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PRIVATE BUSINESS GROWTH AWARD

BUSINESS EXCELLENCE

Gala recognizes leaders of Canadian economy



Elastomeric parts maker Polycorp Ltd. took home the 2014 Private Business Growth Award at a gala held in Toronto on November 19. Polycorp CEO Peter Snucins (center) accepted the award from Canadian Chamber of Commerce CEO Perrin Beatty (left) and Phil Noble, CEO and executive partner at Grant Thornton, LLP. DARREN GOLDSTEIN

They're solopreneurs and small businesses, mid-sized operations and multinationals. Canada's private businesses comprise the entire sweep of the country's business spectrum, ranging in size from small to large and succeeding across sectors and markets.

On November 19, Canada's most dynamic and high-performing private businesses were recognized at a gathering in Toronto for the 2014 *Private Business Growth Award*. Presented jointly by Grant Thornton LLP and the Canadian Chamber of Commerce, the award celebrates business excellence and honours private Canadian businesses focused on creating growth beyond the top line.

This year's winner, chosen from a shortlist of 10 impressive finalists, is Polycorp Ltd., a company that designs and manufactures engineered

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Phil Noble is CEO and executive partner at Grant Thornton LLP

elastomeric parts in its Elora, Ont., plant for industrial customers in the transportation, mining and protective linings sectors. Since its launch in 1996, Polycorp has seen dramatic growth and now boasts more than 230 employees and agents serving customers around the world.

"Polycorp is a great Canadian success story built on a solid, long-term strategy and a commitment to technical leadership," says Phil Noble, CEO and executive partner at Grant Thornton LLP, a leading Canadian accounting, tax and business advisory firm. "Polycorp, as well as the nine finalists, present shining examples of visionary thinking and high levels of entrepreneurialism that Canada's private businesses often don't get credit for."

While it's hard to find aggregate numbers on businesses that don't report publicly in Canada, the magnitude of

their presence and impact on the country's economy is undeniable. A large majority of all Canadian businesses are privately held, accounting for a considerable portion of the country's jobs, exports, innovations and productivity.

"Private businesses are the backbone of the Canadian economy," says Mr. Noble. "They play a critical role in driving growth and creating new jobs for Canadians."

Despite their significant contributions to the country's economy, private businesses are often unrecognized and uncelebrated. Unlike public companies, privately held businesses don't see their activities and business results tracked by analysts and newspaper columnists, or their success stories chronicled in annual reports.

"Yet we know there are thousands of private businesses across the country that are thriving in the face of highly competitive markets and increasingly complex challenges," says Mr. Noble. "These companies are the unsung heroes of Canadian business."

Perrin Beatty, president and CEO of the Canadian Chamber of Commerce, Canada's largest business association representing more than 200,000 members across the country, points to this year's finalists and winner as solid proof of the importance of an integrated growth strategy built on a broad range of business activities, such as innovation, market development, investments in people and culture, strategic leadership and improvements in financial measures.

"Success isn't just about becoming bigger today," says Mr. Beatty. "It's about taking action and making investments on various fronts that will enable you to build a strong foundation for

long-term growth. This year's *Private Business Growth Award* winner and finalists have distinguished themselves by looking beyond their quarterly results to drive growth today and in the future."

It's this type of holistic, long-term growth that will drive the Canadian economy year after year, Mr. Beatty says. Thanks to the country's dynamic private businesses – and the visionaries at their helms – the future looks bright for Canada.

ABOUT

Now in its second year, the *Private Business Growth Award* – presented by Grant Thornton LLP and the Canadian Chamber of Commerce – honours private Canadian businesses focused on creating growth beyond the top line.

"If we are to truly strengthen the Canadian economy, companies must be encouraged to think beyond the next quarter's results and approach growth from a strategic and a holistic perspective," says Phil Noble, executive partner and chief executive officer at Grant Thornton LLP.

Canadian Chamber of Commerce president and chief executive officer Perrin Beatty adds, "Growth isn't always about being bigger. It's about being better."

The award recognizes Canadian-owned, privately held businesses that have been in business a minimum of three years, generate revenues of \$5-million or more and demonstrate outstanding strategic growth. Each year, a jury of high-profile business leaders selects 10 finalists and one winner based on the following criteria: innovation, market development, people and culture, strategic leadership and improvements in financial measures.

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Online? Visit privatebusinessgrowthaward.com for more information.

Private Business Growth Award finalists

AERYON LABS INC.
WATERLOO, ONT.

Founded in 2007, Aeryon Labs designs small, simple-to-use drones – known as small Unmanned Aerial Systems (sUAS) – that fit easily in a soldier's backpack, the trunk of a police car or the cab of a power line inspector's pickup truck. Aeryon Labs is setting a new standard for immediate aerial intelligence gathering and has become the trusted partner of civil and military customers, resellers and other commercial business partners around the globe.

"It had always been our intention to develop our products as tools, not toys, and focus on the high-end market. We've been involved in some pretty big events: for example, our system was purchased by BP to help find oil during the Gulf Spill.

"It's important to focus on where you want to be, and not just necessarily where you are. For us, that meant educating the market about our solutions through trade shows and magazines. We also look for applications we can insert ourselves into. It's a matter of finding ways to tell our story so a police agency or a power line inspector on the other side of the world knows that we're real."

–David Kroetsch, president and CEO

ASPIN KEMP & ASSOCIATES
MONTAGUE, P.E.I.

Aspin Kemp & Associates' (AKA) mission is to develop and commercialize custom engineering solutions and technologies that make the world safer and the environment cleaner. The company helps clients overcome critical power challenges from concept to design through manufacturing and installation. Founded in 1996, AKA relocated its corporate headquarters to Montague, P.E.I., last year. Today, the company has 125 employees and is growing rapidly based on strong sales of existing systems, full life cycle support services provided to a growing installed base and a robust technology pipeline for the future.

"We have always tried to listen to what our customers' problems are and then work with them to develop technology that resolves those problems and differentiates them within their industry. We do not approach customers with our

canned solution and try to sell them something that we think they need. We also try to find a niche element of a system that we can provide that differentiates us from our competition and then leverage that to expand our scope so that we provide the whole system, not just the technology part that we have that is unique.

"Your most valuable partner – your customer – is probably your most difficult partner. Don't let them go because it is hard. Don't sweat the small things or the things that you cannot change. Keep the long-term vision; short-term gain will end up catching up to you. Only do what you believe in."

–Jason Aspin, CEO

For more information, visit www.aka-group.com.

GLOBAL RELAY
VANCOUVER, B.C.

Global Relay is the leading provider of Software-as-a-Service (SaaS) electronic message archiving, compliance, eDiscovery and supervision solutions for the global financial sector. A true pioneer and early-to-market success story in cloud technologies and solutions, Global Relay is now a recognized industry leader, providing hundreds of high-paying jobs and injecting millions of dollars in foreign revenue back into the Canadian economy each year. The company serves more than 20,000 customers including 22 of the world's top banks.

"Half our time is spent serving revenue-generating customers. The other half is spent on refining and driving our long-term vision and developing technologies that will come to market five to seven years from today. You have to get the right balance between day-to-day revenue-generating business and combine that with your long-term vision. That will ensure you're competitive in the future."

–Warren Roy, CEO

"Five years ago, we made a conscious decision that we wanted to go after the big enterprise customer, so we built a data centre, redesigned our archiving technology from scratch and added advanced features. We believe that if you build it, they will come."

–Shannon Rogers, president and general counsel

For more information, visit www.globalrelay.com.

KIDS & COMPANY LTD.
RICHMOND HILL, ONT.

Kids & Company is Canada's leading corporate-sponsored child care provider. Established in 2002 by Victoria Sopik and Jennifer Nashmi, the company saw a clear need for a new model of child care to support working parents with a suite of solutions that includes guaranteed full-time, part-time and emergency back-up care as well as in-home nanny and elder care. Starting with one centre, one corporate client and four employees, the company has expanded over the last 12 years to include more than 60 child care centres in 26 cities and over 200 corporate clients.

"We spent a number of years educating corporate Canada and offering free memberships so they would understand the value and realize it's a worthwhile benefit to support.

"My advice to other leaders of privately held companies is to try find a partner that compliments your skills.

My focus is operations and sales, while Jennifer is a chartered accountant and a finance professional. We always say that together, we make a perfect company leader."

–Victoria Sopik, CEO

For more information, visit www.kidsandcompany.com.

NICOLA WEALTH MANAGEMENT
VANCOUVER, B.C.

Nicola Wealth Management (NWM) is a financial planning and investment management firm that provides comprehensive financial advice to high-net-worth entrepreneurs, professionals and their families. Currently managing almost \$2.8-billion in assets, NWM was established by John Nicola in 1994 in Vancouver and has proudly served clients across Canada, recently expanding to include an office in Toronto.

"It's important to have the conviction to stay focused on what you believe is the right thing to do. In 1999, John decided to switch to a fee-based model. We had to part ways with a third of our staff and downsize our office space. This resulted in an initial drop in revenue, but being a fee-based business fuelled our growth.

"In the early 2000s, we moved from the traditional stocks-and-bonds investment approach to include other asset classes, including mortgages, private equity and private debt. All of a sudden the equities market took off for the next five years, and clients wanted to know why we're moving away from the public market during a bull cycle. Then 2008 hit and the North American equity market dropped by 35 per cent on average. Our clients, by comparison, lost an average of seven per cent."

–David Sung, president

For more information, visit www.nicolawealth.com.



Gala guests mixed, mingled and celebrated at the gala, held at the Four Seasons Hotel Toronto and emceed by Dragons' Den host Dianne Buckner (pictured bottom right). DARREN GOLDSTEIN

Visit privatebusinessgrowthaward.com**WINNER****POLYCORP LTD.**
ELORA, ONT.

The winner of this year's Private Business Growth Award, Polycorp Ltd. designs and manufactures engineered elastomeric parts, providing its industrial customers with high-quality, cost-effective solutions to address corrosion, abrasion, impact, noise and vibration challenges. As the successor to B.F. Goodrich Engineering Products of Canada, Polycorp was established in 1996 in Elora, Ontario, and has since grown to over 230 employees and agents serving customers worldwide.

"Polycorp's focus on geographic expansion has emphasized areas underserved by competitors. The strategy is to take an established North American product line, then use this platform for product line extension and geographic expansion. As one area becomes developed, initiatives are set in motion in adjoining countries, employing a 'fence hopping' strategy. Credibility is added by partnering with domestic representatives that provide language capabilities, relationships and cultural knowledge for local markets. As a result, exports now represent 76.8 per cent of sales."

"The main element of the Polycorp value proposition is technical leadership in material development, product performance and design/optimization capabilities. Quality leadership, cost management and customer service are other key factors. Polycorp currently has 17 active patents; in addition, 16 patent applications are pending, many of which have been filed in multiple jurisdictions."

—Peter Snucins, president and CEO

For more information, visit www.polycorp.com.

like-minded investors to buy bigger and more efficient properties. Each property that we buy is bigger than I could buy on my own, but together we have power to operate like an institution and deliver premium returns to the everyday retail investor.

"A good part of our success has been the ability to collaborate with all parts of our business. If we didn't consider the opinions and help of our employees, how could we expect them to have ownership in what they do? As entrepreneurs, we think that we are or have to be great at everything, which in reality is farthest from the truth. Do what you are best at and hire or partner with the best people to do what you aren't good at. Leveraging with people is how you grow, in my opinion."

—Jason Castellan, CEO

For more information, visit www.skylineonline.ca.

STEEPED TEA INC.
ANCASTER, ONT.

A passionate love of tea led Tonia Jahshan, founder and president of Steeped Tea, and her husband Hatem to take their first sip of loose leaf tea in 2006 while vacationing in Nova Scotia. They instantly fell in love with that cup of Earl Grey de la Crème tea, and upon returning, Tonia couldn't resist sharing this loose leaf tea with family and friends. She began host-

ing tea parties and the idea of Steeped Tea was born. Leveraging her husband's innate sense of strategy and her own passion, Tonia has grown Steeped Tea into the international, direct-selling powerhouse that it is today.

"Our biggest challenge has always been maintaining this growth and keeping up with it. It is so difficult to manage cash flow, manage all these growth opportunities without them colliding.

"The best advice I can give anybody in private business is not to give up. Try to step back and look at the big picture and pursue it. There are many opportunities out there, and there are many ways to get to where you want to get."

—Hatem Jahshan, CEO

For more information, visit www.steepedtea.com.

WESTERN MANUFACTURING LTD.
HYTHE, ALTA.

Western Manufacturing Ltd. is a steel tank and oilfield equipment manufacturer specializing in custom steel fabrication, frac tanks, pressure vessels, piping and process equipment. The company has shown continuous growth year-over-year. Despite the industry's volatility, Western's focus on long-term planning is designed to develop operations and increase growth for years to come.

"Western uses a unique model of subcontract-based manufacturing that enables us to scale our business up and down rapidly to meet market demand. We came to the market right in the bottom of the downturn, in 2008 to 2009. As many companies were forced out of business during these tough years, the market was in dire need of capacity as activity levels increased. Western was well positioned to fill this need.

"My advice to other businesses: Hire the best people you can find and then look after them. Always ask your customers what their problems are, then solve them. Your customers will be glad to pay you for the bother! Pay attention to your culture. Don't let your startup/small company verve leave as you grow."

—Lonny Thiessen, CEO

For more information, visit www.westernmanufacturing.ca.

ZAG GROUP
VANCOUVER, B.C.

ZAG is a multi-divisional consumer products company focused on innovation that enhances people's lives. Founded by Steve Curtis in 2001, ZAG – self-funded since its inception – specializes in natural, plant-based beverage products. With 135 employees in Vancouver, Los Angeles and Europe, ZAG Group has experienced exponential year-over-year sales growth for the past two years.

"Selling our products is the easy part. The challenge is finding people to help grow our business and hold it together. Our question was: for these world-class ideas and world-class products, who are the best people in the world? So we started finding people from leading global companies and bringing them into our world.

"I think the key factors that have driven success in our company have been having a great product and a great purpose. We have a lot of people with passion, who are driven by knowing that what they do is really making a difference in people's lives. We aim high and think ahead of the curve."

—Steve Curtis, CEO

For more information, visit www.zagglobal.com.

SKYLINE GROUP OF COMPANIES
GUELPH, ONT.

One of Canada's fastest-growing real estate acquisitions, management and investment companies, Skyline Group of Companies was founded by brothers Jason and Martin Castellan and friend Roy

Jason Ashdown. Skyline developed three of Canada's fastest-growing private REITs managed entirely by Skyline. The company now boasts over 500 team members Canada-wide.

"As a private REIT, our strategy from the beginning was to assemble a group of



Representatives from finalists for the 2014 Private Business Growth Award. DARREN GOLDSTEIN



Congratulations Polycorp Ltd.



on winning the
2014 Private Business Growth Award

A lot has changed at Polycorp Ltd. since it opened its doors in Elora, Ontario, in 1996. A privately owned Canadian company that designs and manufactures engineered elastomeric parts—generating intellectual property and knowledge development by engineering new designs, developing improved materials, and searching for new technologies. Polycorp is now the largest North American manufacturer in its three niche markets. The company has balanced growth across product lines and geographies, and has consistently reinvested in technology, equipment and people to sustain its on-going growth and success.

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