

Victoria radio tech firm Codan sees growth wave, hiring blitz

Andrew Duffy. Times Colonist
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Ben Pearce displays tactical radio repeaters at Codan Radio Communications. Photograph By DARREN STONE, Times Colonist

Codan Radio Communications is in serious growth mode in Victoria with plans to expand its ranks by as many as 30 engineers and double its production in the next five years.

Formerly known as Daniels Electronics, the company acquired in 2012 by Australia-based Codan Ltd., is looking for talent and said there's no end of potential for growth.

"We are ramping up for future growth in the near to medium term," said Charlie Stuff, Codan's executive general manager. He said with spending in the U.S. now returning to normal levels, the market for Codan's products has grown and the company is well placed to take advantage.

"The [land-mobile-radio] market is expected to grow globally by between 12 to 15 per cent over the next five years and we are in the midst of it with our technology, so it's the obvious time for us to start investing in that technology and growing the business," Stuff said.

Codan manufactures value-added electronic products for radio communications, metal detection and mining technology. It expects to expand its Victoria operation to 100 staff through the hiring blitz that kicked off this week.

It comes as a bit of a surprise to the parent company in Australia.

Donald McGurk, the Australia-based chief executive who was in Victoria this week, said when deep spending cuts hit the U.S. shortly after Codan bought Daniels for \$24 million in 2012, they saw revenue “fall off the cliff” and had the firm looking at cutting expenses.

“But that [spending] has come back and it’s exceeded our expectations,” McGurk said, crediting local management, cost control and the sales team.

McGurk said the signs suggest Codan’s Victoria operation, bought to act as a springboard for the company into the North American market, will lead Codan Ltd. forward.

“As a company, we have decided this is the growth engine for Codan. We turn over between \$150 million to \$170 million a year and we see more potential in these guys here than we do in every other part of our business,” McGurk said.

In fact, McGurk went so far as to suggest the Victoria operation may have doubled in value since 2012, and he hopes that in the next three and a half years it does so again.

If Codan meets expectations, it will be because it broadened its product base and had the right team in the right place at the right time, Stuff said in an interview at the company’s James Bay plant.

“The core competency that resides here is immense and the market is directly south and east of us and we are right here,” he said. “When Codan acquired Daniels in order to establish a footprint in North America, it was in exactly the right spot.”

Ben Pearce, Codan’s North America regional sales director, said it has also come down off the mountain and broadened its appeal.

Daniels Electronics made its name designing and manufacturing customized digital and analogue radio repeater systems capable of working in extreme climates, such as mountain tops and other sub-zero locales.

“We were offering a small repeater device, and we still do that ... but we are coming down into markets that are much bigger and that need more capabilities,” he said. “We are focused on the public safety markets, and as a close second homeland security.

“If you’d asked us five or six years ago, we’d say those were areas of interest for us, but we just dabbled. Now, those are the big growth sectors for us.”

Pearce said the company remains a well-kept Victoria secret because it doesn’t sell here, but it is doing a lot of exciting and innovative things that are making a big splash on the global stage.

“The old Daniels market we had is vastly changed. We still have the core values, but we’ve taken that and morphed it into something much bigger,” he said.

The company recruiting effort is focused on radio frequency engineering and software development that will support new product development across its portfolio.

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