

“SIMSA – a Catalyst for innovation”

(March 1st, 2017)

(Reviewed August 8th, 2019)

Innovation is a new device, or method; being developed or applied to a new purpose.

For Saskatchewan’s mining, energy, and industrial sectors to improve and grow, they must be innovative. Innovation is a new device, or method; being developed or applied to a new purpose.

Innovation allows for the production of goods and services; (1) at a lower overall/lifecycle cost, (2) with lower environmental impact, and (3) with higher safety standards. These three outcomes from innovation insure the economic, environmental, and social health of Saskatchewan. And, with SIMSA being the hub of innovation detailed below, this insures the maximum impact on Saskatchewan in these three areas.

In order for the desired innovation to occur, the sectors’ “needs” must be identified by the purchasing company and then shared with those in a position to fulfill the need. Otherwise, the developers are shooting arrows into the dark with only hopes of hitting the target – the innovation system is more efficient if the target is illuminated. Also, when a “need” is known, there is a commercial incentive generated, which inspires innovation.

But, a system of interaction must be in place for this to occur – this is SIMSA.

Historically, in Saskatchewan, as an example, this interaction regularly occurred directly between mining companies and the local supply chain. However, at some point, this direct line was separated when EPC or EPCM companies were placed in between, and the innovation system became far less efficient. Eventually, we had end-user companies as one group and developers/suppliers as another – with a void between the two, or in some cases a barrier consisting of EPC or EPCM companies. SIMSA worked to rebuild the direct link between the supply chain and the mining companies, as well as with the EPCs and EPCMs.

SIMSA was and is uniquely positioned to be the hub for this interaction and thus became a catalyst for innovation, by both initiating and facilitating the dialogue. Better yet, the costs affiliated with this are low in the practical sense and almost negligible in the long-term sense.

SIMSA’s Saskatchewan Supplier Database, our roundtable events with the major producing companies and their EPCMs, and other initiatives, have proven efficient and cost-effective avenues for an innovation dialogue.

Two somewhat sidebar items, but worth mentioning, are:

1. There are low-tech and high-tech topics within the innovation discussion. Low-tech solutions are generally practical items which are developed quicker and generally use existing materials/protocols. A high-tech solution is somewhat at the dream/vision level, and generally requires; a visionary dreamer, longer timelines, and an invention or complete re-purposing of a material/process. We need both of these.
2. Conditional Purchase Orders (CPOs) are a tradition in other sectors, which we will look at pursuing via SIMSA. The CPO is written such as, "If a supplier can create _____, we will buy it for \$___." This system provides incentives and assurances towards innovation.

SIMSA has already held, and begun creating other, events for our members to interact with end-users:

- SaskPower Chinook Power Plant local supplier/procurement sessions
- SaskPower Renewable Energy program rollout
- Oil & Gas Supply Chain Forum (with assistance from TED)
- Mining Supply Chain Forum (with SMA and assistance TED)
- Round Table Events – events which see the direct conversation between the end users and the developers/suppliers. These have been held with:
 - PotashCorp/Nutrien
 - Mosaic
 - K+S Potash
 - BHP
 - Cameco
- Round Table event with Nutrien and their EPCMs – Hatch, Stantec, Wood, and Worley Parsons
- Priority Saskatchewan, Advanced Procurement, plus the Hiring and Retaining Aboriginal People events – events providing the various educational components to allow innovation
- Creating "Major Project Procurement White Paper" and the "Gold Standard Debriefing Guidelines" for SaskPower
- Working with the International Minerals Innovation Institute (IMII) whenever possible on a variety of fronts, since the IMII represents the minerals sector – or – the flipside to SIMSA.
 - The "Mining Innovation Boot Camp" saw research companies (SRC, PAMI, CLS, U of S, etc.) presented their abilities and then funding agencies (IMII, IRAP, WD, etc.) presented their options. SIMSA members learned what can be done and how to pay for it, in one session.

- DemoDay at the Mining Supply Chain Forum is an annual opportunity for members to present new ideas to a panel of procurement and decision-making persons
- Innovation Award is an annual event to recognize achievement

Given the above, SIMSA has been functioning as “a catalyst for innovation.”

About The Saskatchewan Industrial and Mining Suppliers Association (SIMSA):



Saskatchewan Industrial & Mining
Suppliers Association Inc

SIMSA is the Saskatchewan Industrial and Mining Suppliers Association, representing Saskatchewan companies who provide goods and services to the industrial, mining, and energy sectors. SIMSA’s membership of over 200 companies represents over \$10-billion in annual revenues and 20,000 employees in Saskatchewan. SIMSA is a registered Non-profit Corporation. SIMSA’s mandate is to represent the interests and concerns of Saskatchewan industrial equipment and service suppliers, through promotion of its members and the creation of partnerships with industry and other associations.

For more information, contact:

Eric Anderson, Executive Director
Saskatchewan Industrial and Mining Suppliers Association (SIMSA)
811 – 56th Street East
Saskatoon, SK
S7K 5Y9
O: 306.343.0019
eric.anderson@simsa.ca
www.simsa.ca