

Special

Business excellence

Award celebrates growth success of Canada's private companies

They are the most successful companies you've never heard of, quietly creating jobs, innovating to improve Canada's ability to compete on a world stage, and driving economic growth.

Unlike public companies that often attract headlines each time they release a quarterly earnings report, private businesses rarely get a chance to celebrate their strategic excellence, says Bill Brushett, national clients and services partner at Grant Thornton LLP, a professional services firm that focuses on private companies.

That lack of recognition is something that Grant Thornton, in partnership with the Canadian Chamber of Commerce, has set out to change. The Private Business Growth prize, awarded for the first time on November 19th at a gala dinner at the Fairmont Royal York Hotel in Toronto, recognizes and celebrates privately held Canadian businesses with annual revenues of \$5 million or more that are successful at creating growth "beyond the top or bottom line."

Private business owners often "drive growth in a much more holistic way," explains Mr. Brushett. "They're not only thinking about next year, but often about the business under the next generation of leadership. Grant Thornton has served private business in Canada for many years, and every day our people see great, successful companies in action. It's really inspiring."

"These are the unsung heroes of Canadian business," says Peggy Cunningham, dean of the faculty of management at Dalhousie University and a member of the competition jury.

The jury was tasked with weighing the performance of each entrant using eight criteria (see sidebar, right), but the characteristic most evident among the short-listed top 10 companies was remarkable resilience, says Dr. Cunningham. "Many hurdles had to be overcome. Their determination and belief in their concept allowed them to get past their initial failures and the early frustrations of being unable to get financing."



From left: John Peller, Private Business Growth Award judge and CEO of Andrew Peller Ltd.; Peggy Cunningham, award judge and Dean, Faculty of Management, Dalhousie; Private Business Growth Award winner GreenField Specialty Alcohols founder and chairman Ken Field; and Perrin Beatty, CEO, Canadian Chamber of Commerce.

DARREN GOLDSTEIN

"In defining what made these companies excel, what first captured my attention was the entrepreneurial drive and direction of top management. 'Make it happen' was definitely a common theme."

Malcolm Hunter
is president and chief operating officer of Deeley Harley-Davidson Canada

Focus and the ability to attract and retain talented teams were also key distinguishing characteristics, she adds. "The founders all had crystal clear goals and a vision for where they wanted to take their organization, and yet there were no 'I's' in these submissions – the closeness of the people in the management teams, who worked together through thick and thin, was amazing to me."

She reports that at least half of the submissions talked about creating value for their region as well as creating profit. "They saw their business as having a higher purpose, such as solving a significant problem, dealing with an environmental issue or creating better welfare in their community."

"In defining what made these companies excel, what first captured my attention was the entrepreneurial drive and direction of top management," says Malcolm Hunter, president

and chief operating officer of Deeley Harley-Davidson Canada, another member of the jury. "Make it happen' was definitely a common theme."

The jury members noted that, in all cases, the companies had a structured risk management strategy or process and were true to that strategy in their execution. The most successful companies also tended to seek expert advice from outside their management group as well, often working closely with their professional advisers and in most cases creating a formal advisory group.

As a result of these characteristics, the short-listed companies were able to grow even through the financial crisis, says Mr. Hunter. "In some cases they

ONLINE?

For more information, visit www.grantthornton.ca.

changed direction, developed new products or even changed their whole business model. They adapted to a changing market, and in at least one case were able to take direct advantage of it."

"The applicants were diverse and from all regions of the country, revealing entrepreneurialism that we as Canadians don't always give ourselves credit for," says Dr. Cunningham. "These are inspiring companies that did so many things right, and learned from their mistakes as well."

THE CRITERIA

Companies committed to achieving long-term success must look strategically across all core aspects of their business to fully achieve their objectives, says Phil Noble, executive partner and chief executive officer at Grant Thornton.

Those core aspects are the eight measures of success considered for the Private Business Growth Award:

- Innovation, including new ways of working;
- Product and service development;
- Expansion into new domestic or international markets;
- Development of people and culture, helping employees learn and develop;
- Improvements in the efficiency and effectiveness of internal processes;
- Improvements in stakeholder relations;
- Improvements in financial measures or governance;
- Leadership through reason and instinct to grow the business.

TOP MARKS

Company's strength grew out of adversity

When it comes to explaining the successful growth of this year's Private Business Growth Award winner, the introduction to its competition submission speaks for itself: "From a standing start 25 years ago, GreenField Specialty Alcohols has grown through strategic initiative, innovation, expansion, market domination, product development and good luck to become the leader in all of its business lines."

The Ontario company now produces 1.7 million litres of alcohol each day for about 10,000 customers in more than 50 countries, with annual revenues in excess of \$700 million.

GreenField products are key ingredients in a long list of items that consumers rely on every day, including toothpaste, shampoo, medicines and dishwasher detergent, as well as many popular alcoholic beverages. Blended into gasoline at almost all gas stations across North America, its ethanol helps reduce greenhouse gas emissions.

The foundation of the company's success is an entrepreneurial zeal combined with a team approach in which differences are valued, says Malcolm West, vice-president of corporate finance and chief financial officer. "Our culture is built around the idea of promoting good ideas wherever they come from," he explains.

The result is an organization of 400 engaged and motivated employees, with a 100 per cent retention rate among highly ranked employees and a 99 per



GreenField Specialty Alcohols is the 2013 winner of the Private Business Growth Award. Pictured above, plant production employees at GreenField's Chatham facility. SUPPLIED

"If everything had gone swimmingly from the beginning, we probably wouldn't have had the core competencies to do what we're able to do now."

Ken Field
is chairman and founder of GreenField Specialty Alcohols

cent retention rate overall.

An open-source approach ensures that employees at every level are empowered to perform at their highest possible level. For example, there are no plant supervisors – instead, employees rotate in and out of "team captain" roles. Employees also take part in committees that make recommendations to senior management, such as investigating and recommending appropriate pay scales.

Creating a rewarding environment also means ensuring that employees have the opportunity

to see the impact of their personal contributions. In a "lunch-and-learn" series, executives share big-picture company and industry information with plant-level staff, and they use the opportunity to hear from employees about plant-floor challenges and suggested improvements, he says. "It provides good context into how their job, their plant, fits into the overall health and growth of the company."

Employee-led innovations are encouraged through programs such as "Performa," a plant-led initiative in which employees

develop projects outside their areas of responsibility, but related to their roles. They recruit colleagues to assist with the development of their projects and then present the results at an annual celebration dinner, which includes the company president.

Building strength by meeting challenges and turning "adversity into prosperity" is also part of the company's DNA, says Ken Field, GreenField's chairman and founder. "The Chatham plant, for example, was a \$150-million project at a time we were still a small company. In the end it all worked, but there were massive problems along the way."

A critical grain-drying system failed about a week after the plant opened, and there were problems with the fermentation process, he explains.

"As we hit these challenges, finding the right people to come and sort out the problems was probably our biggest blessing, because it put the knowledge base in place to build from," Mr. Field recalls. "Today, one of our greatest strengths is in-depth knowledge of processes such as fermentation and distillation."

That talent base is the heart of much of GreenField's recent growth and the foundation of all of the exciting projects now underway, adds Mr. Field. "If everything had gone swimmingly from the beginning, we probably wouldn't have had the core competencies to do what we're able to do now."



The Canadian Chamber of Commerce and Grant Thornton LLP

**Private Business
Growth Award**

Congratulations to GreenField Specialty Alcohols Inc.

GreenField Specialty Alcohols Inc. is the leading specialty alcohols producer in Canada, with a focus on high purity medical and pharmaceutical alcohols, corn-based bulk industrial alcohol, packaged alcohol and fuel ethanol, as well as associated agricultural co-products. Headquartered in Toronto, the 20-year-old company owns and operates four state-of-the-art manufacturing plants in Canada, as well as three alcohol packaging plants in Canada and the United States.

From a standing start, GreenField has grown to manufacture 1.7 million litres of fuel-ethanol per day, as well as alcohol for more than 4,500 consumer and industrial products. By the time someone in Canada leaves their home in the morning, chances are they've used GreenField's products several times. Its alcohol can be found in toothpaste, mouthwash, shampoo, shaving cream, after-shave, cologne, perfume, deodorant, medicines, soaps and even hairspray, as well as dishwasher detergent, household cleaners, and flavourings. GreenField also makes co-products from the alcohol productions process, including distillers grains for animal feed, corn oil and carbon dioxide, ensuring that there is virtually no waste from the manufacturing process.



Honourable mention goes to our nine finalists

Boréalis
Magog, QC

Brandt Group of Companies
Regina, SK

Di Gregorio Group
Thunder Bay, ON

Emterra Group
Burlington, ON

Global Relay
Vancouver, BC

Imperial Manufacturing Group Inc.
Dieppe, NB

Kids & Company
Richmond Hill, ON

Polycorp Ltd.
Elora, ON

Richelieu Legwear
Montreal, QC

THE CANADIAN CHAMBER OF COMMERCE
LA CHAMBRE DE COMMERCE DU CANADA



Grant Thornton
An instinct for growth™

BUSINESS EXCELLENCE

KUDOS

The short list

According to the competition's jury, every entrant in the Private Business Growth Awards competition has achieved notable success and is worthy of celebration. "They are all winners," says jury member Malcolm Hunter, president and chief operating officer of Deeley Harley-Davidson Canada. Regrettably, only one could be chosen as the award winner. Along with GreenField Specialty Alcohols Inc., featured on page 1, the following great Canadian private companies were short-listed.



Boréalis co-founders (from left): President and CEO Jules Paquette, Vice President and COO Patrick Grégoire. SUPPLIED

BORÉALIS
Headquarters: Magog, Quebec

Boréalis was founded in 2004 when the founders saw a huge gap in social and environmental impact management for large international infrastructure projects such as those found in the mining and oil and gas industries.

Recognizing that good communication and efficient data transmission between the work site and corporate management are key for companies to achieve better social and environmental outcomes, the company offers a holistic solution that combines expertise in the mining and oil and gas sectors with corporate social responsibility software.

The result ensures that its clients are equipped to fulfill their sustainability and CSR commitments. The company has provided services to companies with operations around the world, including Mauritania, Indonesia, Australia, Papua New Guinea, Zambia, Peru, Afghanistan and India, as well as Canada and the United States.

For more information, visit www.boreal-is.com.

BRANDT GROUP OF COMPANIES
Headquarters: Regina, Saskatchewan

With 31 locations across Canada, the Brandt Group of Companies has been dedicated to its core values of quality, innovation, commitment and customer focus for more than 80 years. Saskatchewan's largest privately held company, Brandt employs more than 1,800 people across Canada and the United States.



Markets serviced in Canada and the United States range from construction, forestry and landscape to the survey and geomatics markets, as well as agriculture, mining, rail, tube and pipe manufacturing markets in Europe, Asia and Australia.

Solid customer relations and a well-established history of core values propelled Brandt to achieve a billion-dollar annual sales milestone in 2012. In the last 10 years, the company has seen sales grow from \$403 million to an impressive \$1.4 billion as of 2013.

Brandt's senior leadership team attributes the company's success to "a fierce entrepreneurial spirit that is valued and modelled from the top down," and a continual drive to "find new and better ways to enhance employee satisfaction as well as customer satisfaction."

For more information, visit www.brandt.ca.

DI GREGORIO GROUP
Headquarters: Thunder Bay, Ontario

The Di Gregorio Group is one of the largest and most respected multi-faceted groups of companies in northwestern Ontario.

Incorporated in 1974, the firm initially specialized in a range of construction fields and has since become one of the largest heavy highway contractors in the region.

The firm has significantly diversified beyond its initial roots, beginning with the acquisition of its major suppliers in the 1980s. In the last 25 years, it has become one of the largest commercial and residential land developers in the region. It currently owns and manages approximately 600,000 square feet of commercial space as well as a world-class golf facility, Whitewater Golf Club (pictured). Recently the group acquired a vineyard and winery in Chile.



The Di Gregorio Group continues to demonstrate its strong commitment to northwestern Ontario, with operations spanning more than 17 companies, with 450 employees.

EMTERRA GROUP
Headquarters: Burlington, Ontario

The Emterra Group is a leader in providing integrated recycling resource management, offering municipal and industrial, commercial and institutional customers a fully integrated approach to collecting, processing and marketing printed paper and



packaging, used and scrap tires, and stale-dated and un-saleable consumer products.

Emterra was founded in Vancouver in 1976 by Emmie Leung (pictured), a visionary entrepreneur who originally tackled work at every level of the company. As waste management and recycling gained momentum, the company expanded, continually striving to lead its industry in growth and innovation.

Now with operations across Canada and the state of Michi-

gan, Emterra has led the way in material recovery, the use of greener alternative fuels for waste collection, and transforming waste into valuable resources that are used in the manufacturing of new products. Its waste and resource management programs provide customers comprehensive, cost-effective solutions for hard-to-recycle materials and the benefits of belonging to a nationwide, recycled commodity selling group that consistently earns higher revenues and maintains stable markets even in economic downturns.

For more information, visit www.emterra.ca.

IMPERIAL MANUFACTURING GROUP
Headquarters: Richibucto, New Brunswick

Imperial Manufacturing Group's (IMG) remarkable story began in 1979 with an entrepreneur named Normand Caissie (pictured) and just four workers who toiled in a sheet metal shop in



the small Atlantic town of Richibucto, New Brunswick.

From those humble roots, the firm grew to become a world-class manufacturer of more than 7,000 heating, air conditioning, ventilation and building products for residential and light commercial applications.

During its history, IMG has acquired and absorbed 17 companies and now operates 10 diversified divisions.

It now has over 600 employees working in facilities that include more than 500,000 square feet of manufacturing and warehouse space across North America, and is an acknowledged innovator in the design and production of indoor air quality equipment.

For more information, visit www.imperialgroup.ca.

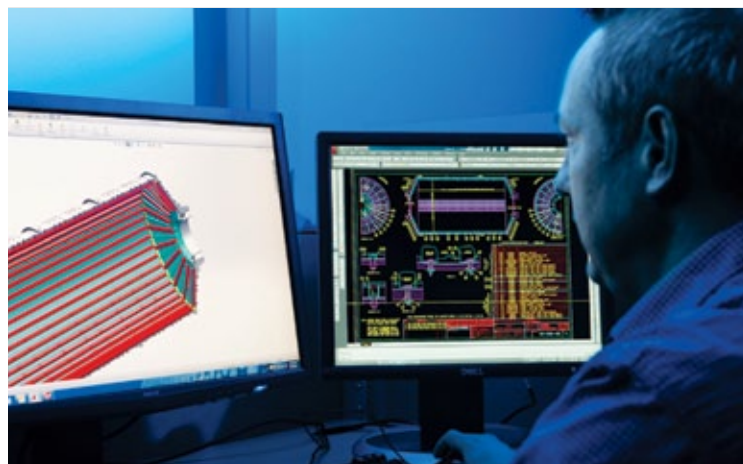
GLOBAL RELAY
Headquarters: Vancouver, B.C.

Founded in 1999 as a three-person start-up, Global Relay is the leading provider of cloud-based electronic message archiving, compliance, eDiscovery and supervision solutions for the global financial sector. A trusted service provider to the world's most powerful banks and financial firms, it now competes with multi-billion-dollar tech giants like Google, Microsoft, IBM, HP and Symantec. In addition to its headquarters in Vancouver, it has offices in New York, Chicago, London and Singapore.

Within the highly regulated financial sector, Global Relay is now the premier vendor of electronic messaging supervisory compliance. The company stores petabytes of mission-critical data for 17,500 firms in 90 countries, including 41 per cent of FINRA broker-dealers, 70 per cent of SEC registered hedge funds and 22 of the top 25 banks in the world.



Global Relay's leadership team, front row, from left: Colin Quon, Shannon Rogers, Curtis Yamada, Kelvin Ng. Back row, from left: Stephen Lazenby, Warren Norm, Duff Reid, Glenn Rogers, Eric Parusel. SUPPLIED



Polycorp's emphasis on intellectual property development has resulted in 10 active patents and 12 patent applications pending. SUPPLIED

POLYCORP LTD.
Headquarters: Elora, Ontario

Polycorp Ltd. has built a reputation as a dominant global market leader in the mining (grinding mill liners), industrial (protective linings) and transportation (track encapsulation systems) sectors.

The company has set itself apart from its competition by developing engineering solutions that increase customer productivity, reduce maintenance downtime and solve complex processing issues. An emphasis on intellectual property development has resulted in 10 active patents and 12 patent applications pending, many of which have been filed in multiple jurisdictions in North America, Europe, Chile, South Africa, China and India.

Polycorp's strategy is to identify, develop and expand its core competencies in polymer formulations, technical designs and innovation to gain a dominant market position in niche, sustainable and defensible markets with significant barriers to entry and recurring revenue streams.

Product line extension combined with geographic expansion has built upon a dominant North American base. Technical leadership in material development, product performance and design optimization strategies have been integral to Polycorp's growth and success.

Since its inception in 2002, Kids & Company has changed the face of childcare in Canada by offering corporations the ability to achieve the work-life balance their employees need and want.



Founding partners Victoria Sopik and Jennifer Nashmi (pictured) began with one location in Toronto and an initial plan to provide pay-per-use emergency backup childcare services, then strategically expanded that vision to offer part-time and full-time childcare to the parents of its corporate clients.

Kidco's success was born out of the limited availability of reliable and flexible childcare options in Canada. Lack of adequate childcare can affect the bottom line of a corporation by causing decreased productivity, unplanned absences and poor work-life balance, and the company's growth reveals that corporations recognize the tremendous benefit of offering childcare options in attracting, recruiting and retaining talented employees.

Commitment to their vision and willingness to take risks allowed the founders to overcome the initial obstacles, including lack of financing, and they continue to invest for extraordinary growth, reporting 20 per cent to 30 per cent yearly growth over the past three years.

For more information, visit www.kidsandcompany.com.

RICHELIEU LEGWEAR
Headquarters: Montreal, Quebec

Richelieu is a leading provider of legwear products to major retailers in both the U.S. and Canada. Originally founded in Sorel, Quebec in 1934, the company has grown to be one of the leading manufacturers of a diverse and high-quality legwear product line.

Its brands include Growing-Socks - children's socks made with a unique fabric and construction that allows them



to grow with the child's foot for longer wear - Peds, CoolFeet and Endur. Its licensed products include WonderBra, Dickies, Hanes and Goldbug.

From its strong Canadian roots, the Richelieu Group has expanded into the global marketplace, leading the industry in new developments in technology, unique fabric and construction, corporate responsibility and sustainability, and safety.

For more information, visit www.richelieugroup.com.

BUSINESS EXCELLENCE

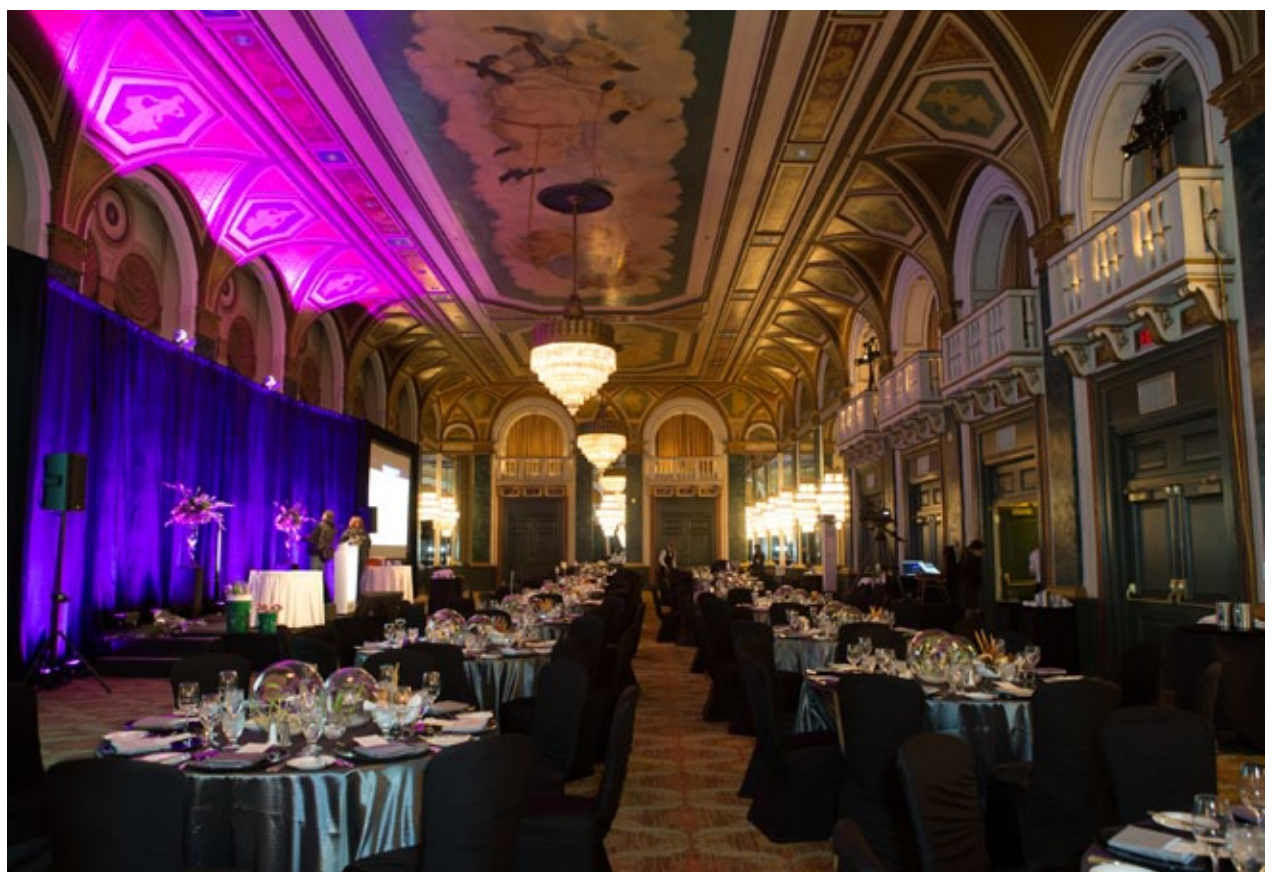
GALA

The inaugural Private Business Growth Awards, presented by the Canadian Chamber of Commerce and Grant Thornton LLP, were celebrated at a gala dinner at the Fairmont Royal York in Toronto. Dianne Buckner, host of CBC's *Dragons' Den*, served as the event's master of ceremonies.

Celebrating growth



Clockwise from top left: Canadian Chamber of Commerce and Grant Thornton LLP Private Business Growth Awards statuettes created by Elora, Ont. glass artists Tim and Katherine McManus; Mario Settino, EVP & CFO at finalist Richelieu Legwear; Jennifer Nashmi, co-founder of finalist Kids & Co., left, with Kids & Co. Director of Sales and Marketing, Linda Starr; Private Business Growth Awards Gala Master of Ceremonies Dianne Buckner with Bill Brushett, Grant Thornton's National Clients and Services Partner, who oversaw the award; André Stever, VP Finance and Corporate Services at finalist Imperial Manufacturing, left, with Phil Noble, CEO of Grant Thornton LLP; Jennifer Nashmi, co-founder of finalist Kids & Co., left, with the Hon. Perrin Beatty, President and CEO of the Canadian Chamber of Commerce. Centre: Left to right: Malcolm West, Vice President, Finance and Chief Financial Officer, GreenField Specialty Alcohols; Henry Wiercinski, and Peter Snucins, President and CEO, Polycorp. DARREN GOLDSTEIN



Clockwise from top left: Gavin Semple, CEO of Brandt Group of Companies (centre) with Phil Noble, Grant Thornton CEO (left), and Perrin Beatty, President and CEO of the Canadian Chamber of Commerce (right); Ken Field, chairman and founder of the 2013 Private Business Growth Award winner, GreenField Specialty Alcohols; Fairmont Royal York ballroom; Peter Snucins, President and CEO of finalist Polycorp (right), Phil Noble, CEO of Grant Thornton LLP (left); Malcolm Hunter, COO, Deele Harley-Davidson Canada (right) with Phil Noble, CEO, Grant Thornton LLP. DARREN GOLDSTEIN