

Project Title: *International Business*

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The Atlantis Story

Atlantis Systems Corporation, headquartered in Brampton, Ontario, has earned international recognition through its ability to deliver fully-integrated, simulation-based training solutions to commercial and military customers in Australia, the Middle East, Europe, Asia, and North America. The company concentrates on customers whose operations include elements that must be controlled in a highly prescriptive way due to danger, regulations, or economics. The terrible events of September 2001 dealt a crushing blow to commercial aviation, and Atlantis suffered accordingly. By 2004, the company found itself on the verge bankruptcy in spite of an impressive record for engineering innovation.

The catalyst for change came in the form of a new management team with a new vision and the financial resources necessary to make the vision a reality. Recognizing the risks of maintaining a single market focus, Atlantis management team quickly began shift the firm's focus from the commercial sector to the military sector. Atlantis regained its footing during 2004 and since this time has increased its revenue by over 200 percent. The terrorist attacks had come at a time when there were increasing regulatory pressures across the aerospace industry. With globalization propelling agreements on international threats and regulations, Atlantis had already begun to evolve from building one-off training products to designing complete integrated training systems. At the human resource level, this meant a shift from a strong dependency on electrical and mechanical disciplines toward a greater dependency on simulation and systems engineering. This change in the workforce composite brought a new agility to the company and allowed Atlantis to address the larger training market.

The Integrated Maintenance Training System (IMTS), built to support customers of the Boeing F-18, was a \$32 million proof statement that the company was on the right track. When the contract was delivered on time and on budget in late 2004, Atlantis became a trusted training systems provider for Boeing and their two major customers, the Royal Australian Air Force and the Canadian Forces.

An important factor in Atlantis' international success has been its decision to qualify for and maintain international performance standards. Atlantis became an ISO 9001- registered company in 1995; it provided the company with access and credibility in international markets. Atlantis constantly evaluates its business processes against rigorous ISO and other industry standards as a means of improving the efficiency, economy, and profitability of its operations. When customers report high service levels, reduced defects, improved performance, or fewer environmental incidents, there is a direct relationship between their satisfaction and continued business.

Canada has a creative way of supporting exporters, based on the simple premise that the whole system will prosper if there can be increased confidence in the commercial viability and responsibility of all parties to an international business

arrangement. One such support is the Canadian Commercial Corporation (CCC). It is dedicated to excellence in international contracting and procurement services in defence and developing markets. CCC guarantees the work undertaken by Canadian contractors will be delivered at the agreed upon contract price. The strong relationship between Atlantis and CCC is another key to the company's success in the international arena.

During 2004, Atlantis adopted an underlying philosophy and strategy to provide a clear differentiator against the more traditional approaches to training. The shift was from training products, with its emphasis on tools and delivery, toward a focus on training systems with a focus on how people learn. In other words, Atlantis believed that a truly integrated training system must focus on the management of knowledge—how it is acquired, maintained and continually integrated into formal training in order to increase performance in the field.

Another undertaking of the company in 2004 precipitated by the US Sarbanes-Oxley Bill was its focus on corporate governance. Today Atlantis is fully compliant with United States and Canadian corporate governance regulations.

The workforce at Atlantis has doubled in three years, and the company has expanded its operations into the nuclear generation market. The first contracts, all in Ontario, were focused on determining the training needs of the market and looking for opportunities to apply the company's core competencies in simulation, knowledge management, and learning as the nuclear industry struggles to be ready for the large-scale attrition that it will face over the next few years.

By late 2006, Atlantis had become an important contributor to the positive side of Canada's international trade balance sheet led by a strong management team. It is growing quickly, is profitable, and is expanding into new markets.