

Westlake buoyant on future, adds third plant

Burlington pipe firm buys 35,000-sq.-ft. facility for expansion

BY NAOMI POWELL

Banking on better times ahead, a Burlington pipe manufacturer has added a third plant to its operations.

Westlake Industries, a pipe fabricator supplying the oil, gas and power industries, has purchased a 35,000-square-foot facility next to its headquarters on Burlington's Northside Road.

The new space will increase the company's footprint in the area to more than 100,000 square feet.

"Only time will tell whether or not we are successful but we are banking on the fact that we will be," said Rick Westlake, president of the four-year-old firm. "There are lots of opportunities out there."

Westlake Industries has not been immune to the economic downturn, though several long-term contracts have helped it to weather the storm, Westlake said.

The recession has only started to have a real impact on the upstart firm over the past two months, as



Rick Westlake, Westlake Industries president, showcases his new facility as he looks forward to the 'opportunities.'

RON ALBERTSON, THE HAMILTON SPECTATOR

those contracts ran out.

"It's definitely affecting us now but I think for us it will be short-term pain," said Westlake.

"If we manage to ride it out with only a six-month depression, I'll

be a happy camper."

Westlake employs more than 100 people at its plants in Burlington and Brantford. It supplied piping to the \$11-billion Horizon Oil Sands project in Alberta and to the Gore-

way Power Station in Brampton.

The firm is looking to participate in a number of other power builds, including the Southwest GTA Power project in Oakville.

Westlake says he is "cautiously

optimistic" that his key markets, battered by the downturn, will return to normal by mid-2010.

Though oil markets have already bounced back from dismal lows earlier this year, natural gas has lagged. ExxonMobil's \$29-billion US takeover of XTO Energy Inc. has been interpreted as a vote of confidence for the struggling sector, with analysts predicting the deal could prompt a rush of new investment in North American natural gas. That surge would be fuelled by low prices, new extraction methods and demand for cleaner-burning fuel.

"This is not a near-term decision; this is about the next 10, 20, 30 years," Rex Tillerson, the chairman and chief executive officer of Exxon, said during a conference call on Monday. "We think there will be significant demand for natural gas in the future."

The deal also has Canada's oil-patch abuzz about whether a firm on this side of the border could be bought up, with EnCana Corp standing out as the most likely candidate.

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