

\$10-million provincial loan aids dental firm's expansion

By Chuck Howitt, Record staff
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CAMBRIDGE — A Cambridge pharmaceutical company is getting a \$10 million interest-free loan from the Ontario government to help it expand.

Novocol Pharmaceutical of Canada Inc. is building a \$54-million addition at its plant on Wolseley Court.

The loan will help the manufacturer of dental anesthesia products boost its manufacturing capability and create a new research and development centre.

"We're proud to work together with this company to help position Waterloo Region as a leader in the life sciences sector," Kitchener Centre MPP John Milloy said Tuesday at the plant.

Unlike other pharmaceutical companies that are expanding offshore, Novocol is choosing to grow in Canada, Milloy said.

Novocol applied for the funding under the province's strategic jobs and investment fund, which is geared to helping companies in the life sciences, environmental, financial and high-tech sectors.

Atif Zia, vice-president and general manager of Novocol, said the company has hired about 25 people in the past year in positions such as international sales, regulatory affairs, quality control and production. It currently has a workforce of about 300.

Production is going full tilt at the plant, with three shifts operating seven days a week, he said.

Construction of the 36,000-square-foot addition began in the summer of 2010 and should be completed in the spring of 2012, Zia said. The addition will give Novocol 120,000 square feet of manufacturing and office space in Cambridge.

Construction is taking longer than normal because of the complexity of the equipment being installed, Zia said. As well, the company must comply with regulatory bodies such as Health Canada and the U.S. Food and Drug Administration, he added.

Novocol's products include injectible dental anesthetics, syringes, disposable needles, hand creams, cement systems and impression trays. Its products are sold in Canada, the U.S. and 23 other countries.

Founded in 1911, the company has had a plant in Cambridge since 1979. It was purchased in 2000 by



Funding. Atif Ziz (from left), vice-president of Novocol Pharmaceutical of Canada, Kitchener Centre MPP John Milloy and Todd Beechey, vice-president of finance at Septodont North America, take a tour of Novocol's plant in Cambridge. Philip Walker/Record staff Source: Record staff

Septodont, a global manufacturer and distributor of dental pain products based in France.

Todd Beechey, vice-president of finance with Septodont North America, said the Cambridge plant is one of the largest production sites for dental anesthesia products in the world.

The expansion is "critical" to the company's future growth and wouldn't have been possible without the incentive programs and low corporate tax rates in Ontario, he said, reading a letter from Septodont North America president Kent Chiu.

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