

BUILDING FROM THE GROUND UP

HOW JACK FLEMMING WENT FROM "FIVE CENTS"
TO THE SUCCESSFUL SUCCESSION OF HIS
DIVERSIFIED OPERATION

BY RICHARD WOODBURY

No one can ever accuse Jack Flemming of being afraid of risk.

After he graduated from the Nova Scotia Technical College in 1962 where he studied mechanical engineering, he joined Municipal Spraying and Contracting. He loved the work there and figured he'd spend the rest of his life working for the company, but it didn't turn out that way.

After working for the company for 11 years and developing a close, almost father-son like relationship with company founder F. Carl Hudson, things soured when Hudson looked to sell the company.

Flemming wanted to buy it, but Hudson felt Flemming, who was in his mid 30s at the time, was too young. "I was kind of upset, so I quit," Flemming says. "My wife was pregnant with our third child. We were building a new house. I had no car. I had about five cents."

Flemming didn't give his wife advance notice of the decision. She learned when he came home from work that day at about 11 a.m. She immediately knew something was wrong because Flemming never came home at that hour. The memory is a vivid one as Flemming recalls when he entered the home, his wife was doing the dishes.

While Flemming may have been lacking in assets, he wasn't lacking in confidence. "All I said was, 'I'm home. Don't worry, I'm gonna take care of things,'" Flemming says.

Adding to the complications was Flemming's lack of a car. He reached a deal with a local dealership that while he didn't have the funds to pay for the vehicle, he would pay them back by the fall, which he did.

It was all a gutsy move, but that was Flemming's nature. "My thing is you should do what you think you can do, just keep moving ahead," he says. "Don't look back. There's lots of bumps along the road. You're going to make mistakes, but there's nothing [better] than achieving what you plan to do."

Out of that decision, Ocean Contractors was born, a company that now employs about 300 people. While the company's roots began with an asphalt plant, two concrete plants followed, as well as a concrete foundation division and then the company acquired two different moving and storage companies and launched transport and logistics companies.

Flemming diversified from the company's asphalt/paving roots because



**JOHN G. (JACK)
FLEMMING, P. ENG.**

Jack began his career in 1962 after graduating from Nova Scotia Technical College (subsequently Dal-Tech) with a Bachelor of Engineering Degree in Mechanical Engineering. After working in the roadbuilding industry for eleven years he incorporated his own firm, Ocean Contractors Limited, which specializes in asphalt and ready mix concrete. In 2004, he purchased Thompson's Moving Group, which includes Maritime Moving and Storage and Briar Transport.

After running his successful businesses for over thirty-five years, he initiated a succession plan which has resulted in his two sons assuming control of the operation of the businesses. Over the years, he has kept active in association work. He has served as president of the Association of Professional Engineers of Nova Scotia and the Nova Scotia Roadbuilders Association. He was also chairman of the Construction Association of Nova Scotia and the national Canadian Construction Association.

He has served on many boards including Mount St. Vincent University, IWK, Maritime Heart Centre and Maritime Medical Care Inc. He is past chairman of the Dal-Tech board has served as a member of the Board of Governors of Dalhousie University. Also, he served as a

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he realized that having all your eggs in one basket could put the company at risk, such as if it was having a hard time obtaining the raw materials needed for the job.

In the early 2000s, after more than 40 years of working, Flemming knew it was time to start handing the reins of the company over to his two sons, Scott and John. (He has two girls and they run the family's Flemming Charitable Foundation.) Flemming has become an outspoken advocate for succession planning and not because the effort in his case didn't go smoothly or anything like that. Rather, it was the opposite and he has some advice on how to get it done.

One is to work with lawyers, bankers, and accountants. "In my case, I'm a professional engineer not an accountant," Flemming says. "My background and experience are in construction. I'm a contractor."

But before discussions proceed to that place, Flemming says it's key to groom

whomever is taking over the company and ensuring it's the right fit. "You want to pass your passion along and you do that through action, not words," Flemming says. "You have to show the passion you have and that's how you deal with the people you have and how you deal with your customers and your community. Without the passion, it doesn't work."

As part of that education, Flemming says it's necessary to educate about money matters, such as stressing that financial gains should be reinvested, not spent on buying fancy toys. "Sometimes second-generation families, the children don't have the same background and the same understanding of money," he says. After good years, he'd buy property. This message of having money for rainy days was something instilled in Flemming from his father, a stockbroker who lived through the Great Depression and the Second World War.

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member of the Board of Directors of Bonny Lea Farm and, for over thirty years, chaired the very successful Annual Bonny Lea Benefit Golf Tournament.

Jack has been very active with a number of organizations including the Halifax YMCA, Hope Cottage, Sisters of Charity and the Catholic Cemeteries Commission. He chaired the Building Committee for St. Benedict Church in Halifax.

Jack is a great supporter of many charitable organizations, personally, corporately and through the Flemming Charitable Foundation. The Foundation, which is actively managed by Jack, Marion and all four of their children, has been helping local charities support women, men and families since 1999.

Over the years, he has received numerous awards and accolades for his corporate, association and charitable work, including Honorary Doctorates from St. Mary's University and Dalhousie University. In 2003, he was appointed a Member of The Order of Canada.

Recently, he served as Chair of the Capital Campaign for Hospice Halifax to build the first hospice in the city, which opened this spring.

"Thank you so much for nominating me for induction into this year's Junior Achievement Nova Scotia Business Hall of Fame. A wonderful organization supporting the future business leaders of Nova Scotia."

—JACK FLEMMING

Flemming says a key component of succession planning is not taking too much money out of the company. "In most businesses, what happens is the owner leaves and doesn't just leave the experience, they draw the money out... a company like ours has to have a huge, huge backup," he says.

In Fleming's case, part of ensuring the succession planning succeeded was to give his sons space. Working out of the same location, staff would sometimes look to him for answers rather than his sons. He'd also overhear conversations and would think to himself about how he would handle those situations. It was these circumstances that led him to a realization. "I just said I have to get away from the boys," Fleming says. He now maintains an office in Burnside that's just across Lake Charles from Ocean's headquarters in Montague Gold Mines.

While he's still the chairman of Ocean Contractors, a lot of Fleming's energy is devoted to MagicLamp Software, a Halifax-based company that does software development and consulting services.

Flemming has helped mentor the company to grow from a handful of employees to about 15.

Software may seem like an unusual pursuit for Fleming, but much like when he got into moving and storage, transport and logistics, he says it's important to look for opportunities outside of one's comfort zone. "I wanted to get something totally separate because it's so easy for me to go buy another trucking business, so I want to get away from it," Fleming says.

For Fleming, being inducted into Junior Achievement of Nova Scotia's Business Hall of Fame has special meaning. His children went through the program and he's a passionate supporter of how it educates young people about business and gives them a shot at starting one of their own. "I think it's absolutely wonderful," he says.