

LMI WORLD CLIENT OF THE YEAR

Gescan



About Our Winner

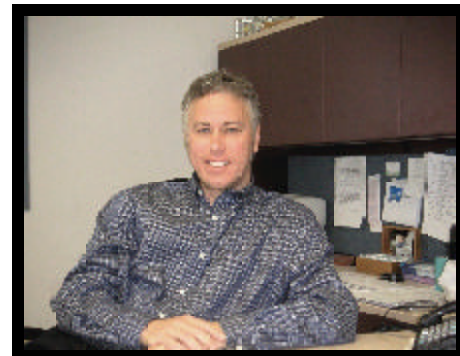
Sonepar Canada, a privately owned, independent group, is the world leader in the distribution of electrical equipment, specializing in cable and wiring, fittings, HVAC, and lighting. Sonepar has locations in 29 countries and employs more than 19,450 people in over 1,100 branch locations.

In Canada, Sonepar has 72 offices with more than 1,000 employees working at five electrical distribution companies. Sonepar Canada's financial strength and national presence ensures Gescan is well-positioned to provide the best possible products at the best possible prices.

Sonepar's strong partnerships with international vendors and other electrical companies means they are able to meet customers' needs on virtually any continent or in any country.



**Gescan Offices
Calgary, Canada**



**Jeff Derkuch
General Manager**

LMI Programs

Frank Kreze has been working with Gescan since May 2001. The relationship has flourished and they believe strongly in using LMI tools to their best advantage.

Jeff Derkuch and his team have contributed to an incredible success story at Gescan. They have grown the region incredibly well. The behavior and attitude changes, along with organizational and personal success, speaks for itself. After 2½ years of mediocre and bottom-rung peer performance and achievement, the LMI programs have galvanized Gescan's leadership team, turning it into the most successful Gescan organization in less than one year.

Gescan has participated in the following programs resulting from one initial sale:

Gescan

LMI Programs

Managers <i>Effective Supervisory Management</i>	19
Sales <i>Effective Selling Strategies</i>	36
General Manager <i>Effective Personal Productivity</i>	1

Gescan's financial goal was to achieve 5% PBIT (*profit before interest and tax*), 20% return on capital employed, and \$90,000,000 business in five years. They wanted to be the most-admired workforce in the industry. Their formula for success was to create a company of accountable leaders, who in turn, would create committed employees. This effective management strategy gained them the trust of their suppliers, resulting in satisfied customers and financial success.

Four months after they started their journey with the *Effective Supervisory Management* program, their results looked like this:

- -\$33k with a -.34 PBIT (profit before interest and tax) versus a budget of \$143k.
- 1.2% PBIT versus last year results of \$19k, with a .18 PBIT.

Today they are the premier Gescan organization in Canada. At the end of November 2004, their financial results were:

- \$2,861 for a 4.1% PBIT versus a budget of 1,252k.
- 1.8% PBIT versus last year's results of \$755k, with a 1.1% PBIT.

They ended the year close to 4.5% PBIT, and in excess of \$3,000k profit.

Gescan's achievements in the past year have been truly remarkable. Through the use of the tools in the *Effective Supervisory Management* program, they did something that is nearly unheard of in a mature industry. They grew their top line significantly, and simultaneously increased their margin rate. Today they are the benchmark in many areas that Sonepar Canada uses when comparing its general distribution brands of companies.

Keith Moss, Vice President Central & Western Region, has been very supportive of the LMI Process within several regions across Canada.

Our congratulations to Gescan and best wishes for continued success!!

**Frank Kreze
Licensee
Canada**

