

Petrol PLAZA

Interview with Novyc International: “We are the leaders in Latin America”

PetrolPlaza sat down with Novyc International, a manufacturer of LED, scrolling film, & battery operated price systems from Canada, to discuss the company’s growth in the Latin American market, among other topics.



© Primax is one of Novyc International's multi-country clients

David Cescon, Vice President and Managing Partner at Novyc International, has been in the signage industry for almost 30 years. The first 15 years with a major Canadian sign manufacturer specializing in the petroleum industry. It was then that the first contacts with Central and South America were established. Thirty-five years later, Novyc International operates in over 35 countries and has more than 35,000 LED price systems installed.

Q. Where is most of your business based and how has that changed over the years?

A. Fifteen years ago, Novyc international was focused on the North American market with 95% of the business coming from that region. Today we do 50% of our total business outside of North America. Latin America has become a major market for us. We are the leaders in the region with a presence in

15 of 18 countries managed by our four local representatives.

“What is quite unique in our offer is that we partner with signage companies”

LED price signs were new in early 2000s. We took the necessary time to evaluate weaknesses in design and failures seen in the marketplace. We spoke to our service providers to understand what was missing. That period allowed us to select the best components and design for our LED price systems, which allowed us to offer a five-year warranty and a best-in-class product.

Q. You have a large part of your business in Latin America. What markets do you identify as having great potential?

A. Chile, Colombia and Peru are mature markets, with significant volumes, for Novyc International. Major players like Repsol, Copec and Puma Energy are already customers. Promising markets include Argentina and Paraguay, where the use of electronic price systems combined with petrol image upgrades ties perfectly with the installation of new electronic payment systems. We are working hand in hand with contractors and signage providers there to provide a complete turn-key solution.

In recent years we have signed a number of multinational agreements. These supply agreements ensure image consistency for the major petroleum retailers. A good example of one of our multi-country clients is Primax with retailers operating in Columbia, Ecuador and Peru.



Q. One of the challenges for any supplier when working with a new market is keeping in line with standards. How do you deal with that?

A. In each country you need to build a product designed for that market's standards and requirements. Mexico is a good example: We have been working in Mexico for years now - one of our major clients there is ExxonMobil. The new NOM standards required specific certification that Novyc has successfully completed. This has enabled us to work with multiple signage partners and installers within Mexico and outside to provide certified finished products.

Q. Are there any other regions outside of the American continent that you are working on?

A. Novyc has worked in Australia since 2008. It is a testimonial to our product quality and design due to the extreme weather conditions and high temperatures in that country. These conditions challenge the LED design which can be sensitive if not properly built. With over 7,000 price panels installed

with less than 2% critical failure rate, the Novyc product has proven its reliability.

Q. Where do you carry out your production?

A. We manufacture Novyc price systems in four countries around the world with design and engineering done in Canada. Product is then shipped either by air, sea or land to customers around the world.

Q. Logistics has become crucial to the industry.

A. Logistics is a vital part of the business. Managing inventories and lead times to meet customer requirements are essential to our success. With supply agreements in place with both large petroleum companies and signage manufacturers, Novyc International produces significant inventory in multiple locations. This allows us to meet rapid delivery requirements for multiple customers simultaneously.

Q. You have spoken about the key role that logistics plays in your business. What else explains the growth of Novyk over the last decade?

A. The Novyc International success story is in large part due to the dedicated staff we are fortunate to have who believe in the importance of product quality and customer service. Through their great work, the creation of long-term business relationships and strategic alliances have been formed with multiple vendors as well as customers, something we are extremely proud of at Novyc.