go and no courts to protect them! The landlords, of course, would talk to each other and make sure that none of them would ever give that person a farm again. Illiteracy, poverty, lack of economic development (except for some pockets in the North) and no opportunity for people to advance—that was the day-to-day reality for most Italians in those days. When Mussolini came to power, he addressed many of those challenges and started to change things. He made mistakes but I still believe that he was good for Italy at that time.

Mussolini not only built roads, he built schools as well, including the school in our little village. It was in that school that I received a basic education. I enjoyed my education and I was always good in mathematics. We had to write tests as early as in grade three and in math tests

I usually surpassed the older kids. In the old days you could throw any numbers at me and I would give an answer instantly! When I later started my woodworking business in Canada and had to measure kitchens, my ability in mathematics served me well as I could remember the numbers even months later without marking them down. Unfortunately, I did not get a chance to pursue my education any further than Grade Five. My father needed help on the farm and, as I was his only son, he did not think schooling was a priority for me.

A SIMPLE LIFE

Consequently, when I was 10 or 11 years old, I started working on the farm. About four years later, at age 14, I went on to learn my trade as a cabinet maker while continuing to help on the family farm. My father did not like the idea of me learning a trade. Since I was the only boy in our family, he expected me to take

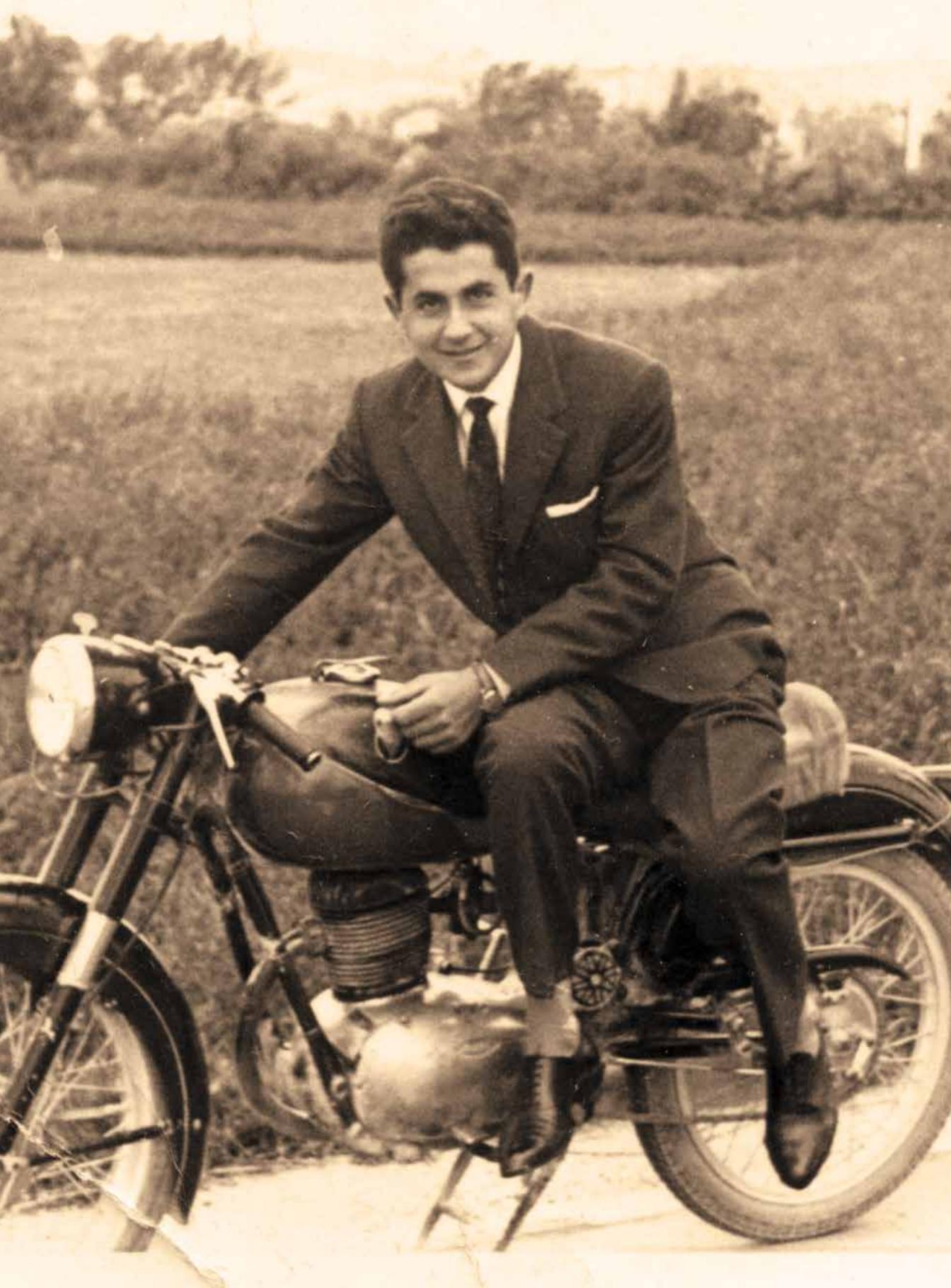
over the farm one day. (I had a cousin who was a boy, but aside from him all other family members in my generation were girls). His concern was that if I learned a trade I would eventually leave. In spite of my father's expectations, however, I was determined to seek out a career in woodworking. Although I continued to help him on the farm until I left for Canada, I told him many times: "Don't expect me to farm because I will never do this for a living."

Becoming a cabinet maker was a natural choice for me because, from the days of my childhood, I always had a great interest in woodworking. I remember a mechanic coming to the farm periodically to fix our tools. Each year when he came to our house there was something that needed to be repaired. I asked my father to let me learn a trade so that I could fix the tools and equipment one day, but my real intent was to learn how to build things. Even at the young age of six or seven, I already wanted to learn how to make cabinets!

We lived a very simple life. We neither had hydro nor running water in the house, let alone radio or TV. When I left Italy at the end of 1959, there were radios around, but not in our house. Still, I am happy I experienced that kind of life during my formative years. Because of it, I appreciate life and I appreciate things more than people who are born with everything. I know it was a good and valuable experience.

Me and my aunts during a visit to Italy in the early 1980s. Left to right: Vincenza, myself, Irma, and Rosa.





CHAPTER 2

Apprenticeship and Coming to Canada



BECOMING A CABINET MAKER

I was 14 years old when, in 1951/1952, I started my apprenticeship as a cabinet maker in Sant’ Egidio, a town of about 3,000 people two kilometers away from my hometown village. Sant’ Egidio had two or three woodworking shops back then. Today the town is much bigger, having grown to about 20,000 residents.

The woodworking shop I learned and worked at was owned by two partners, Luciano and Arnaldo, who have left a lasting impression on me. The nickname given to one of my bosses was “Spacco,” meaning “a person that breaks a lot.” Having built their business from nothing, “Spacco” and his partner were highly successful. The reason why I later started my business with a partner as well was because I took note of Luciano and Arnaldo, how they got along so well and complemented each other in their venture. They were always looking for walnut, cherry and other good trees that could be used for building furniture. When there was a tree for sale, they would go buy it, cut it down and then dry it for a couple of years before using the wood for cabinets, dressers and other kinds of furniture. Back then, the wood had to be dried for an extended period

of time because kiln dryers (which today shorten the drying time significantly) had not made their appearance yet. “Spacco” and his partner were great people to work for. I stayed with them until I left for Canada in 1959.

During my apprenticeship, I was taught each and every aspect of woodworking. Learning a trade in Italy back in the 1950s was different from learning a trade today. Today, apprentices are only assigned to individual stages and areas of the woodworking process: cutting or sanding or the like. Back then, the apprentice would learn the entire process, from taking a piece of wood, sketching out the design, sanding, melting the glue, and building the entire furniture piece from start to finish. When I had completed my first cabinet, my supervisor said to me: “Now I want to

see what else you can do.” He then instructed me to build a night table, then a dresser, and so on. The shop where I learned my trade did all kinds of woodworking: we built furniture, windows, and caskets—anything that could be made out of wood. The only downside of my apprenticeship was that I was getting paid hardly anything; when I left for Canada in 1959, 574 lira equaled one dollar and I was still only making 500 lira a day! Yet, learning the trade in all its various aspects was a great experience that I benefit from to this very day.

EMIGRATING TO CANADA

When I started learning my trade, I had no idea that I would ever leave Italy. I had no plans to emigrate. I liked Italy, and the thought of leaving it for another country never crossed my mind. I remember when I was about 15 years old, a fortune teller came by. I liked a girl who was blonde at the time. He grabbed my hand and told me my fortune: “You will leave. The blonde is not for you! You will go far, far away and make a lot of money and there is a girl with brown hair waiting for you.” I thought, “This guy is crazy! I’ll never leave Italy!” And yet, everything he predicted eventually happened!

I was about 17 or 18 years old when things began to change and I started thinking about leaving Italy. At that time I was feeling ashamed of myself because even though I had learned a trade I was still entirely financially dependent on my father. In spite of me working full-time, my father still had to buy me clothes and feed me as I was always broke. In the

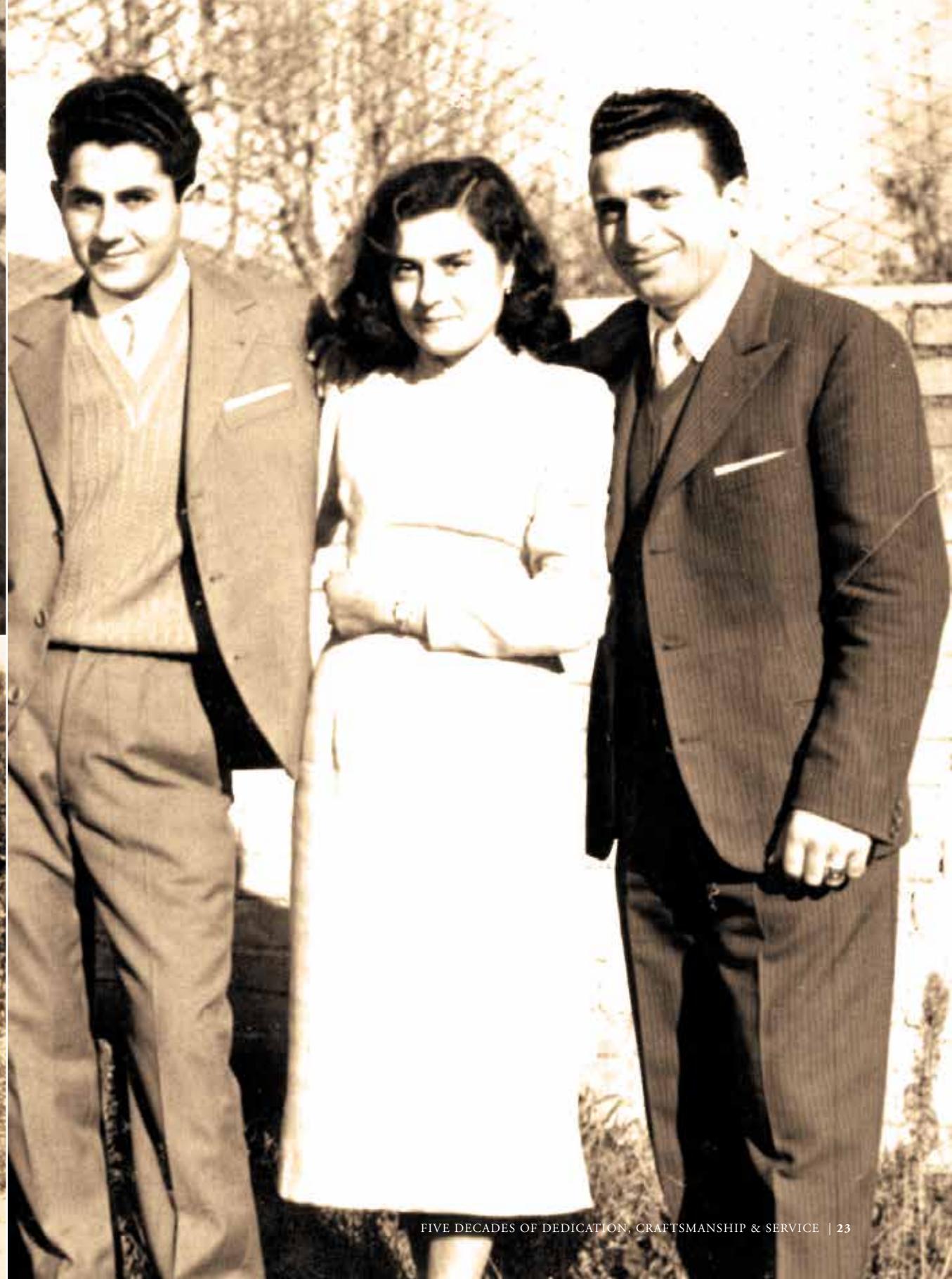
1950’s there were a lot of motorcycles on the roads and, naturally, I wanted one as well. Since I did not have any money, I asked my father to buy me one. He said to me “Vince, we don’t have any money, so how can I buy you a motorcycle?” However, since I was the only son, he ended up purchasing one for me. But then I did not have any money for the gas. The 500 lira I was making a day was not even enough to pay for the gasoline!

By that time, everybody else seemed to be leaving Italy. In the 1950s, Italians were immigrating in large numbers to places all over the world. Italians went to countries as far away as Australia, New Zealand, Brazil and even Argentina. There were a lot of people leaving in groups from the same towns. I used to think that they were crazy for going to places so far away, particularly because more developed countries such as Switzerland, Germany, or France were much closer to home. Northern Italy was not too bad either, because it had more industry than the almost entirely agricultural south of Italy.

When I saw all of this, I started to think about emigrating. My mother came from a family of 14, and all her brothers and sisters had immigrated and were living in Canada. Because of that family connection, Canada was the only possible destination I ever considered. My mother’s oldest brother had come to Canada in 1949 and had found work with a steel company. My mother also had two brothers that were Roman Catholic priests. After attending the theological seminary in Italy, my uncle Francesco had immigrated to Canada in 1951 as a 21-year-old. As he was only eight

years older than me, he and I were very close. Before immigrating to Canada, while he was attending the seminary, Francesco would always come home to my grandmother and grandfather's house in the summertime and we would spend a lot of time together. We had virtually grown up together. After he left for Canada, he often wrote to me, saying: "Why don't you come over?" It was he who finally convinced me to emigrate to Canada as well.

I came to Canada by ship. I left Italy on October 14 and arrived in Toronto on October 29, 1959. I had been at sea for 14 days. The two weeks I spent on my Atlantic crossing were a great experience. I was 20 years old and there were many other young people on board. We quickly became friends and had a lot of fun together. I had my own cabin and in the cabin right beside mine were two girls. We became like brother and sisters and some people thought we were married because we were always together during our voyage! While on board, we went to dances and other entertainments together. Being 20 years old, full of expectations, and having never traveled before, this was the best experience in my life, until then.



Top: My friend Gabriele and I back in Italy in the mid-1950s. Bottom: Me and my friend Ivo in Italy in the mid-1950s. Opposite page: My sister Malvina, her husband Francesco and myself in the fall of 1959 shortly before I left for Canada.



PART TWO - CANADA

CHAPTER 3

New Beginnings





Me and a friend, Vincezo Albanese, shortly after I arrived in Canada.

GETTING STARTED AND EMPLOYMENT AT ELECTROHOME

My ship docked in Montreal, and from there I took the train to Toronto where my Uncle Francesco met me at the train station. He then brought me to Guelph where he served as the priest of the Roman Catholic Sacred Heart Church parish. He found me room and board close by where he lived.

He figured that since I did not know any English or anybody in Canada outside of the family, it would be beneficial for me to stay close to his house so that I could come over any time I needed help.

Being well connected, my uncle Francesco had found a German farming family from St. Clements, Ontario, near Kitchener-Waterloo, to sponsor my immigration. They were very nice people. When I came over, I went to see them but, as did many other new immigrants who were sponsored as farmers, I never worked on their farm. I last saw them when we had the opening of our plant on Watson Road South in 1984; unfortunately, I have not seen them since.

I arrived in Canada on a Wednesday and on the next morning I went to Kitchener for a job interview at Electrohome. During

the interview, the foreman Tom Bruce, who was a friend of my uncle's, asked me: "Do you want to start today?" "I just got here last night," I replied. "Well, then you can start Monday next week," he said. Thus, only four days after coming to Canada, I started working at Electrohome in Kitchener. I instantly liked my job and I stayed with that company for seven years and I quit only to start my own company.

While working as a cabinet maker at Electrohome's Plant One on Duke Street in Kitchener, I boarded with an Italian family who treated me like their own son. I was 20 years old and full of life. I had a job that I loved and I quickly made friends. I really liked my new life in Canada. However, my biggest challenge was the language. I did not understand any English at all. Sometimes, I got very frustrated and asked myself: "Why in

the world did I come here?" Although I made some Canadian friends, I still found it very hard to communicate. I wanted to learn English because I felt I could not get anywhere without it. But it takes time. For an Italian speaker, learning other Romanic languages like Spanish or French is not too difficult, because those languages are all related. But learning English is a different story!

My foreman really liked me and although he tried to help me in any way he could, unfortunately I could not understand anything he said. I worked with other immigrants – people from Germany, Yugoslavia, Hungary and Poland – and, seeing that I was struggling with the language, they all tried to help me understand what I had to do. I attended English school after work and there my instructor would say "get" means *this* and "for" means *that*. I was taught English word by word. But then the next morning I would be back at work and the foreman would tell me something and remind me "don't forget" and again I would not know what he was trying to communicate to me. When I started working at Electrohome, I could not make any sense of what he was saying but eventually, by attending English school, through making friends and with the help of my co-workers I was able to learn the language.

Working at Electrohome was different from what I was used to from Italy. Whereas in Italy I had worked in a very small shop with only five people, I was now working in a big company. As mentioned previously, in Italy I had been responsible for building entire pieces of furniture from start to finish; I was used

to planning, sanding, machining and finishing the entire piece. When I started on the clean-off line at Electrohome I was responsible for sanding at first. Although later I started fitting doors and drawers, I was still doing the same thing on the line, day in and day out.

When Electrohome opened up Plant Nine on Joseph Street in Kitchener, I was transferred to the new facility. At Plant Nine, my job was to set up for an assembly line. The foreman would give me the layouts for the type of tabletops that needed to be produced and I would set up the claps for the parts, the boxes, etc. for 16 people on the line. Although I was not a supervisor, the foreman also gave me the responsibility to assign specific tasks to the workers on the line when they had finished a certain job.

I remember an older gentleman at Electrohome, whose name was John. He was very nice and I respected him a great deal. John liked me and tried to teach me how to do things. Being young, I would always say: "I know, I know." One day he said to me: "I know you know Vince, but you will learn as you grow older." And it is true; when you are young you think you know everything!

REUNITING THE FAMILY IN CANADA

Not long after my immigration to Canada, my parents and younger siblings joined me. I had arrived in Canada at the end of 1959 and, in 1960, my mother and two of my sisters, Luisa and Elza, came over as well. My father arrived in 1962, together with my second-youngest

sister, Iva. My father was 53 years old when he came to Canada. Having lived most of his life in Italy, he had a hard time leaving his home country. Had it not been for the family, I doubt he would have come to Canada at all. During the first few years he did not like the climate and had few friends. Thus, every year we would send him back for a month or two to visit my grandmother and to see his old friends. After traveling back and forth a number of times, he started saying, "You know, I like it here." It would seem that the more he went back home, the more he liked it in Canada. In 1971, my father had even bought a house here!

During his working days in Canada, my father operated the cement mixer in a cement precast business that was manufacturing pipes and other things. While we are a simple people because we were brought up without luxury, I remember that one thing my father did spend money on was good food. He would go shopping every day buying the best meat he could get. When he died at age 87 in 1996, he looked better than when he had come to Canada. Sadly, my parents died within two months of each other. My mother suffered from Parkinson's disease for the last two or three years of her life. During her final year she could neither talk nor swallow even though her mind was clear. She died in May of 1996. My father, on the other hand, was a healthy person who rarely got sick. I remember encouraging him to attend our yearly company barbecue in July 1996, even though my mother had only died two months earlier. I told him, "You should come; you know most of the people here." I was very happy when he said: "Yes, I'll come."

When he left the company barbecue at around ten o'clock that night, he was so happy. He had really enjoyed himself. The next day he got sick and a week later he was gone.

MARRIAGE AND STARTING A FAMILY

I bought my first house within a year after coming to Canada. It was an important moment in my life for many reasons, but most importantly because one day as I was painting the eavestrough on that house I saw Bruna Ferrara, my future wife, for the very first time. We met because I noticed her walking by! She is 7 ½ years younger than I and she became a very good friend of my younger sister. Bruna's parents were very strict and would not let her go out to dances with me at first. Eventually, we started dating, became engaged and got married. Bruna is from southern Abruzzi, about 200 kilometers from where I grew up.

Following our wedding in 1966, Bruna and I went back to Italy for a two-month-long honeymoon. Once I knew that we were getting married, I went to my supervisor at Electrohome and told him that I was taking 2 ½ months off to go on honeymoon in Italy. "You can't do that," he said. "You can't take 2 ½ months off work. By law you have two weeks of vacation a year. That's it." "I'm not a soldier," I remember replying. "I am getting married and I want to take 2 ½ months." He told me that if I left for such a long time, I would lose my seniority in the company. The discussion went back and forth with Electrohome maintaining that if I left I would lose

everything, and me countering that I would not lose anything if I went. Finally, I ended the discussion by saying: "Listen, it does not really matter whether you want to give me 2 ½ months off or not; I'm going to take it in anyway. If you don't give me the time off, I just won't come back here and go someplace else to work after I get back." In the end, Electrohome gave me the time I asked for. Looking back, I feel somewhat guilty because I realize they really bent the rules just for me. When Bruna and I returned to Canada, I went back to my job at Electrohome and stayed with the company for a little over a year until I quit to establish my own company.

In June 1967, exactly a year after we got married, we welcomed our first child, Rosanna. Our oldest son Roberto was born in January 1969, our daughter Silvia was born in February 1970, and our youngest child Paul was born in March 1971.



Our family: Bruna and myself with our young children—Rosanna, Rob, Silvia and Paul. The picture on the left shows me shortly after arriving in Canada during a visit to Niagara Falls.



PART THREE -
BARZOTTI WOODWORKING LTD.

CHAPTER 4

Laying the Foundations -
Barzotti, 1967-1980





B & V WOODWORKING

In the mid-1960s—it was around 1964/5—a friend, who was also a cabinet maker, and I started doing some trim work on houses and building kitchens. Since there weren't many kitchen manufacturers at the time, we built a lot of kitchens on the side.

In 1967, another friend, who was a brick layer, got a job in Acton for a builder that was building 28 new houses. He told me that the builder was looking for trimmers and suggested I go see him and give him a price. Recognizing an opportunity, on a Tuesday after work my woodworking partner and I went to the site, quoted the job and were told by the builder that we could have it. When we told him of our intention to do the job after work at night and on weekends, he informed us: "We are doing 28 houses here and they need to be finished on time. I need you guys here tomorrow morning."

Prior to talking to that builder, I had never expected that I would have to make a decision between my secure job at Electrohome and striking it out on our own. I really liked my job and had no plans to quit. Consequently, we turned down the builder's offer at first.

The builder said "It's up to you. If you want the job, you can have it; otherwise I will give it to someone else." "We'll let you know by tomorrow," I replied. As we were driving home from Acton, I did the math. I was making \$1.90 an hour at Electrohome back then. The pay for doing the trim on 28 houses was the equivalent of three years of wages from working at Electrohome. Realizing the great opportunity in taking the builder up on his offer, I said to my partner: "We have to give it a try!"

The next morning, I went to my foreman at Electrohome and told him: "Today is my last day." "What are you talking about?" he said. "I'm quitting," I replied. Then the superintendent came down and said "Vince, what are you doing? What did we do wrong? We gave you everything we could, you never asked for anything. What's wrong?" I told them

that they had done nothing wrong and that I was striking it out on my own. Then the Human Resources manager tried to talk me out of my plan. Although I had truly appreciated both the work and the people during my seven years at Electrohome, I stood firm, telling him: "Listen, I'm not going someplace else, I'm just going to try start out on my own. If it doesn't work out and if you want to give me my job back I will come back." They could not get over the fact that I had never asked for anything, had never complained and now was quitting entirely unexpectedly.

Thus, on September 1, 1967 – only two and a half months after the birth of our first child – I started my own business. My partner and I formed a company and named it B&V Woodworking, using the initials of our first names for the company name.

I really stumbled into being an entrepreneur. When I quoted the 28 houses-trimming job, I had no idea that this would be one of the key turning points in my life. I was not looking for going on my own. On the contrary, until the opportunity presented itself, I had never even thought about quitting my job. Although my youngest aunt had married an entrepreneur and one of my cousins in Italy has become a successful businessman as well, there is not much of an entrepreneurial tradition in our family.

I really do not know where my entrepreneurial spirit comes from. My mother's youngest sister and her husband owned *Progressive Foods* in New Jersey. They had plants in California and they were going to buy plants in Italy as well

when they were offered a lot of money and sold the business. After coming to Canada, I went to see my aunt every once in a while. I knew that they were doing well as entrepreneurs. On those occasions her husband John would say to me "Why don't you start your own business, Vince?" to which I would always reply "Forget about it, I don't want a business." On my father's side, I have a cousin, Paolo Barzotti, who is in business in Italy. He started a highly successful construction company and has really succeeded. In 1969, my sister Luisa founded *Luisa's Draperies and Interiors Ltd.*; her company continues to operate out of 727 Woolwich Street in Guelph, Ontario. Prior to my cousin Paolo, my sister Luisa and myself, I do not think a member of the Barzotti family was ever in business!

When trying to determine why I became an entrepreneur, I sometimes think it was just my destiny. We are all born with different talents and skills: some people are good at this, and other people are good at that. It is the same with being an entrepreneur. For some people it works, for others it does not. I think each one of us has something that is meant to be.

After our first job of installing the trim on those 28 houses, B & V Woodworking's next job was doing cabinets. The company grew as new opportunities presented themselves. Just a week after we officially started the company on September 1, 1967, we bought land for a work shop on Elizabeth Street in Guelph (just a kilometer from our current location). My father gave me \$1,000 for the down payment on the \$4,000 purchase. Having our minds set on doing furniture, kitchens and trim, we started

building a 2,400 square foot production facility on that property within a month after officially launching the company.

When, in November 1967, we picked up our first contract to do eight kitchens in a small apartment building on Woodlawn Road, I started to dream big. By the end of December 1967 we had four or five people working for us; and at the end of our first full year in business we employed about 10 people.

A year after launching our partnership, my original partner and I decided to dissolve it. Our respective approaches to the company were so different that splitting up seemed to be the best solution. While I was getting more and more excited about the opportunities that lay ahead of us, my partner was becoming increasingly nervous during our first year in business. We were opposites: while he could not sleep at night worrying about our investments and growing responsibilities, I never really lost sleep over my business. Throughout my many years in business I have never had a sleepless night. When I am at work, I am 100% focused on the company. But when I go home, I leave work at work.

STRIKING IT OUT ON MY OWN – THE FOUNDING OF BARZOTTI WOODWORKING LTD.

After dissolving the partnership, I renamed the business Barzotti Woodworking Ltd and continued to operate the company out of the 2,400 square foot facility on Elizabeth Street in Guelph. It did not take

long for Barzotti Woodworking Ltd. to really take off in its own right. Throughout the 1970s, the company grew very quickly and business often increased as much as 25% per year. As our need for space soared, we kept adding to the shop, expanding every two years to a total size of 21,000 square feet and between 40 and 50 employees by 1975.

Building and running the company was by no means easy. In those early years, I was filling many roles at the same time, working in production, doing sales, talking to the banks, going to suppliers and looking after the administrative side of the business as well. I would cut all the wood and make sure that our employees always had material to work with. I would get material ready for them, and then go to try to get money to buy more materials. I was always in a hurry, as there were so many things that needed to be looked after. I took care of virtually everything. Even now I still do my own finances; I always know where the company stands financially.

I avoided waste wherever I could. I would use wood pieces as short as a foot or a foot and a half long. One time in 1969, while I was doing finger pulls for breadboards, I went in with the shaper when a piece broke. Since I was okay, I kept on shaping. On the fourth piece however, I ended up cutting my hand. The injury was so bad that I had to go to the hospital. There I waited and waited until they operated on me at 11 o'clock that night. At 6 o'clock the next morning I went to the nurse and told her that I was leaving. "You're not going anywhere," she said, "You have to stay here for three days." When the doctor



Top: The original building on Elizabeth Street in Guelph where I started Barzotti Woodworking.
Bottom: Me in our first company truck in front of the 1969 addition to the Elizabeth Street plant.

who had operated on me later came to see me, I told him as well that I was leaving. "You cannot go," he replied. Determined to get back to work, I said: "Doctor, I'm leaving. If you don't let me go, I'll go anyway." The doctor finally said to me: "I'll let you go, but only if you go home." While I assured the doctor I would go home, by 11 o'clock that same morning I was back at the plant cutting wood!

On a typical day, I worked from 6 o'clock in the morning to about 10 or 11 o'clock at night. On some occasions we were running behind and product that needed to go out was not ready. On those days I would stay in the plant until 2 o'clock in the morning. I spent many nights at the plant by myself finishing work that needed to be completed before I could go home. But at 5 o'clock the same morning, after a few hours of sleep, I would get up again and feel like a lion. I was always full of energy in those days.

John Wood was a good friend of mine who owned a freezer company. I did a lot of desks and furniture for his offices. Like me, he would be in his office early in the morning. I sometimes stopped by on my way to work and one morning I said to him: "John, I thought I am the only one in business to get up this early!" At that time he employed around 1,300 people and yet he was there before dawn. I always say, the owner has to look after the business; no one can and will do it as well as the owner. More often than not, this means that the owner of the company is the first one in in the morning and the last one to leave at night.

Over the years we had two fires in the old plant. At 3 or 4 o'clock one morning in 1973 or 1974, I got a call that there was a fire in the shop. The timing could not have been any worse; we were so busy at that time and our facility was so well stocked that it was almost impossible to even walk through the shop for all of the wood and product there. When I received the call, I jumped out of bed, called our employees and ran down to the shop to rescue whatever material could be saved. The fire lasted five or six hours and we lost a great deal of material. It was quite devastating. When we had another fire years later, our losses were not as severe because that time the sprinkler system put it out before the fire could cause extensive damage.

Four or five years ago, I was asked by someone: "How did you succeed?" My answer was: "If you are determined you will succeed; determination will take you wherever you are trying to go. But if you are not determined you will not go anywhere!" My approach to business is based on that simple philosophy. When I started venturing into business on my own, my goal was to succeed, no matter what. It was not easy but the more challenges I was faced with, the better I felt. I like to compare my mindset with that of a boxer or wrestler who, even though he has taken a lot of punches, can still get up again and carry on. I always loved the challenges that come with being an entrepreneur. In the early days, challenges could arise from suppliers not giving me material, or the bank not giving me money. Yet, when I encountered a problem in my business life, I have always looked at it as an opportunity and felt good about solving it.



CHAPTER 5

Challenges and Opportunities -
Barzotti, 1980-2003





MOVING OPERATIONS TO
2 WATSON ROAD SOUTH IN GUELPH

Barzotti Woodworking Ltd. has been a member of the *Canadian Kitchen Cabinet Association (CKCA)* for many years. Founded in 1968, “the Canadian Kitchen Cabinet Association (CKCA) is a national association that strives to promote the interests and conserve the rights of manufacturers of kitchen cabinets, bathroom vanities and related millwork, as well as their suppliers and dealers, throughout Canada.” (<http://www.ckca.ca>).

One morning in 1981, I was on the way to attend a CKCA convention in Toronto. As I was driving along Watson Road on my way to Toronto I noticed a “For Sale” sign on the property where our plant is located today (2 Watson Road South in Guelph). Since we had outgrown our Elizabeth Street facility, I was searching for an opportunity to purchase land for building a new larger plant. As soon as I got into Toronto at around 7:30 in the morning, I called my wife and asked her to call the City of Guelph to inquire how much the City wanted for the land.

To my great surprise, the commissioner at that time did not want to sell the land to me. Even though I told him that my plan was to build a new plant on

the property, he insisted that my real intention was to buy it for speculation purposes. The commissioner held his ground and, consequently, nothing came of it at the time. In an interesting twist of fate, the commissioner died while on a trip to Florida shortly thereafter and the new commissioner appointed in his stead was more open to my suggestion. When I called him, he said he did not see anything wrong with my proposal to purchase the land and build a new manufacturing plant on it. Consequently, I purchased five acres at first, and then another five immediately after.

After purchasing the land, I had a visit from the local chief of police, who was a very good friend of mine.



The Elizabeth Street facility after it was expanded with upstairs offices and a showroom, in the mid-1970s.

He said: "Vince, I heard you have bought a piece of land to build a new plant." "Yes, I have," I answered. "Are you crazy?" he asked. "Don't you know we are in the midst of a recession?" Confident in myself and in my company's ability to weather any storm, I said "Don't worry. I know what I'm doing!" He could not believe that I was spending money on a piece of land for a plant expansion at a time when everybody else was holding off on investments and was struggling to get by. In spite of his warnings, I felt good about the decision. I have learned to follow my instincts when making business decisions!

Having the land secured for future growth, in August 1983 we started building the first phase of a 48,000 square foot manufacturing space. When we moved into that new facility in April 1984, we had between 60 and 70 employees. In 1987 we added another 30,000 square feet; two years later, in 1989, we built another

12,000 square foot expansion, giving the company about 90,000 square feet of manufacturing space in total. Corresponding with the expansion of our manufacturing capabilities, the business grew very quickly throughout the 1980s. From between 1,000 and 1,200 kitchens at the beginning of the 1980s, we were manufacturing approximately 3,900 kitchens a year by 1989.

EURO CHOICE KITCHENS INC.

In 1988, I purchased a second company, *Unique Kitchens*, in order to have a modular line that would allow us to grow our market share even more. My real estate agent approached me with the news that Unique Kitchens, a kitchen manufacturing company like us, operating out of Aberfoyle, Ontario, was in financial difficulties. He wondered whether I was interested in buying the company. Purchasing Unique Kitchens

was attractive to me because I knew that they had a modular system. I always wanted to go that route because I felt that developing a modular line of products would ensure even greater growth for the company in the future. Produced at lower cost than custom product, modular kitchens can be offered at a lower price point to the consumer and thus appeal to a larger market than custom kitchens. Unique Kitchens appeared to be a great second line in addition to our Barzotti line, which at the time was all custom product.

After purchasing the company, we changed its name to *Euro Choice Kitchens Inc.* I felt that a name change was necessary because Unique Kitchens was not successful at the time of the takeover and I also wanted a name that sounded more modern. Since European kitchen designers epitomized the very concept of modern style kitchen design at that time and modular kitchens were already popular in Europe, the affiliation

of our name with European design and craftsmanship appealed to me. The acquisition added another 20 people to our staff, bringing our total number of employees to 150. As expected, purchasing Euro Choice Kitchens Inc. was a great move for us because it allowed us to keep growing through diversification of product.

BARZOTTI ON THE BRINK - THE RECESSION OF THE 1990S

Coming in the wake of "Black Monday," (October 19, 1987, that is the day when the value of stock markets around the world tumbled drastically), 1990 marked the beginning of a major recession particularly in the United States, Canada and other countries linked closely with the US economy. That year also saw the beginning of the First Gulf War which resulted in a spike in the price

of oil, increased inflation and reduced consumer spending. The next several years were characterized by high unemployment, massive government deficits, and a dramatic drop in demand for manufactured products. While things began to get better in the United States by 1992, Canadian manufacturers, to the extent that they survived at all, struggled with the recession until 1996.

Barzotti Woodworking was not immune to these economic forces. Our volume dropped year after year and we entered the most difficult time in the history of our company. In 1991, as the recession hit us full force, I had to lay off 75% of our staff. From close to 150 people we went down to 65 associates. It was difficult as we had to let go good and experienced people who had been with us for many years. But even after reducing the number of our employees, we struggled to stay in business. Consequently, we adopted timesharing and tried to restructure the company. However, even with our employees only working 2 or 3 days a week each, our reduced revenue meant that the costs for maintaining our remaining workforce and operating the plant were astronomical. We took on jobs just to pay the bills and cover our overhead, losing money on every job we did throughout the recession. Another cost-saving measure was adopted in 1991/2, when Euro Choice Kitchens Inc. was moved from its previous separate location in Aberfoyle into the Watson Road facility as part of a larger effort to streamline operations.

We were so hungry for new product that would allow us to increase our production that we tried many different things

during the recession. One of them was a little cabinet on wheels, about 16 by 24 inches in size, which had a built-in ironing board as well as two bins for laundry and clean clothes. The top would open and the ironing board would come down. Although we worked on it for a while, we eventually gave up on that idea.

Dealing with the banks during the recession was a major challenge. Prior to building on Watson Road, we did not have a mortgage any more since the Elizabeth Street property and plant had been paid off. Throughout the 1980s, however, as we underwent various stages of construction to accommodate our growth, I began borrowing money. Every time I talked to the bankers back then, we were assured that they would finance our growth. Our bankers told me many times: "You have an open line with us; we will give you whatever you need, please don't borrow money from any other institution." In retrospect, trusting the bank in financing our growth during the 1980s was a mistake because when the recession hit in 1991 the banks wanted their money back. Foreseeing that the recession would last a long time, I approached the banks with the intention of borrowing \$3.5 million. Looking back, I should have accepted the offer of a \$2.3 million loan when it was made to the company, even though I did not think that it would be enough to carry us through the recession. After turning down that offer, as things got progressively worse, the very same banks that had previously given us millions of dollars to finance our growth throughout the 1980s were not interested in working with us anymore.

When speaking with bankers during the recession, I made it clear that the plant would serve as a security. I could not believe that the very same bankers that had given us the money to build that facility told me that, from their perspective, the building never existed. The same person that had previously assured me that his bank would give us anything we wanted, left no doubt as to his conviction that we would not make it. "Who do you think you are?" he said. "There are a lot of people going broke and companies going out of business right now; why should I believe that you will make it?" Deeply offended, I told him that he was generalizing: "You are thinking that everyone is the same, but I'm going to make it. I can take the pressure." To my surprise, he ended the discussion by simply walking away.

As we were struggling to keep the business alive, I had to remortgage our house. We had built our house in 1976 and paid it off in 1987. Now, in the midst of the recession, I put a \$300,000 mortgage on it. Our accountant had warned me not to go that route. "Don't put personal money back into the business," he had cautioned me, "You are going to lose everything." Committed to carry the company through this most challenging time no matter what, I told my accountant: "My business can buy me ten houses, but my house will not buy me a business. When you live in a house it is not an investment because it does not make a profit." Looking back, I think I made the right decision, even though it was a very risky one at the time.

At around the same time while I was trying to secure more credit to carry

us through the recession, one of my employees came to me. "I know what you want," I said even before he started talking. "You want to know if I'm going to make it or if I'm going broke." Knowing that a lot of our employees were concerned about their families' livelihood, I reassured him: "As long as I am alive this business will stay alive." I believe that taking personal responsibility for our people made me work even harder in those challenging years.

GROWING AGAIN AND PURCHASING OLYMPIA

Fortunately, in 1996, after six years of struggle, things started to turn around again. Since then, Barzotti Woodworking's continued growth has exceeded my wildest expectations. One of the best examples of the company moving forward again is our acquisition of *Olympia Cabinets K-W Corp.* in 2003. A family business like ours operating out of Waterloo, Ontario, Olympia had been founded in the early 1970s by Mike, an engineer, and his brother, a cabinet maker. Whereas Mike looked after sales, his brother was the person in the back that knew all the ins and outs of the trade and oversaw production. When his brother passed away, Mike became the sole owner. As he was getting older and no one in the second generation of his family was interested in taking over the business, he wanted to sell his company. He repeatedly offered it to me because he liked what I did and he knew that if I purchased Olympia I would not close it down. Mike knew me from meetings of the *Canadian Kitchen Cabinet*

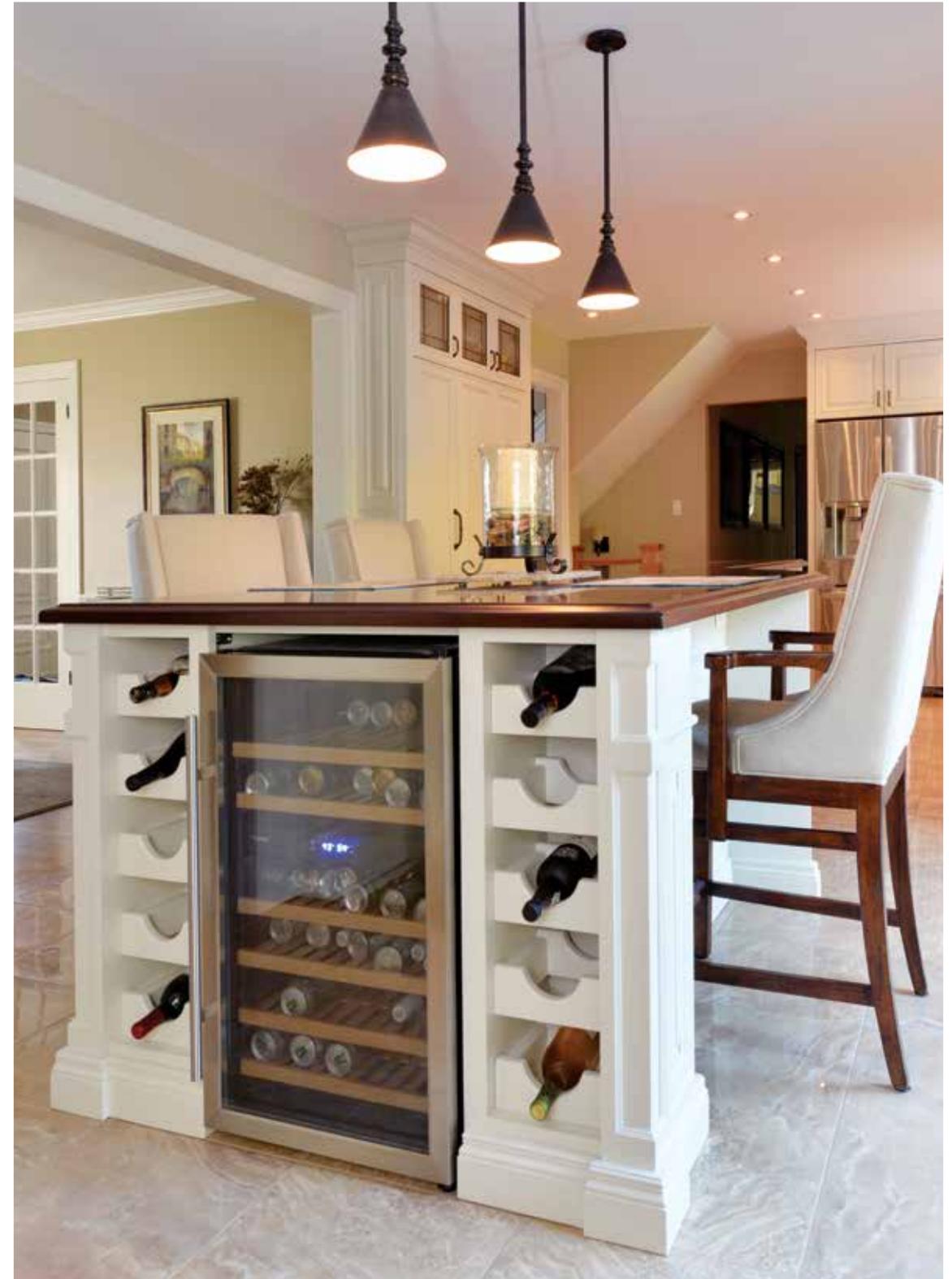
Association (CKCA) and on a number of different occasions he had asked me: "Why don't you buy my business?" While Olympia Cabinets was a good company that produced great quality work, I told Mike: "I've got enough with the two businesses I am running already." Then at some point my son Paul met with Mike. When Paul came back from that meeting, he too encouraged me to buy the business. "Do you want to run it?" I asked him. "Sure, I'll run it," he replied. Knowing that Paul would look after it, we acquired Olympia in 2003.

Purchasing Olympia was a strategic move for the company. I had always wanted us to have a presence in the Kitchener-Waterloo area, a prosperous urban centre with a lot of technology businesses and a population of about half a million people. Operating out of Waterloo, Olympia provided us with that opportunity. Since the acquisition, we have considered moving Olympia's production into our Watson Road facility in Guelph – on the 3 ½ remaining acres in the back of that property we could build another plant expansion and have all three of our companies operate out of the same location. By leaving Olympia's showroom in Waterloo, we would be able to maintain our strong presence in the Kitchener-Waterloo area regardless of that move. Ultimately, that decision is up to the children. I feel and I also always tell them that at this stage in my life I should not be making any long-term decisions anymore that will affect the business in the long run. I will, however, back them up all the way no matter what they decide in the end.











CHAPTER 6

Family Entrepreneurship
the "Barzotti Way"





INVESTING INTO EQUIPMENT

The problem with growing as fast as we did is that there was always a need for more money as new investments had to be made to accommodate growth and the need for larger production facilities and state-of-the-art machinery. I have attended many trade shows and machine shows over the years, especially in Italy and Germany.

When seeing new machinery that would make production easier, I always weighed the pros and cons of the investment carefully before making a purchase. When in the 1980s new CNC machinery for woodworking became available at the cost of half a million dollars per unit, I assessed the cost of the investment against the expected benefits before signing a purchase order. If it takes too long to get the machine paid off, then it may become obsolete before the last payment is made. Thus, when considering buying a new machine, I always asked myself: "How many hours am I going to use it a day? How many hours a week?" Based on those questions, sometimes I could justify the investment, at other times I could not. Today, as Barzotti Woodworking has grown to a substantial size and stands on

solid financial foundations, buying a new machine for half a million dollars or more can be easily justified. Given our current production volume, I know that I can use the machine and thus get full return on the investment. In the old days, however, it was different.

In the early 1980s, we did not buy new CNC machines because, although I was sold on the technology itself, our volume back then did not justify the investment of half a million dollars. At that time, we would have only used it 2-3 times a week; today we use it every day, day in and day out. Sometimes people ask me: "Where did you get your experience from? How did you know what kind of machinery to buy? How did you know how to run a company?" I always tell them that I am not smarter than anybody



else. I learned as I went along. Nobody has ever told me what to do or what not to do in my business. I always made my own decisions, whether it is purchasing machinery, deciding on the layout of the plant, the material flow or anything else. Decision-making seems to come naturally to me! Looking back, my experience of working for Electrohome before starting my own company was extremely important as Electrohome was a very advanced and organized company that provided a working example of how to set up and operate a successful manufacturing business.

PRODUCT DEVELOPMENT

Since the earliest days of Barzotti's, I have always been involved in our product development. Today we have designers who develop new design and product options but for the longest time I personally looked after that important

business area myself. I remember a time in 1998 or 1999, when we were doing a trade show in Toronto. A week before that show, my daughter Silvia asked me, "Dad, what are you going to exhibit at the show?" "I haven't decided yet," I replied. "You haven't decided yet?" she countered in disbelief. "It's only a week away!" There and then, I picked up a pencil, started sketching and came up with a new design. I showed it to Silvia, asked her for her opinion and waited for her response. "Beautiful," she said. "I think I like it." We ended up getting first prize for that design in the show!

I get my design inspiration from a great number of different sources. For example, when I see something, I always get ideas. There are always features that I like about a certain item, and there are other things I don't like about it. By sketching it out and making constant changes I usually end up with something that I identify with in its entirety. Sometimes even when I watch television,

I notice something and say to myself: "I like that! I wonder what it would look like if I changed this and that."

I once did a job for a very well-to-do customer in Buffalo. After seeing some of the custom furniture we had done on a renovation project for another client, he approached me. All he asked was: "Have you built this?" "Yes, I have," I replied. "Great, then I have a job for you." Without asking for a price, he commissioned me to design a kitchen for him. When the kitchen was done, he liked it so much that he asked me to do other custom projects as well. Without giving me any specific instructions, he hired me to do the den in his house: "You know what I want. I want a desk, I want a fireplace, everything you decide will work. I don't need to see your design sketch. I don't need to know the color, or the wood you would like to use, just do it. You design it and build it. Just let me know at the end how much I owe you." Without giving me any specifications, he

was putting me into a truly challenging situation. I wondered to myself: "What if he doesn't like the final product?" However, I was confident in my ability to meet his taste and expectation. We ended up designing the entire room: the wall coverings, furnishings, fittings, etc. The customer was happy beyond my wildest expectations. Although I am not a trained designer, when it comes to woodworking I can do pretty much anything!

Manufacturing kitchens and other furniture is not like building machinery that has to incorporate multiple, ever-changing technologies. Although there are many variations and design options, a kitchen is basically a piece of furniture. There is not too much technology in woodworking. The differences in woodworking lie in how the piece is put together. There are certain ways it has to be done in order to produce good, quality work. And then there is the balance. It is possible to have a cabinet



Left: Our daughter Rosanna and her son Nicolas.
Right: Our daughter Silvia and her children Stefano, Lucas, Austin and Matteo.



Left: Our son Paul with his wife Donna and their children Christian and Bianca. Right: Our son Rob with his wife Kelly and their children Christina and Camillo.



that is all done properly and of great quality, and yet, when I look at it, it does not look right to me because it might be too heavy on the top or unbalanced in another way. I have a natural feel for how something is going to look and it is mostly intuitive. Sometimes when I see our designers creating something new, I look over their shoulder and my intuition makes me say: "Do it that way instead."

A FAMILY BUSINESS

To this very day, Barzotti Woodworking has remained a family-owned and family-operated business and there are now three generations of Barzottis involved. During the company's early years, my wife Bruna raised the children while I was working around the clock. Later on, as the children grew, Bruna joined me in the business.

Our children started working in the company part-time during their school

years. They all liked working here and following graduation from high school and college, they joined the company full-time. When Roberto was 16 or 17 years old, he came into my office one day and he was obviously upset. I asked him what was going on and he replied that there was nothing to do for him. I said: "There is so much work to do," to which he answered that the company was already built. In that moment, it became clear to me that what he really wanted to do is building his own business. So I asked him: "What do you want to do?" and he confirmed that he wanted to start his own company. With Barzotti Woodworking fully established, he felt that if he wanted to develop as an entrepreneur he would have to do it outside of the family company. "Tell me what you need to get started and I will help you," I said. In order to support him, I set him up with the tools and machines he needed to start his own company. Roberto pursued the venture for a short time but ultimately decided to

come back into the family business. I believe it was an important experience for him and I am glad he tried his wings as an entrepreneur.

Paul, Silvia, and Rosanna also joined the company following college. Paul oversees the plant, while Rosanna is in charge of bookkeeping. Silvia does all the processing for Euro Choice and Roberto does the processing for Barzotti. Given his interests in technology, Robert looks after the technical side of the business together with two employees and he is also in charge of our IT and computer equipment. When one of our sales representatives brings in the order, my wife Bruna records it, puts the tags on and then hands it over to Roberto or Silvia for processing depending on whether it is material or special hardware for Barzotti or Euro Choice. Some of our grandchildren, Lucas, Austin, Christina and Nicolas, who are now teenagers, are working in the company part-time on Saturdays. Seeing the third generation of

Barzottis in the business makes me very happy and hopeful that the company will stay in the family for many years to come.

While Barzotti Woodworking has grown quite a bit over the years, we continue to be a very simple, family-run operation. As much of our work comes because of our outstanding reputation for quality product and by way of referrals from our satisfied clients, we do not advertise and thus do not have an employee to handle our marketing. Sometimes people wonder why we are doing so well as a family and as a family-owned and family-operated company. I am convinced it is because all of us are working together. From time to time since the company's beginning in 1967, we may have modified or refined its structure; generally speaking, however, we are running the company the way I always have from the beginning. I do not see any need for change because it is working for us.



THE BARZOTTI FAMILY OF ASSOCIATES

My belief is that a person has to be happy where he or she works and has to make a decent wage. As a result, we provide good wages and benefits for our employees, including a comprehensive insurance package. Knowing that our employees are giving the better part of their life to our business, I am always looking for ways to make their working life better for them. Every year the company hosts a Christmas party and a barbecue for our employees. On those occasions we have great fun together and interact like family. We have a lot of long-term people here, with 25 to 40 of them having been with the company for 25 years and more. Many others have been with us for over 10 and 15 years. I consider myself extremely lucky for having had such good associates over the years. I strongly believe that without the goodwill and co-operation

of our employees, we could do nothing, no matter how strong or smart we are, and the business would not thrive. Our employees are an integral part of Barzotti Woodworking's success.

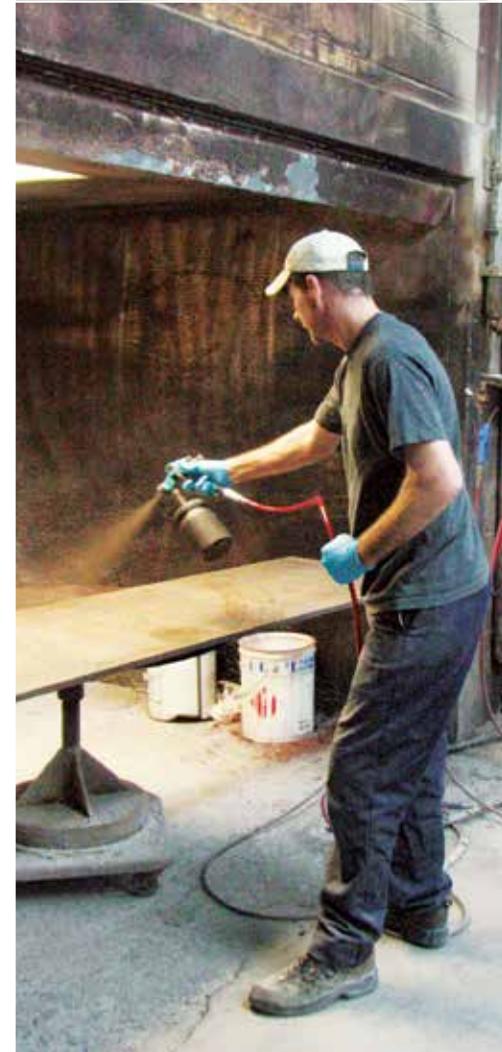
Because I value my employees, I always encourage direct communication between them and myself. A lot of times when we meet, I tell them: "If you have something that concerns you, come talk to me. My door is always open." If I can accommodate an employee's concern or expectation of me as the employer, I will do it. However, my basic philosophy is that if I cannot accommodate them, then the employee may need to move on. I am very straight forward with my expectations for our employees: I expect them to be punctual, focused and productive. I am not a slave driver, but there is only so much a customer will spend on a specific piece of furniture, being it a kitchen, a vanity or anything else. We are not unionized and as long as I am the owner of the company there

is no place for the union at Barzotti's. This does not mean I have anything against unions in general; the only concern I have about unions is that they may protect those workers who are not willing to work for their wage. I would not want to have those sorts of employees as they can cause problems in the organization by undermining their fellow-employees' contributions to the company. By costing the company money instead of adding value, these types of employees are putting the company's profitability and economic stability at risk—that very same profitability that allows us to pay our employees and to provide them with secure jobs and benefits.

ON BEING AN ENTREPRENEUR

Over the years, I have been asked by a number of people whether I would choose to become an entrepreneur again. My answer is a definite: "Yes, I

would." I thrive on challenges and I get a real sense of achievement out of our accomplishments. In 50 years of being an entrepreneur, I have never said to a customer: "No, we cannot do that for you." Instead, my motto has always been: "As long as it is made out of wood, we can build it." When I started the company from humble beginnings 50 years ago, I never dreamed of being as successful as we have become. Today we operate a solid business with a good name and reputation for quality. Nothing comes without hard work but, at the same time, I realize I have also been incredibly lucky as I have had wonderful and talented people around me who have supported and helped me reach and surpass my goals. To put it simply: much of our success comes from the strength I draw from working with my family, the dedication and skills of our employees and the fact that my continued good health has allowed me to work hard in building this company.







CHAPTER 7

Barzotti in the Marketplace Today





PRODUCT LINES AND MARKET PRESENCE

Barzotti Woodworking's key strengths are our 50 years of experience, our extensive product range and, of course, our family's dedication to the company. As a full-line manufacturer who utilizes state-of-the-art equipment, we offer our customers a complete range of custom cabinetry, furniture and commercial millwork in a number of different product lines.

Barzotti is our fully custom line where cabinets are manufactured to any shape or size. This line offers a wide variety of cabinet styles including Frameless, Face Frame and Beaded Frame with Inset Doors. The Barzotti line provides many options for interior finishes and custom accessories. We further pride ourselves on our ability to create quality crafted furniture and millwork for any project our customers may have in mind. In keeping with personal tastes and future trends, we custom design kitchens, bathroom cabinetry and any specialized furniture to our customers' exact specifications.

As our modular line, Euro Choice faces more competition than our custom-made product in the Barzotti line. This is because there are many manufacturers of modular kitchens with price often being

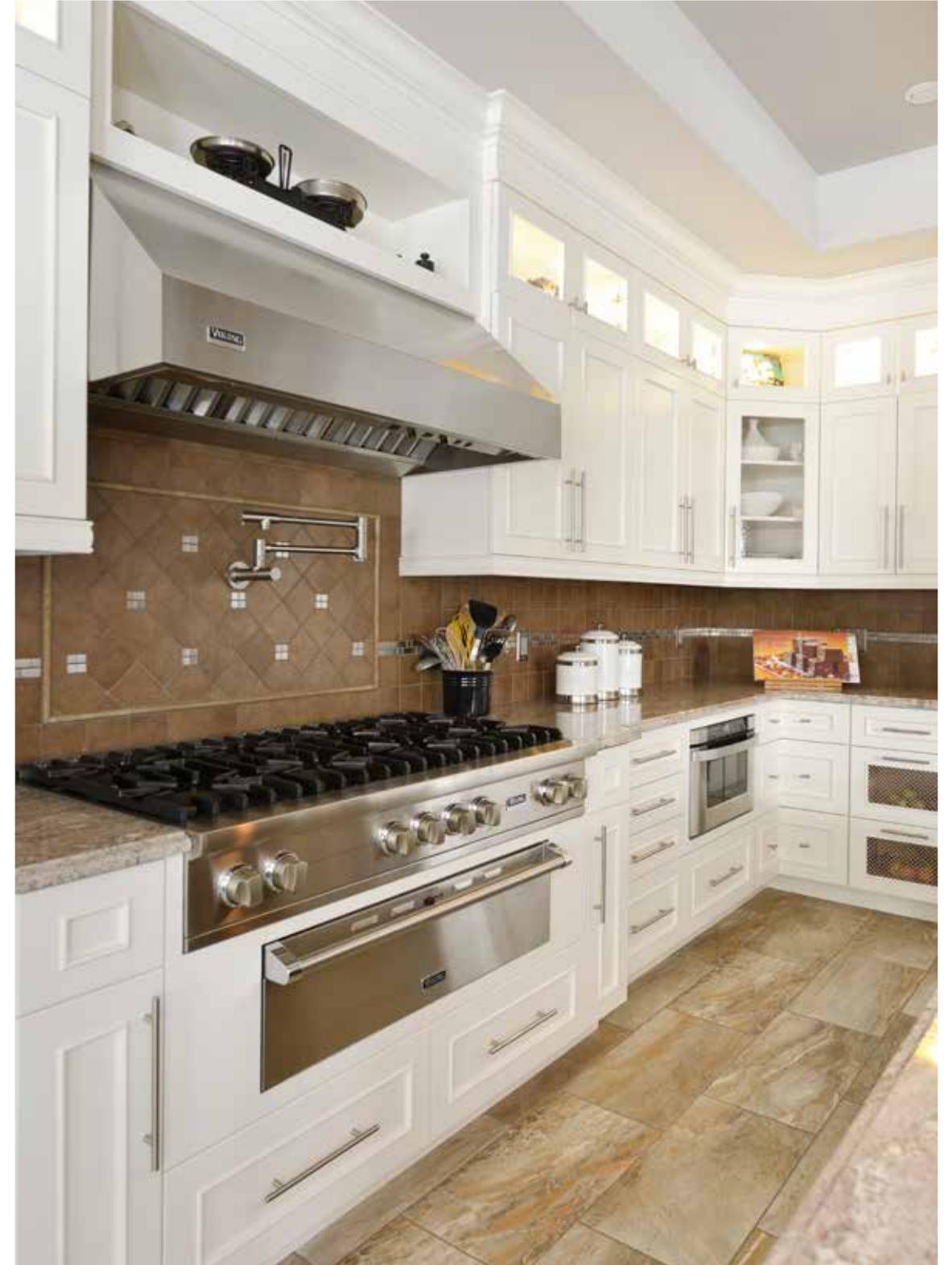
the predominant distinguishing feature between competitors. When people ask me: "What is your competition?" I answer: "I don't have any competition because I have my own product and there is a market for it because people are buying it." There are some good furniture and kitchen manufacturers in the marketplace. Rather than trying to match their prices, I focus on our product instead. Our work speaks for itself. In terms of quality, Euro Choice and Barzotti kitchens share the same high standards. The finishing in both lines is virtually the same. Where we are saving money is on production time, because Euro Choice as a modular product is faster to manufacture. Olympia as a line is placed somewhat in-between the Barzotti and the Euro-Choice line with a particular focus on the Kitchener-Waterloo area.

Having been in business for half a century and relying on experienced employees who know their craft inside out ensures a very high standard of craftsmanship and durability in all our product lines. Our confidence in the quality of our product is reflected in our warranty. Barzotti Woodworking Ltd. warrants that all cabinets manufactured are free from defects in materials and workmanship for a period of five years from the original date of installation. In case there is a defective part, we replace it at no cost to the customer.

Our main clientele is composed of both individuals and builders. The ratio between custom products built for individual customers and more standard-size products built for the larger market is almost 50/50. The Barzotti line is always busy with a lot of custom pieces of furniture, including kitchens. We manufacture and sell a lot of kitchens to the builder market, with Euro Choice kitchens going into low-rise condominiums, detached homes and town houses in particular. However, Euro Choice is not limited to that particular market segment. We work with several builders who choose Euro Choice kitchens for houses worth a million dollars and more.

We do not work through distributors. Anyone can come into our showroom at head office in Guelph or our other showrooms in Toronto, Hamilton and Rochester. Our Toronto showroom has been open for about 15 years. I always wanted to have a company presence in Toronto because there are many people in the Greater Toronto Area who are building houses that require custom









kitchens. Our Toronto showroom is also important for servicing new condominium owners because our kitchen units are installed in many new high-rise developments. For example, Tridel Corporation is using our products in their new build projects and they often send their customers to our Toronto location to explore their options in kitchen design. We have also been operating a showroom in Hamilton for over 15 years. Hamilton used to be *the* place for us. Throughout the 1970s we could not build fast enough to keep up with customer demand in the Hamilton area. Although the Hamilton market has changed somewhat, we are still involved in many projects there.

Our first US showroom was in Buffalo, New York. In 2013, we closed it down and moved it to Rochester for a number of reasons. First, price rather than quality had become the key feature buyers were looking for in the Buffalo market. Second, we were doing more work in Rochester than in Buffalo already, and

with there being many well-paying high tech jobs in Rochester, we felt we would do well having a showroom in that city.

THE US AND INTERNATIONAL MARKET

While our main market presence is in South Western Ontario, we have done work in various parts of the United States, including New York State (Rochester, Buffalo), Las Vegas, New York City, Florida and New Hampshire. Within the US market, the greater part of our company presence has been in New York State (Rochester and Buffalo, in particular). Our sales approach in the US is the same as the one we have been applying successfully in the Canadian market: we do not advertise and we do not push for market share. As we have built a solid reputation and relationships with builders and private customers, the work comes by itself.

Internationally, we have done a few jobs in Greece, Italy, Portugal and Spain. These orders have come about mostly through several of our North American customers who asked us to supply kitchens or other pieces of furniture when building a secondary home in Europe. Although we have always enjoyed those projects, we have no broader strategy for becoming an exporting company.

GIVING BACK TO THE COMMUNITY

Having been blessed with success, every member of the Barzotti family feels committed to sharing our wealth with the community. Every so often I ask myself: "How much money do I really need to live comfortably?" I am a simple person and, in spite of our success, our lifestyle has remained anything but extravagant. That allows me to put quite a lot of money back into the community. We sponsor and support a great number

of local organizations that are close to our hearts, such as the Guelph Wish Foundation for Children, the University of Guelph, St. Joseph's Hospital, the Guelph General Hospital, Metro Toronto Habitat for Humanity, Homestead Christian Care, St. Joseph Catholic School, the Guelph Multicultural Festival, the Italian Canadian Club of Guelph, the Wellington Catholic School Board, Nelson Youth Centres, churches of any denomination, as well as several local hockey and soccer sports teams.



CHAPTER 8

The Future





THE FUTURE OF BARZOTTI
WOODWORKING LTD.

With my children holding key roles and even my grandchildren now becoming involved in the business, we have a succession plan in place. Knowing that our children are leading the company well in our absence, Bruna and I go away a lot now, mostly to Italy and Florida.

We are often gone for about four or five months in a year, visiting Tuscany, Abruzzi and other parts of Italy, as well as spending several months in the winter in Florida. When travelling through Italy, we always discover something special and new. It is such a beautiful country. I love Canada; I would never go back to Italy for good, but we, including the children, love to go back for a visit every year.

for instruction and guidance. When I am at the plant, I work in any capacity: assembling, sanding, whatever needs to be done. The only thing I do not like doing is finishing as it is the only part of the woodworking process that I am not good at! I still enjoy working with my hands each and every day and I believe that our employees respect me for that.

In a few years from now I will eventually retire and leave the company entirely to our children. At the present time, however, they still like to see me being involved in the business. While I am travelling, I stay in touch with the children by phone. Knowing that I am only a phone call away gives them comfort in running the company in my absence. It is easier for them when I am here because our employees somewhat naturally gravitate towards me when looking

Our son Paul has told me repeatedly that he would like to start growing the business outside of Ontario. I share my children's view that we have got great potential to grow and expand. One of the strongest indicators of a great future of Barzotti Woodworking Ltd. is the great financial stability that having no debt whatsoever creates for the company. We finance ourselves and have not used the bank in years to pay for our investments. Right now we have a good name and reputation, secured investment capital,

an excellent product and my children are highly motivated and truly committed to the success of the company. In other words: Barzotti Woodworking has got everything going for it!

Given that we are planning for the transition of the company into the next generation, I will leave it up to our children to decide on the directions in which they wish to take the company. With three and half acres of remaining land in the back of our Watson Road property, there is ample opportunity to grow within our current location. Still, I am always reminding my children not to get spoiled and not to start making decisions based on the premise that we are well established. No matter how viable the business is, it is imperative to always use one's head and to weigh options when making decisions that have financial repercussions. I remind them that it takes a long time to get to the top of the mountain, but falling off the top is easy!

Knowing that our children as well as some of our grandchildren are dedicated to the company, I am convinced that Barzotti Woodworking Ltd. will have a great future and will stay in the family for many years to come.



