A man on the move
Warren Beach

Sarah Davis
Balancing finance, family, food and more

Ghislain Parent
Seeing the world from all angles

Entrepreneur Of The Year
Celebrating 20 years of inspiration
Vision 360
National Bank of Canada CFO Ghislain Parent takes a full-circle perspective on life and business.

A celebration 20 years in the making
It's the 20th anniversary of the Entrepreneur Of The Year Awards – and we're just getting started.

Focusing on private business
Private companies are the engine of Canada's economy, and we're here 24/7/365 to serve their needs.

Man in motion
Whether he's keeping pace or getting ready to make a move, Warren Beach is always prepared for the tough road ahead.

Balancing act
Loblaw CFO Sarah Davis has a balanced diet of finance and family.

Alumni in the news

Service line spotlight: Litigation Support Services

Around Ernst & Young

Alumni events gallery
Call me an incurable optimist, but I can’t help believing that the world is on the path to a brighter and more prosperous future. While the economic recovery is decidedly slower than hoped, and austerity and uncertainty remain the order of the day in many parts of the world, the future holds great promise because it belongs to those who think big and take bold, decisive action. And there are plenty of people doing just that every day, in every corner of the world.

I see how companies across Canada are pursuing growth in ways that weren’t feasible just a couple of years ago. I see how private mid-market companies are driving efforts to create much-needed jobs and seek out new opportunities in markets near and far. I see the intense innovation that Canadian entrepreneurs are constantly generating, and I’m inspired by the increasing number of women and younger people who are building and growing new businesses. This year we celebrate the 20th anniversary of the Ernst & Young Entrepreneur Of The Year Awards, and while we’re proud to look back at the lasting legacy of past award winners and finalists, we’re even more excited by the entrepreneurs we’ve yet to discover, celebrate and support.

Our alumni family is also a great source of inspiration to me. The profiles you’ll read about in this issue of Connect showcase three individuals who represent the best in big thinking and bold action. It’s people like Warren Beach, Sarah Davis and Ghislain Parent — and the thousands of other members of our alumni community — who are leading the way to the bright future that’s just around the corner.

I’ve had the pleasure of seeing many of our alumni at reunions this past year, and I look forward to connecting with many more of you in the year ahead. In the meantime, I hope you’ll stay in touch with us and with each other, continue to seize opportunity and look toward the bright future we’re all helping to build.
Our alumni in the news

Alumni in the news

East
- Réal Brunet (Ernst & Young 1973-2010, Partner, Assurance, Montreal) was appointed as a guest member of the board of directors and audit committee of Quebec dairy co-operative Agropur. Réal is also an independent director of Rona Inc. and chairman of the board of not-for-profit Dr. Clown.
- Peter Cleveland (Ernst & Young 1972-2005, Partner, Transaction Advisory, Ottawa) received the Governor General’s Caring Canadian Award in recognition of his hard work on behalf of the Ottawa Hospital Foundation and his other charitable contributions. Peter is past managing partner of our Ottawa office.
- Benoît La Salle (Ernst & Young 1976-78, Tax, Montreal) was appointed chair of the board of directors of CCAfrica, an organization that promotes economic development in Africa. Benoît is founder and executive vice-chair of SEMAFO, chairman of the board of Fondation SEMAFO, and president and chief executive officer of SEMAFO Energy.
- James Morrissey (Ernst & Young 1975-2012, Partner, Tax, Ottawa) was appointed to the Ontario Health Quality Council, a provincial government board that oversees the quality of health care in Ontario.

Central
- Anthony Batchelor (Ernst & Young 2008-12, Associate Director, Core Business Services, Toronto) became a partner at executive search firm Odgers Berndtson Canada.
- Sharon Driscoll (Ernst & Young 1984-87, Assurance staff) was appointed executive vice president and chief financial officer of Katz Group Canada Ltd./Rexall. Most recently, she was senior vice president, finance, and chief financial officer of Sears Canada.
- J. Michael Knowlton (Ernst & Young 1987-90, Assurance staff, Toronto) was appointed to the board of directors of Calgary-based Balboa Investments Inc. Michael is past president and chief operating officer of Dundee REIT.
- Jeff Lamothe (Ernst & Young 1987-94, Manager, Assurance, Winnipeg) was named chief financial officer of biopharmaceutical company Cangene Corporation.
- Bill Martin (Ernst & Young 1979-2003, Partner, Assurance, Toronto) was appointed chief financial officer of Discovery Air Inc.
- Doug McCuaig (Ernst & Young 1989-2000, Partner, Management Consulting, Toronto) became chair of the Information Technology Association of Canada. Doug is president of IT and business process services company CGI Group Inc.

West
- Aaron Regent (Ernst & Young 1988-91, Senior Manager, Assurance, Toronto) joined the board of directors of Bank of Nova Scotia.
- Bruce Rothney (Ernst & Young 1986-87, Assurance staff, Toronto) was named to the board of directors of insurance company RSA Canada. Bruce is president, chief executive officer and country head of Barclays Canada.
- Shelley Brown (Ernst & Young 1978-2001, Partner, Assurance, Saskatoon) was appointed chair of the board of the Chartered Accountants of Canada.
- Shaun Heinrichs (Ernst & Young 1998-2005, Manager, Assurance, Vancouver) was appointed co-president and chief executive director of Yukon-Nevada Gold Corp., while continuing in his role as the company’s chief financial officer.
- Larry Van Hatten (Ernst & Young 2005-10, Partner, Assurance, Vancouver) was appointed an independent director and chairman of the audit committee of Vanoil Energy Ltd.

Royal hat trick for our alumni!
In memoriam

It’s with sadness that we report the passing of the following former partners.

- **Vic Barnett** joined Clarkson Gordon in 1961 and served as a trustee in bankruptcy and forensic accountant. A decorated Second World War veteran who was very active in his community, Vic served in the firm’s Toronto office.

- **Bruce Barraclough** joined the firm in 1971 and entered the partnership in 1981. He served as managing partner of the Mississauga office until its merger with the Toronto downtown location, where he worked until his retirement in 2008. Bruce was known for his energy and warmth, and his community involvement.

- **Ron Osborne** was a partner from 1979 to 1981, when he went on to head Maclean Hunter. He subsequently led BCE and Ontario Power Generation, and served on many of the nation’s top boards. Most recently, Ron served as chairman of Postmedia Network Inc. Ron was known to laugh easily and for his love and patronage of the arts.

- **Ian Strang** joined the firm in 1963 and was a partner in our insolvency practice in Winnipeg, Edmonton and Vancouver. He was a fellow and past chair of the Canadian Association of Insolvency and Restructuring Professionals, and a past president and founding member of INSOL international.

Our people and alumni among most powerful women

In December, four of our alumni and two of our partners were named to the prestigious Women’s Executive Network™ (WXN) 2012 Canada's Most Powerful Women: Top 100™. Congratulations!

- **Shelley Brown**
  Ernst & Young 1978-2001, Partner, Assurance, Saskatoon
  Partner, Deloitte

- **Janice Charette**
  Ernst & Young 1996–97, Senior Manager, Consulting, Ottawa
  Deputy Clerk of the Privy Council and Associate Secretary to the Cabinet

- **Cynthia Devine**
  Ernst & Young 1987–89, Senior Staff, Assurance, Toronto
  Executive Vice President and Chief Financial Officer, Tim Hortons

- **Anne Marie Hubert**
  Advisory Managing Partner, Ernst & Young LLP

- **Fiona Macfarlane**
  BC Managing Partner and Chief Inclusiveness Officer, Ernst & Young LLP

- **Mary Ann Turcke**
  Ernst & Young 2002, Senior Manager, Transaction Advisory, Toronto
  Executive Vice President, Field Operations, Bell Canada

Congratulations to retired partners Robert Couzin, Allan Lanthier and Tom Stack on being awarded the prestigious Queen Elizabeth II Diamond Jubilee Medal. Recognized for their tremendous contributions to the Canadian Tax Foundation and improvements to our tax system, they’ve been called “icons of Canadian tax.”

This one-time award commemorates the 60th anniversary of Queen Elizabeth II’s accession to the throne and was bestowed on only 60,000 Canadians to honour significant contributions and achievements.
Man in motion

words: Marco Morelli  photography: Sara Borck Photography
Whether he’s keeping pace or getting ready to make a move, Warren Beach is always prepared for the tough road ahead. A dedicated finance executive and cycling enthusiast, he’s committed to investing for the long haul, ready to take on new challenges at every turn.

We caught up with Beach as he was transitioning from his role as operating executive of private equity firm Golden Gate Capital to his latest challenge as chief financial officer of TimberWest, Western Canada’s largest private timber and land management company.

At Golden Gate, Beach was responsible for exploring and developing strategies aimed at maximizing gains from the firm’s investments.

He worked with newly acquired companies from industries such as information technology services, software and technology to meet operational goals and investment potential.

Beach is always on his mark with emerging technologies, and he knows the value of building strong relationships and staying current in a rapidly evolving market landscape.

“I’ve worked to bring two companies together, and it’s always important to take pieces from both to create one strong strategy,” says Beach. “Both may have strong management teams with strong leaders and be fiercely independent, but it’s about finding those synergies and selling that balance to let people, and the combined business, thrive.”

Managing change

Changing pace is nothing new for Beach.

In early 2012, he joined Golden Gate Capital as operating executive after spending six years working as executive vice president and chief financial officer of Vancouver-based IT services firm Sierra Systems Group Inc.

As CFO at Sierra Systems, Beach capitalized on the momentum of the technology revolution and prepared the firm — which employs more than 1,000 people and operates in 12 locations across North America — to transition from being publicly traded on the TSX to its acquisition by Golden Gate Capital in 2007.

A major challenge Beach faced before Sierra was acquired was reinventing the perception of the firm in the market, mainly to potential investors and the banks. He worked with analysts to help them understand that the focus of the business was on long-term growth, not just on short-term earnings.
“We had to think strategically about marketing Sierra differently once we decided a private sale was its best opportunity for success,” says Beach. “You always have to think about your external stakeholders, whether it’s with a publicly traded company or a private firm. So helping the analysts and the banks understand our business really paid off when it came time to renegotiate our debt agreements and our eventual sale.”

Gearing up for success

Beach says his time working his way from articling student to senior staff accountant at Ernst & Young’s Vancouver office helped set the groundwork for his career goals and his personal aspirations in life. He values the opportunities he gained working at such a diverse service firm, allowing him to create lasting relationships with a variety of business leaders and, more important, build strong personal connections.

“Working at Ernst & Young enhanced my perspective of business and helped shape the work ethic that I’m so very proud of,” he says. “Actually, the beauty of having a CA in general is that it really offers the ability to explore different opportunities and make a difference out there. You’re not limited to one single industry.”

Beach is dedicated to building strong, diverse teams for the companies he works for. “Finance groups can go much further than simply churning out reports and financial statements,” he states. “I set tight deadlines for my teams, which frees up time for their development and growth in the business. This is key to their professional success, and to the organization’s overall success.”

It’s apparent Beach enjoys a healthy balance of work and play. “It’s about finding that sweet spot in between – that’s where people are most productive,” he notes.

And he definitely follows his own advice. “My goal in life is to be happy – happy with my professional contributions and my sports interests, but most important, happy with my family.”

Perhaps the experience that left the longest-lasting impression on him during his time at Ernst & Young is the community and charity work he did through the firm’s longstanding support of the United Way.

Building a community

Getting involved in the community is where Beach sees his biggest reward. He’s spent the last five years serving on the United Way Lower Mainland Campaign Cabinet, including one term as co-chair.

He’s also involved with the University of British Columbia’s Human Early Learning Partnership and takes part in the Enbridge Ride to Conquer Cancer® as member of the Wedgewood Cycling Team. In fact, he helped raise more than $1 million for cancer research by putting together a diverse team of professionals for the two-day cycling event, which saw thousands of riders travel from Vancouver to Seattle last June.

In his personal time, Beach makes sure to schedule time to cycle, swim and ski, regularly escaping to Whistler with his wife Shara, son Ryan, 15, and daughter Alaina, 12.

Beach says his philosophy in both his personal life and his career is pretty simple: “You need a healthy work-life balance that promotes a sense of purpose and a level of engagement.”

“Compensation comes in two forms,” he says. “There’s of course the monetary part. But taking a gamble sometimes and moving out of your comfort zone to expand your experience and knowledge can help you look at your life and career from a different angle, in a more meaningful way.”

And as someone who’s in constant motion, Beach is always getting a fresh perspective.
Successfully balancing a C-suite role and family life with three teenagers demands time management and teamwork, skills that alumna Sarah Davis says she learned when she began her career at Ernst & Young.
Sarah Davis, CFO, Loblaw

“I learned to be very efficient,” she says of her days as a junior accountant. “You had to keep track of your time, work to tight time frames and study in the evening.” Like many young accountants, she completed her CA while learning the ropes at the firm.

Now CFO of Loblaw, Canada’s largest food distributor and one of its largest private sector employers, Davis leads a team of approximately 1,000, spanning the finance, real estate and strategy functions.

“The best advice I got early on is that you can’t be successful by yourself. You need the support of your colleagues,” she says. She makes it a priority to stay in contact with her team every day to make sure she knows what’s going on, and regularly uses town halls and “let’s talk” sessions, to give staff an opportunity to voice their concerns and discuss what’s working well in the business.

Keeping ahead of the competition

So, what’s it like working for Loblaw?

“Every day is different,” says Davis. “And I love the variety!”

Food retail is a highly competitive, tight-margin business. With the competition expanding beyond the traditional sources – Walmart has been adding a lot of square footage in food and Target has just arrived in Canada – brand is critical. It can make a difference to margin and keep customers coming back.

“Whether it’s Loblaw, Real Canadian Superstore or nofrills™, people identify what their experience is going to be. From a product perspective, we also feel our brands differentiate us – President’s Choice®, Blue Menu™, no name® or Joe Fresh – people choose to come because of the brands, says Davis.

“Today’s customer is always looking for the deal,” she says. “Given the environment, we have to stay focused on our customer and strengthening our proposition, delivering the best value, best service and best products.”

And Loblaw is well positioned, offering banners, brands and products that appeal to a broad spectrum of shoppers – from those shopping for a bargain to those looking for gourmet ingredients.

A key to the company’s success has been its entrepreneurial culture, drawing on Loblaw’s roots as a family business. “We try to keep parts of the business, like Joe Fresh, separate, so they can stay more entrepreneurial. We think of every store as its own business and we have franchises, so the company is made up of entrepreneurs.” It’s this mindset that keeps the business nimble and able to respond to customers’ evolving desires.
The value of mentors

Davis built her career in the telecom industry, taking on a variety of financial roles at Rogers and Bell Canada before she joined Loblaw in 2007. She cites the importance of mentors in her career, and makes the time to mentor both at Loblaw and through the Women’s Executive Network (WXN).

A major influence was a CFO she worked with while she was a financial analyst. He saw her potential and helped create opportunities – to work on important projects, gain exposure to different parts of the business and to present to senior people.

“What I really appreciated was the feedback,” she says, recalling how he would come and see her after board meetings to give her direct feedback on the work she had done.

“I loved that,” says Davis. “And I learned to make sure that when people do work for you, it’s really important to give them feedback. It doesn’t always have to be positive.”

A keen observer, Davis says she started to notice early on the impact leaders’ actions had on their people, observations that would help shape her leadership style.

“I never took formal notes but made a mental note – if it was something fantastic, I remembered to do that for people. Other times I thought, ‘I’ll never do that,’ because of how it made me feel. There are lots of little things that you emulate from other leaders.”

A role model for women

As the executive sponsor of Women@Loblaw, a network for women in the organization that is focused on career development, exposure to senior leaders and networking, Davis plays a role in encouraging more women into leadership positions.

“Our goal is to have more women store managers,” she says. “We feel that management should reflect the workforce, which is split about evenly between men and women.”

Currently, about 22% of store managers are women, up from about 12% in 2008. The goal is to increase that over time through initiatives such as development and mentorship opportunities.

“It’s a tough job,” she says. “Many of the stores are open 24/7, and that can be difficult for a woman who has a family. But we need to make sure the opportunities are there and get more role models.”

Finding balance

A devoted mother, Davis says that having dinner with her family every day is one of the most important things to her. “We try to have a meal together every night,” she says. With cupboards full of Loblaw products, there’s never a shortage of interesting food at her house!

A personal recommendation is the President’s Choice hummus with chipotle and red pepper. “It’s good for you, too!” she laughs.

In a household of nine – Davis, her husband, three teenaged daughters, two cats and two dogs, there’s no shortage of activity. “Our down time is spent racing around with the kids to different activities, like competitive skating and hockey. We also love to ski and watch movies, because those are things we can do together.”

While she admits she could occasionally use a bit more sleep, Sarah appreciates the balance in her life. “I am fortunate enough to have a fulfilling career and still spend quality time with my family,” she says.

More about Sarah

**Birthplace**
Saint John, New Brunswick

**Lived in**
Saint John, Montreal, Greater Toronto Area

**Next trip planned**
Finland, for my daughter’s synchronized skating competition.

**Childhood career aspirations**
I wanted to sing in a rock band, but my family jokes about it – I’m not a very good singer.

**Favourite Loblaw product**
President’s Choice The Decadent™ CHOCOLATE CHIP COOKIE – they’re very popular at our house.
Few finance leaders have the chance to have such a rich, diverse and stimulating career as Ghislain Parent, an alum of our Montreal office. Now head of finance at National Bank of Canada, Parent has stood out thanks to his particular way of addressing challenges and opportunities: an integrated approach that has been dubbed “Vision 360.” He applies the concept not only in his day-to-day work, but also throughout the longer view of his career.
A 360-degree journey to the top of the finance function

External and internal auditor, chief accountant, regulatory inspector, advisor at an international financial institution and now chief financial officer – you could say Parent has seen the finance function in all its glory!

Parent started his career 25 years ago as an external auditor. He remembers it was Sylvain Vincent, currently managing partner of our Montreal office, who convinced him to join Ernst & Young. A first job, a second family – one that's still there for him and ready to help him take on challenges.

His first responsibilities allowed him to explore the world of finance. He already loved the complexity of the issues and the intellectual stimulation of the business, and he knew that he'd devote himself to a finance career.

After his time with Ernst & Young, he held several different roles that helped him shape his personal profile and allowed him to observe situations from different angles, to better address financial management.

Parent worked at the Office of the Superintendent of Financial Institutions, the main Canadian regulator of financial institutions, insurance companies and private pension plans. He then jumped into internal audit as vice president of Laurentian Bank, motivated by his desire to improve processes, politics and operations in a bank. Later, he was named first vice president of finance and operations at Caisse de dépôt et placement du Québec, one of the most important institutional fund managers in the country.

Today, as CFO at National Bank of Canada, Parent has the biggest responsibilities of his career. Joined by a passionate and skilled team, he plays an active role in achieving the bank's financial objectives and adapting them to new regulatory challenges, notably Basel III. Relentlessly improving efficiency across the organization, continuing to invest for the future and maintaining financial integrity are at the top of Parent's list of priorities.

A 360-degree perspective on business: discovering emerging markets

When Parent began his career, the effects of globalization on the financial services sector were minimal. However, he always held a particular interest in the global financial environment, and several experiences abroad proved rewarding, both personally and professionally.

On two occasions, Parent used his experience and specialized financial knowledge to set up a monitoring service for a foreign bank. First, in Haiti in the mid-‘90s, then several years later in Rwanda, where the economy is now one of the most stable in East Africa.

In the context of these two rewarding missions, Parent discovered and put to use the hidden talents of the professionals in these countries that had been so afflicted by adversity. He enthusiastically led these projects to completion and was proud to find that his achievements were recognized back home in Quebec.

Globalization and the growth of emerging markets have since reshaped the financial services sector and forced it to rethink its organizational strategies. Thanks to his experiences abroad, Parent has seized new business opportunities in emerging markets during his time at Caisse de dépôt et placement du Québec. In addition to organizing several visits to Brazil, Russia, India and China for investment teams, he led concrete initiatives that had a significant impact, including obtaining “investor status abroad” to the Shanghai Stock Exchange, and the opening of a Caisse office in Beijing.
Ghislain Parent, CFO and Executive Vice President, Finance and Treasury, National Bank of Canada

A 360-degree social view: business giving back to the community

Throughout his travels, Parent had the chance to lead the life and career of his choice. And even though he was passionate about his work abroad, his heart remained in Quebec, and over the last 25 years he's demonstrated time and again how deeply rooted he is at home, which he's shown by his service on various boards in the province.

He's especially proud of his participation as chairman of the Quartier international de Montréal, a project to improve Montreal's McGill Street, located west of the Old City, at the centre of the historic city walls. The infrastructure and redevelopment projects have not only rehabilitated the appearance of the historic district, but also revitalized the area with new business, which visitors today truly appreciate.

Most recently, Parent has prompted the business community to support a cause that's very dear to him – the reintegration into society of the homeless and disadvantaged.

In fact, he's accepted the presidency of the ninth annual Lobster and White Wine dinner, a fundraiser in support of Accueil Bonneau, a not-for-profit organization and home for men that provides Montreal's homeless with food, shelter, clothing and other comforts. He's also organized, for the first time in the organization's history, a campaign to raise funds from companies, which has enabled Accueil Bonneau to collect thousands of additional dollars.

About Ghislain

Birthplace
Rouyn-Noranda, Quebec

Motto
The future belongs to those who wake up early!

Last vacation
Hawaii

Last book read
Life of Pi
While it’s perhaps one of our lesser-known services, our Litigation Support team plays a critical role in helping clients when it comes to resolving disputes.

Part of the Valuations & Business Modelling group, Litigation Support Services can help a wide range of clients in a variety of situations where the valuation of a business or asset is required as part of a legal or tax dispute.

“Many businesses find themselves in unexpected legal disputes where the value of an asset or the business as a whole is essential,” says practice leader Barb Morton, who recently moved from the Atlantic region to Calgary to build the practice in Western Canada.

“As with any legal dispute, business valuations are a contentious issue, and sometimes we’re asked to provide a critique of an existing valuation report. This is especially true in cases where a specific valuation method hasn’t been detailed in the report. We look at specific issues, such as redundant assets, special interest purchasers and even hindsight to determine a fair market value.”

In Canada, these services are provided by Chartered Business Valuators or CBVs. This is the only Canadian valuations designation, and it’s recognized by courts and industry. But most CBVs have other financial analysis designations, such as CA or CFA. CBVs are experts who can determine the worth of a business or its assets. This can include intangible assets such as brand and intellectual property value.

The Litigation Support team serves many private and family businesses that are facing partnership disputes or oppression. In such cases, the clients need to determine the value of their overall business. These companies also often find themselves facing life-changing events, such as marital disputes, where the company has become an asset in a divorce, or personal injury or wrongful death claims.

“We also help clients in tax disputes with the Canada Revenue Agency,” notes Morton. “A company may decide to challenge the valuation of the business or assets for tax purposes, and we can provide the necessary capabilities and experience.”

The team has also assisted businesses in cases of expropriation, where a government authority has made a compulsory purchase of property to gain access to land. In these cases, a business may want to challenge the valuation of the property, but also the loss of income or value to the company due to the interruption of business.

“Effective communication of persuasive evidence can be crucial to reaching an early settlement,” says Andrew Cochran, a senior manager with the team in Toronto.

“This can reduce the cost of litigation and allow owners to go back to running their businesses as soon as possible.”

To learn more about how our team can help you – and our other Transaction Advisory services and the latest thought leadership – visit ey.com/ca/Transactions.

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You’ll find all this and more at ey.com/ca/EmailAlerts.
Think about all the change the world has seen in the last 20 years. The internet was in its infancy. Cellphones were the size of a small brick, and tablets and smartphones were the stuff of science fiction. The DVD player was still a year away, and electric cars were miles away from commercialization. When something went viral, you sure didn’t want to get it. And only birds tweeted.

The world has changed a lot in a relatively short time — and we owe the vast majority of that rapid innovation to entrepreneurs.

“We’re so excited about celebrating our 20th anniversary,” enthuses Colleen McMorrow, National Director of the Ernst & Young Entrepreneur Of The Year Awards. “We say entrepreneurs turn us on, and while it’s meant to be just a little cheeky, we really mean it. They turn us — and everybody — on to new ideas, new ways of doing things, new technologies, new possibilities. These extraordinary people strive to push the boundaries of what’s been done and what’s possible. And when they have that ‘light bulb moment,’ there’s no stopping them.”

Over its first 20 years, the program has evolved and grown with the companies it’s honoured. Today, it’s celebrated in over 50 countries, and it keeps getting bigger.

“Storytelling can be a powerful motivator,” says McMorrow. “We shine the light on great entrepreneurial success stories to inspire others and show what it takes to achieve your dreams.”

That’s why we established the Entrepreneur Of The Year Awards. And while it’s great to look back at where we’ve come from, we’re excited — like the innovators we celebrate — about what the future will bring.

So as we look ahead, let’s recap the successful 2012 program.

Turning vision to success — literally

At the national awards gala in Toronto in January, we named Calgary’s Dr. Alan Ulsifer Canada’s 2012 Entrepreneur Of The Year. The president and CEO of FYidoctors, the nation’s largest independent eye-care product and service provider, was in fact a returning nominee, having taken home the Prairies Emerging Entrepreneur award in 2008.

“Dr. Ulsifer’s concept of merging full-scope optometric practices into a single entity — the first of its kind in the country — transformed Canada’s optometry industry,” McMorrow says. “These kinds of innovative solutions that overcome a struggling economy take strong leadership and an even stronger team, a characteristic that’s common to leading entrepreneurs.”
Dr. Ulsifer was the Prairies 2012 Entrepreneur Of The Year, and he had some illustrious company in Pacific winner Ashely Cooper of Paladin Security Group, Ontario's John A. McCluskey of Alamos Gold, Quebec's Michel Gendreau of Garaga Inc., and Atlantic's Patrick O'Callaghan of East Coast Catering.

And in honour of the unique marks they've made on the entrepreneurial landscape, we honoured three individuals with national special citations – Ontario's Jon Hantho of Maxxam Analytics for entrepreneurial leadership, Robert Herjavec of the Herjavec Group for financial performance and Frederick Davidson of Energold Drilling Corp. for outstanding growth.

To see video highlights from the national gala, all the regional award winners and much more, visit ey.com/ca/EOY.

Alumni connection

Another Prairies winner is an Ernst & Young alum! Dan Balaban of Greengate Power Corporation took home the regional award for Cleantech. Balaban founded the company in 2007 at the age of 32.

And the 2012 World Entrepreneur Of The Year® is another alum – from another country, though. Dr James Mwangi, CEO and Managing Director of Kenya's Equity Bank, won the top award at the ceremony in Monaco in June.

Bringing innovators and big thinkers together

“It’s entrepreneurs’ mandate to reinvent the way we do business,” McMorrow believes. “And it’s ours to help them along the way.”

To that end, we gathered together more than 2,000 of top CEOs, entrepreneurs, advisors, investors and other senior business leaders from 28 countries in Palm Springs in November at our annual Strategic Growth Forum®. They explored topics including innovation, transactions, growth and what’s shaping the future of the global economy, and shared their insights and experiences.

The 2013 Forum will be held again in Palm Springs from 11 to 13 November.

Celebrate with us

Who knows better than our alumni what innovation and inspiration look like. We want you to be fully engaged with Entrepreneur Of The Year. Submit your nominations – and don’t be afraid to nominate yourself if you’re a successful entrepreneur!

Join us at the events in your region, and stay on top of all the news and events at ey.com/ca/EOY. And follow us on Twitter @EYCanada.

“Twenty years is a great milestone,” beams McMorrow, “but we’re keeping our eye on the future. Innovation never stops – and neither will our salute to entrepreneurial achievement.”

Look for more on the 20th anniversary in the next issue of Connect.

Unlocking potential

Entrepreneurial Winning Women™

Women entrepreneurs are achieving more than ever before. They bring unique perspectives and experiences – and often face unique challenges in building and growing their businesses.

As part of our 20th anniversary celebrations, we’re excited to launch the Ernst & Young Entrepreneurial Winning Women program in Canada.

This competitive award and leadership program is designed to connect a select group of high-potential women entrepreneurs with the advisors, resources and insights they need to become market leaders.

Selected entrepreneurs will participate in an ongoing, customized program to catalyze their companies’ growth by building and fostering business know-how and providing increased visibility.
They may not always garner the same level of attention as publicly listed businesses, but Canada’s 1.2 million private companies comprise by far the largest single segment of the Canadian economy.

“We’ve always believed in the power of private companies, and we’ve built many great relationships over the years,” says Tom Kornya, Assurance Managing Partner. “We’re continually building up our private company services across Canada, investing in the people, knowledge and services to help these businesses address their unique challenges and seize opportunities.”

Our Toronto Private Mid-Market practice is one of our strengths in the private company space. Partners David Fabian and David Steinberg, co-leaders of the team, have devoted their careers to a laser focus on helping private companies achieve their potential.

“There are more than a million private companies in the mid-market space, compared with only about 6,000 public companies,” says Steinberg. “They range in size from $1 million to $1 billion, and from family businesses that have been passed from one generation to the next, to partnerships and private equity-owned companies. Taken together, they’re the country’s biggest employers.”
Steinberg agrees. “Small and mid-sized business owners often see a big, global service provider as being interested only in the Fortune 500, and that they’re remote and slow to respond to the day-to-day needs of a private business. We’re anything but — we’re in close contact with our clients at all times, and we’re available to them literally 24/7, 365 days a year.”

The team has 17 partners, and at least two partners are assigned to each engagement so that a client always has someone available.

“We want to reassure our clients that we have them covered,” says Steinberg, “and we’re in touch daily, even if it’s just to check in and say hi.”

So what are some of the issues private company owners should be thinking about in 2013?

“The economy is recovering from the downturn, but it’s been a slow climb and the situation is still pretty delicate,” observes Fabian. “That being said, there’s opportunity for companies to grow — it’s all about looking at the right things and prioritizing.”

Business owners need to look at their internal landscape, say the partners. “Can you make internal changes to become more efficient, such as using technology more effectively to deal with head count?” says Fabian. “A lot of that was done in 2009 when the financial crisis first hit, and while there are still opportunities for efficiencies, they’re not as easy as they were three years ago.”

Companies also need to consider whether they have the infrastructure and customer base to be sustainable in a no-growth economy.

“If you have the capital structure and equity, you can explore opportunities to grow via acquisition,” says Steinberg, “and potentially become a dominant player. Alternatively, if you go through cost-cutting and efficiency and you’re still not competitive, and you don’t have capital to grow and eliminate your competitors, you may have to look at getting out of the industry.”

Fabian echoes this sentiment. “When growth isn’t achievable and you’ve exhausted every means of cost reduction and process improvement, you may find the best option is to simply sell the business.”

Companies can’t sit still in today’s uncertain economy. “Nothing is worse than being static in a growing industry,” says Steinberg. “If you’re finding that you’re not getting to where you want to be, contact an advisor who knows your market and can help. There could be opportunities you hadn’t considered.”

“Between us, we have over 40 years of experience serving private mid-market companies,” says Fabian. “We’ve seen a lot and been through the ups and downs of the economy. We’re always glad to explore ways to help business owners achieve their visions.”

To learn more, visit us at ey.com/ca/focusonprivatebusiness.
Steinberg and Fabian offer the following seven key ways private companies can stay competitive in a tough economy:

1. **Maximize your workforce.** Speak with staff, management, customers and stakeholders to identify opportunities to boost productivity.

2. **Pursue vendor diversity.** Assess your relationships and see if you’re casting a wide enough net to get the most value from your suppliers.

3. **Streamline your legal entities.** Make sure each legal entity holds the appropriate assets, your legal exposure is minimized and your costs are being managed.

4. **Assess your capital structure.** Check that your debt/equity ratios are consistent with your risk tolerance.

5. **Pursue unique growth opportunities.** Think about whether your company needs to focus more on organic growth or acquisition. Look beyond borders – there could be low-hanging fruit outside of Canada.

6. **Look at your product lines.** Ensure that gross margins realized are consistent with expectations.

7. **Look to the future.** You’ll have to plan for the next generation of leadership sooner rather than later. Consider whether the business is appropriately structured for succession, and whether your estate-planning needs are appropriately structured.

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**The many ways we support private business**

We offer a robust variety of programs to Canada’s private mid-market businesses:

- Ernst & Young Entrepreneur Of The Year Awards
- World Entrepreneur Of The Year Awards
- Strategic Growth Forum
- Ernst & Young Entrepreneurial Winning Women Program

And we proudly support organizations that support Canadian entrepreneurs:

- The Next 36
- Rotman School of Management
New appointments

**John Bethel** joined us as a partner in our Advisory Services practice in Vancouver. John leads our national Health Care Advisory practice, working closely with National Government & Public Sector Leader Charles-Antoine St-Jean and BC Advisory Leader Kirsten Tisdale, as well as our network of public sector professionals across Canada.

**Saskia Goedhart** joined as a partner in our Financial Services Office Advisory practice, where she leads the Financial Service Risk Management group in Toronto. Working closely with both US and Canadian teams, she’s driving our next generation of services for the risk management needs of insurance companies.

**Bernard Jones** joined our Advisory practice as a partner and IT Advisory leader for Calgary. Bernard supports the national growth of the Technology Enablement practice.

**Tim MacDonald** joined us as a partner in our Transaction Advisory Services in Toronto. Tim focuses on continuing to build our Operational Transaction Services offerings, and advises clients on pre-deal planning for integrations and carve-outs.

**Martin McGrath** joined us as a partner in our Performance Improvement practice in Toronto, where he focuses on the government and public sector and asset management practices. Martin returned to Canada from London, UK, where he played a lead role in the advisory and restructuring practices of another global public accounting firm.

**David McQueen** joined us as a partner in our Advisory practice in Toronto. He plays a lead role nationally in IT Advisory, leading the Enabling Technology area for several industries and helping to grow our SAP and Oracle implementation services.

**David Meadows** joined us as a partner in our Assurance practice in Toronto. He works with our Fraud Investigation and Disputes Services group to expand our forensic data analytics efforts across Canada.
Canadian confidence is up, but deal-making appetite is down

Our eighth semi-annual Canadian Capital Confidence Barometer, released in May, shows a clear rebound in corporate confidence. But even though Canadians have shown more willingness for making deals in the last year than both their US and global counterparts, their greater confidence isn’t translating into increased transaction activity, and Canadian executives expect to remain cautious in the short term.

Learn more about our findings at ey.com/ca/capitalconfidencebarometer.

Tax risk is on the rise

Our 2012–13 Canadian tax governance survey polled 120 executives from across the country to find out how they’re managing tax risk today. The results showed that tax risk is on the rise in Canada — and it’s also on companies’ minds more than ever before. Our report shares our top 10 findings and opportunities for improvement.

Learn more at ey.com/ca.

Still one of Canada’s best diversity employers

For the sixth year in a row, we’ve been named one of Canada’s Best Diversity Employers. And we couldn’t be prouder. The more diverse our teams are, the more perspectives we have to offer our clients. It’s simply good business, and an organic part of how we work. Then again, we look forward to the day when diversity isn’t something that needs to be rewarded!

Delivering disaster relief and recovery with Plan Canada

We’re partnering up with Plan International Canada Inc. as part of our emergency response strategy to support worldwide disaster-recovery efforts. We’re donating $150,000 over three years.

As one of the oldest and most respected international development organizations in the world, Plan Canada is known for its effective humanitarian relief efforts in more than 45 countries.

“We’re very proud to join forces,” explains Chairman and CEO Trent Henry. “Our people across Canada have proven themselves to be compassionate and generous in times of need, so our support of Plan will really help to get relief to victims of disasters worldwide.”
Opening new doors in Ottawa!

This past fall, our Ottawa office made a big splash in the nation's capital by putting our name on the largest event and exhibition venue in Eastern Ontario. The Ernst & Young Centre hosts a wide variety of trade shows, concerts, kids' shows and more.

Ottawa Office Managing Partner Deanna Monaghan led the charge. “We’re extremely proud to have our name associated with this beautiful centre,” she says. “The visibility is unparalleled, and really showcases the importance of Ottawa as a key connection point in the national business landscape.

“Not only does this sponsorship show our real connection to the Ottawa business community, it will also help us extend our corporate responsibility reach across the region,” she adds. “Through the many charitable contributions and initiatives the centre is a part of, we’ll be able to give back right here in Ottawa, where we work and live. And the boost to our brand is significant, too!”

Situated near Macdonald-Cartier International Airport, the centre is expected to welcome more than one million visitors through its doors each year. The 220,000-square-foot, purpose-built exhibition and trade show facility offers four state-of-the-art exhibit halls, meeting rooms, banquet facilities and extensive parking.

Our Ottawa office also relocated in January to 99 Bank Street. And while the move was just a couple of blocks away, it was a significant leap forward in terms of layout and technology. Designed on the “workspace of the future” model, the open environment allows our people to choose the workspace to best meet their work needs at any moment. The dynamic space provides more room for collaboration and teaming, and features enhanced technology for meetings.

Staying connected in the digital domain

We’re excited to announce our new mobile app for Connect! This interactive and intuitive interface, which we share with our US counterparts, is easy to download. Visit your preferred app store, search for “Ernst & Young Connect” and download. And if you receive Connect electronically, you’ll see that we’ve advanced the format to make your reading experience even more enjoyable. Instead of a pdf, you’ll view the magazine on a new microsite.

These digital developments make it easy for you to read Connect virtually anywhere, any time – complete with all the vivid photos, graphics and interesting articles that bring our alumni to life.
Coming soon – a new global alumni portal

We’re excited to announce that we’re building a new global alumni website that will offer advanced career and networking tools. Developed by Insala, a leading talent-development solutions organization, and slated to launch this summer, the site will be activated in Canada before any other country, in both English and French.

Key features of the new site include:

- Career advancement tools, including job opportunities at Ernst & Young and elsewhere, the ability to manage and track job opportunities, résumé assistance, career advice and much more
- Advanced networking tools, allowing you to easily build a professional profile in a secure environment that integrates with social networking sites, so you can find and connect with other alumni
- Direct and timely access to Ernst & Young resources, including thought leadership, learning opportunities, events, insights and updates

Don’t miss this opportunity! To receive an invitation to the new portal, here’s what you can do now:

- Visit ey.alumniprogram.com or alumni.ey.com.
- Update your profile to ensure we have your current email address.
- Under Email contact, select “Contact me.”

For assistance with accessing the site or resetting your password, email us at alumni@ca.ey.com.

Alumni survey winners

Thanks to the 250 alumni who completed the alumni survey questionnaire, as announced in our last edition of Connect. And congratulations to the three winners of the prize draw:

- Yves Champagne, retired, Repentigny, Quebec
- Paul Murray, Owner, Mission Possible Home Repair, Pickering, Ontario
- Michelle Rothe, Tax Advisor, Encana, Calgary

Your honest feedback helped us assess our current activities and offerings and plan for the future. We’re committed to doing our best to keep the Ernst & Young Alumni Network active, engaging relevant and valuable for all members. Stay tuned for more!
We know that you enjoy reuniting with other alumni and former colleagues, and we’re delighted when we have the opportunity to bring people together. In the past several months, we’ve hosted three reunions in Canada – and we’re looking forward to more in the coming year.

To learn about alumni events in your area, visit ey.alumniprogram.com. While you’re there, please be sure your contact information is accurate and up to date to ensure you receive announcements, invitations and updates.

Calgary

In Calgary, we hosted more than 300 guests at our reunion at the historic Fairmont Palliser hotel.

“We keep our alumni relationships going all year long,” says Calgary Managing Partner Kent Kaufield, “but it’s always great when so many are all under the same roof. It’s always great to see how much people enjoy this type of event.”

Alumni events gallery

Right: Alumni Deborah Sim of Robert Half with EY Senior Manager Leigh Anne Sturmy and EY Manager Heather Chrisholm at Calgary’s annual client and alumni event in November 2012.

EY Alumni Partner Champion Jaimie Dawson with alumni Chris Wing of Alberta Health Services and visiting EY Partner Elshad Aliyev from the Kazakhstan office.

EY Partner Jeanie McKibbon with alumni Dwayne Vinck and client Bruce Petrie at Calgary’s annual client and alumni event in November 2012.
Going big and bold in the GTA

We celebrated our biggest-ever alumni reunion in October, with more than 1,500 alumni and current partners and staff gathering together at Toronto’s historic Fairmont Royal York hotel.

“Our alumni are immensely important to us, so it was really a pleasure to have this opportunity to reconnect personally and help them network with each other,” says Chairman and CEO Trent Henry. “A reunion isn’t so much a time to look back, but a great time to show how bold we are today and talk about the future. A great example is our three-year sponsorship of Cirque du Soleil.”

Costumed performers circulated through the crowd at the reunion, which really added to the festive atmosphere.

Above: More than 1,500 alumni and Ernst & Young people attended the Greater Toronto Area reunion, fittingly held in the Canadian Room at the Fairmont Royal York hotel in Toronto.

Right: Performers wearing original Cirque du Soleil costumes entertain the crowd.

Left to right: Former partners Farouk Ahamed, Marjorie Tang and Tom Goldspink and alumna Jill McAlpine.
Entrepreneurs. They turn us on.

To new ideas, new ways of thinking and new possibilities. That’s why we proudly celebrate their achievements – and you can, too. Join us for our electrifying 20th anniversary celebrations and meet your regional finalists and winners!

**Atlantic**
October 3, Halifax

**Ontario**
October 24, Toronto

**Pacific**
October 4, Vancouver

**Quebec**
October 30, Montreal

**Prairies**
October 17, Calgary

**National**
November 27, Toronto

Find out more at ey.com/ca/EOY. And follow us on Twitter: @EYCanada #EOY20.
About Ernst & Young
Ernst & Young is a global leader in assurance, tax, transaction and advisory services. Worldwide, our 167,000 people are united by our shared values and an unwavering commitment to quality. We make a difference by helping our people, our clients and our wider communities achieve their potential.

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