

Jeff Derkuch

Vice President,
General Manager – Prairie Region
5005 – 12A Street SE
Calgary, AB T2G 5L5
Tel. (403) 253-7171

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Coty submission part 3

Gescan Prairies

It is exciting to watch an organization transform and reshape itself around the belief that one common goal can and will lead to greatness. What's even more exciting is to watch the impact of a leadership team pull together and focus each of their team members around the HPA of each job, in delivery of complete customer satisfaction and profitable growth for Gescan.

This is Gescan's second year with the MLI supervisory development process. MLI is clearly not a program. A program has a beginning and an end. MLI undoubtedly has a beginning. It is marked by each individual's painful discomfort and realization of not knowing how they will unleash the greatness in themselves and their organizations. The fact that the process keeps building on itself is the main reason why our results have continued to grow and outstrip industry rates year after year. Our application of the processes and the behavioral changes that we continue to achieve are what makes this company yet again worthy of recognition of Customer of the year.

When Gescan presented itself for recognition last year it was well on its way to achieving what many thought were audacious and unachievable goals in a short-time frame

Our Financial Goals were to be a 5% PBIT, 20% ROCE, and \$90,000,000 business in five years. We wanted to be the most admired to work for in the Industry.

When we were recognized in 2004 for our results, we had achieved a 4.1% PBIT, 19% ROCE and sales of \$76 million. Only half of managers had been put through the LMI process at this time.

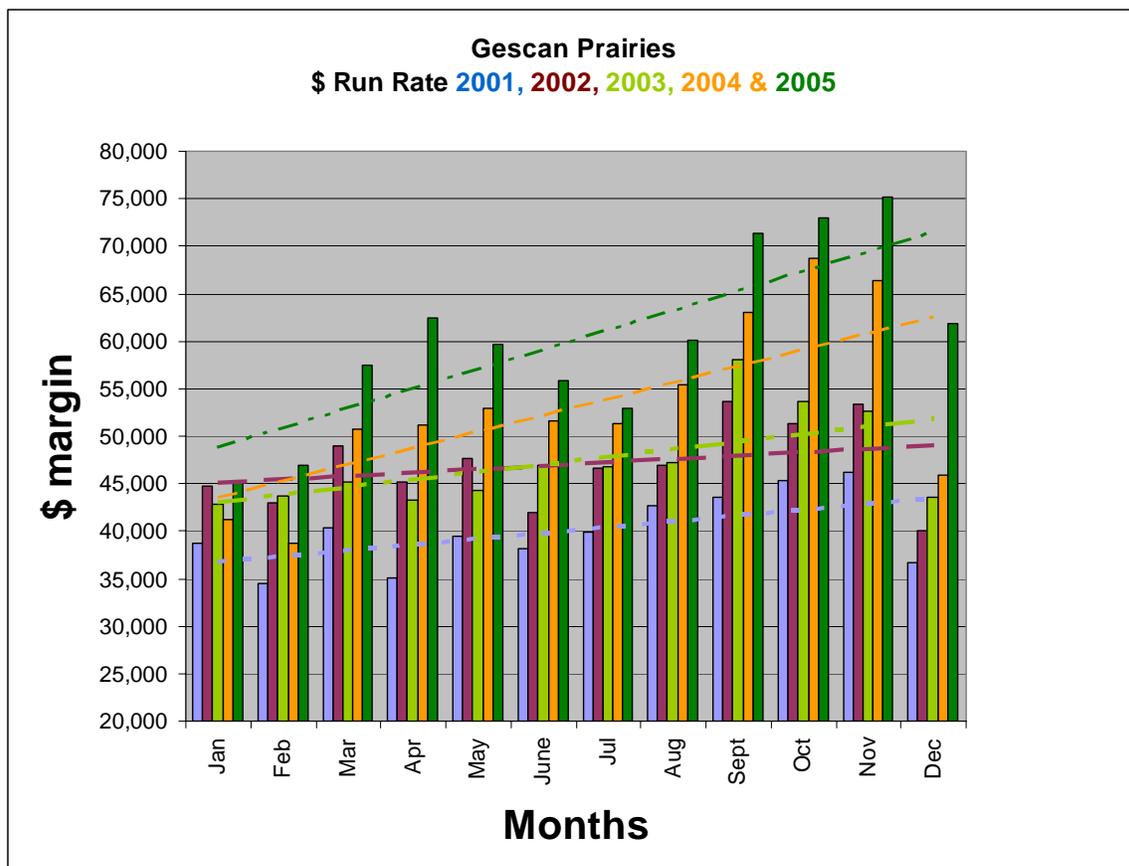
In 2005 we enrolled the balance of our managers in the LMI program and enlisted the support of our previous graduates as mentors. This was a way to re-enforce what was previously learned, to engrain the knowledge and new behaviors in the "OLD" and to positively encourage others to embrace the process.

So what happened to Gescan in 2005? Everybody was learning, refining, building and improving on what was learnt in 2004. 2005 was a year of tweaking. For example, we made many improvements to the Scorecard which tracks process and ultimately measures customer satisfaction. We changed the ROMAR to be more adaptive, flexible and able to measure different HPA's. Margin, budget, product sales, commission goals; the measure were "a la carte". We became better at leading through learning and re-learning.

The Result: We exceeded (knocked the cover off the ball actually!) every goal we set for ourselves.

We are a **6.86% PBIT** company (World Class for our Industry), we have a **36.7% ROCE** and have achieved sales of **\$91.4 million**.

This graph depicts Gescan's path to success from the beginning of it's transformation in 2001 and through the period LMI was actively involved in our company.



Just looking at the rate of change in 2004 and 2005 versus previous years says it all!

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