

REPORT ON
(SMALL) BUSINESS
THE GLOBE AND MAIL

SUMMER 2006

ERIC REGULY GOES DEEP TO DISCOVER A BILLION-DOLLAR MARKET

Sunken riches

The Sawfish is not something you'd want to meet under water. This beast is the size of a minivan, and could make mincemeat of a whale. Sunken trees are its prey.

► It's the invention of a private Vancouver Island company, Triton Logging Inc., whose specialty is harvesting forests left behind after dams were built and reservoirs flooded. "Every tree we cut under water is one tree you don't have to cut on land," says Chris Godsall, Triton's 37-year-old CEO.

► Godsall, a onetime wood salvager, invented the Sawfish with his partner in 2000. For inspiration, the two men looked to the remotely operated vehicles used by the offshore oil industry. With sonar and eight video cameras, the Sawfish's pilot, installed on a nearby barge, can steer it anywhere.

► The machine operates with remarkable speed, cutting 150 trees in eight hours. Its typical targets have been submerged for 50 years or more, but most trees still remain upright and yield substantial amounts of wood. Once under water,



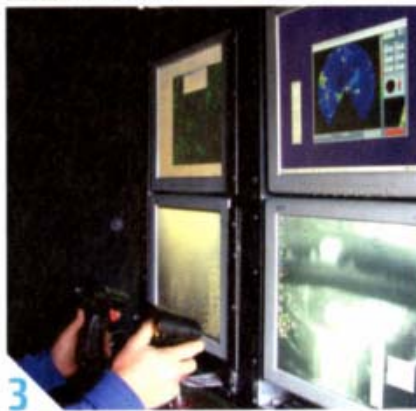
1

A FLOODED FOREST



2

LAUNCHING THE UNDERWATER HARVESTER



3

SAWFISH PILOT CONTROL BOOTH



4

AIR BAGS LIFT THE TREES TO THE SURFACE

the Sawfish's jaws clamp around a trunk. An air bag is attached and inflated, and a 140-cm-long saw then slices the tree free. Moments later, it shoots to the surface like a Polaris missile.

► Triton dominates Canada's fledgling underwater logging business for one reason: the Sawfish. That means the 22-employee company is under no pressure to move fast and risk making mistakes. Godsall likes it that way. He wants to keep the company private, perfect the technology and develop relationships with B.C.'s 60-plus reservoir operators, while exploiting the Sawfish's

eco-friendly image. Two more of the \$1.2-million machines are being built.

► Godsall naturally wants Triton to make a profit too. He recently raised \$4.4 million and anticipates breaking even in 2006 on expected revenue of \$3 million. The market is vast; Godsall values Canada's submerged trees at \$2 billion. With 300 million sunken trees worldwide, the total market could be \$50 billion. ► Getting rich is one thing, but the real thrill for Godsall is creating a new business—"a new kind of forestry company, but not one from living products." —ERIC REGULY