

REPORT ON BUSINESS

CEO
of the
YEAR
2024
NEIL
ROSSY
All hail
the almighty
Dollarama

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CEOs OF THE YEAR

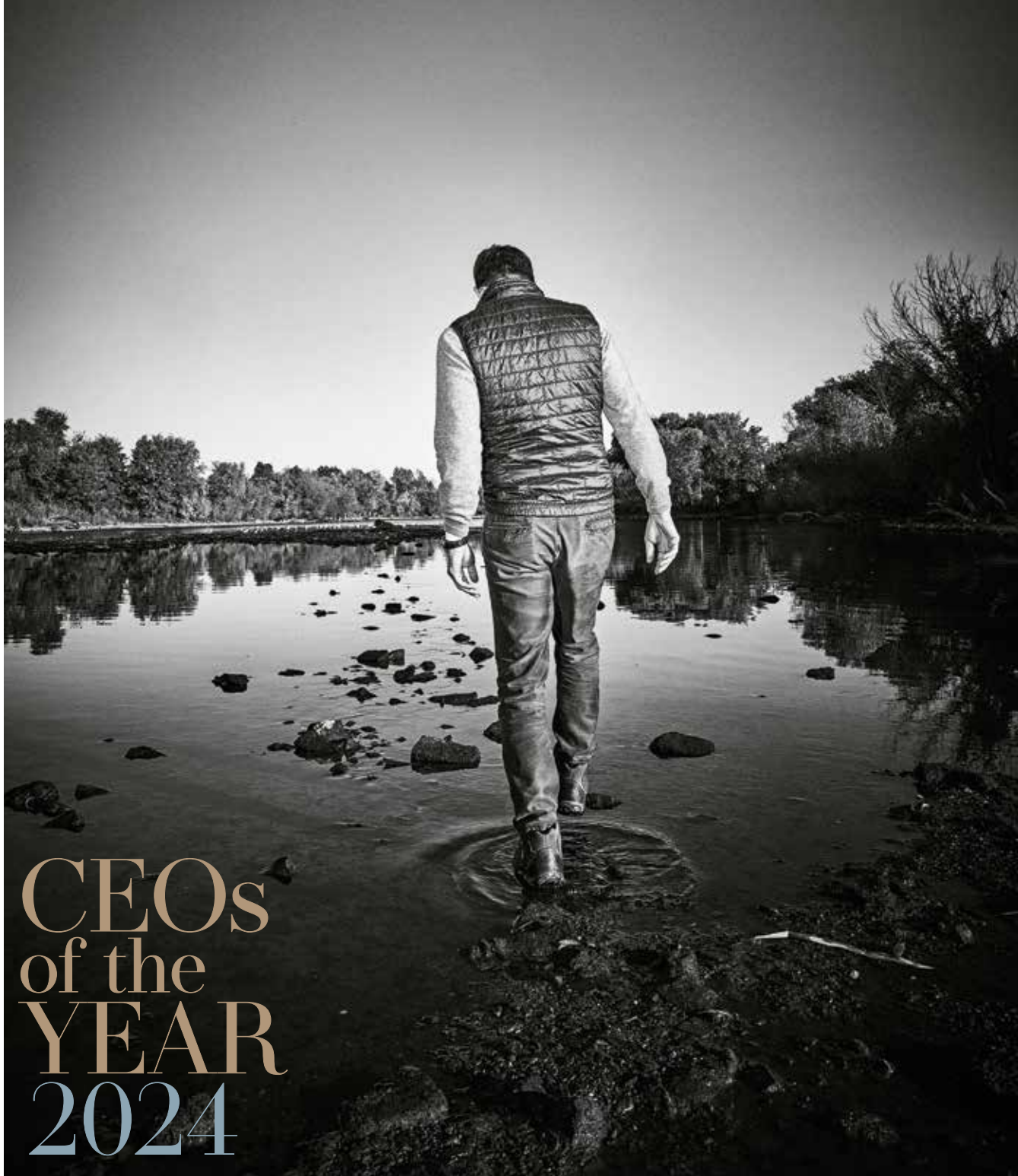
We choose top performers in five different areas—corporate citizenship, global vision, innovation, strategy and the best of the newcomers. Each of the CEOs is a multifaceted leader who knows how to elevate a business. /By Nicolas Van Praet, Deborah Aarts, Tim Kiladze, Jason Kirby and Clare O'Hara

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/By Jason Kirby, Matt Lundy and Mark Rendell



CEOs of the YEAR 2024

NEIL ROSSY
DOLLARAMA

MIKE GREENLEY
MDA SPACE

LAURA DOTTORI-ATTANASIO
ELEMENT FLEET
MANAGEMENT

MAX KOEUNE
MCCAIN FOODS

CHARLES BRINDAMOUR
INTACT FINANCIAL

photographs by **DANIEL EHRENWORTH**

Just when you think things can't get crazier, another year of chaos hits us in the gut. So it was with 2024. But not even the mayhem could overshadow outstanding performances from this year's five CEOs of the Year—Global Visionary, Innovator, Newcomer, Corporate Citizen and Strategist—chosen after plenty of discussion among editors and reporters here at *The Globe and Mail*. Our overall winner is Neil Rossy, whose meticulous attention to, well, *everything* has helped turn Dollarama into a darling of Canadian retail—one that does well in any sort of economy.



GLOBAL VISIONARY of the YEAR NEIL ROSSY

THANKS TO ROSSY'S SAVVY
MERCHANDISING AND
RELENTLESS FOCUS ON,
WELL, *EVERYTHING*, DOLLARAMA
HAS BECOME A STALWART
OF CANADIAN RETAIL—WHICH IS
WHY HE'S OUR TOP CEO OF 2024.
NOW THE COMPANY'S LOOKING
TO PLANT ITS GREEN-AND-YELLOW
FLAG INTERNATIONALLY
BY NICOLAS VAN PRAET

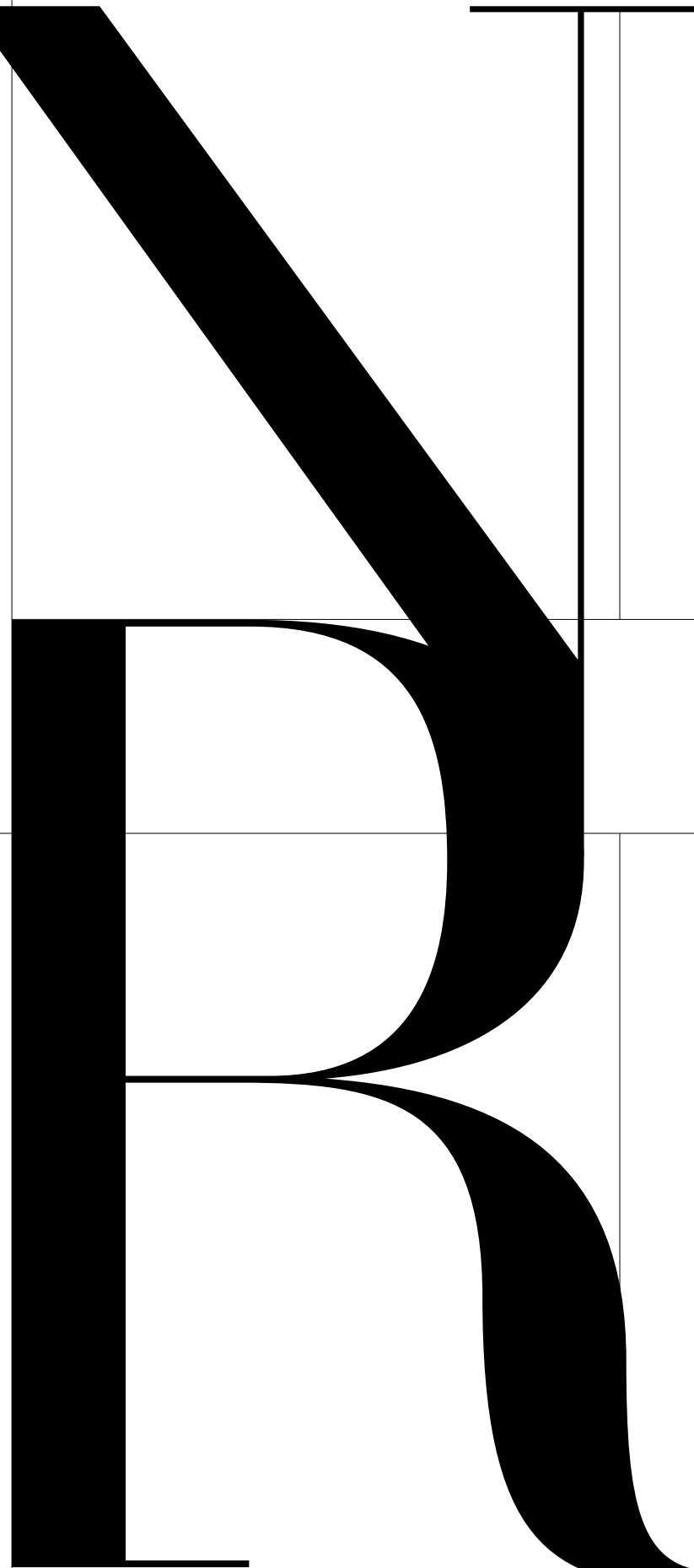
➤ In a world of attention seekers and inflated egos, Neil Rossy is decidedly discreet.

You'd be hard-pressed to find a Canadian chief executive who keeps a lower profile—never mind one running a public company worth \$40 billion on the Toronto Stock Exchange. Rossy doesn't speak to journalists outside annual meetings, doesn't do speeches or business luncheons. Hell, when he took over as CEO from his father, Larry, in 2016, the company's communications person had to wheedle him into agreeing to headshot photos for the official corporate record.

And yet, here he is, in all his business-casual informality: The 54-year-old Montreal magician behind discount variety chain Dollarama Inc. He's approachable and articulate, sporting a neatly trimmed beard and, on this day, stylish green Adidas sneakers. His dress shirt is untucked, and when he smiles, you get a flash of bright pearly whites. A cheeky coffee mug on his desk reads "I am 49+" and features the doodle of a hand raising a middle finger.

It's late September, and Rossy has invited us into his inner sanctum at corporate headquarters, a CEO suite so cluttered with household goods it would make a hoarder smile. It's the first such interview he's ever done. If he had reservations before about opening up—and he had plenty, we're told—he's not showing them now. He seems perfectly ready for his moment in the spotlight. And why not? As Dollarama CEO for eight years now, he's at the top of his retail game.

Since he's been in charge, the company's net profit



has tripled to \$1 billion, and sales have more than doubled to \$5.8 billion. Meanwhile, the share price has soared, from \$30 to about \$141, even accounting for the stock split in 2018. In sum: It's about as sweet for an investor as a Werther's bonbon. There's lots of potential, too. Dollarama is pushing ahead with a steady stream of new store openings in Canada, while slowly expanding into new territory abroad.

This is a business nurtured over more than a century by four generations of Rossy family smarts and hard work. It was Neil's father who correctly read the retail winds and adopted the dollar-store concept. But it's the son who sharpened it and planted the company onto fresh ground as it balloons in size. This is now his story to tell.

In an industry littered with the carcasses of failed retailers, Dollarama stands apart. Year after year, it continues to defy predictions that it will hit its sales peak in Canada, just as its bright green and yellow colours continue to worm ever more deeply into the Canuck consciousness. The company has 1,600 stores now, with plans for 2,000 by 2031. You'll find them in the basement shopping concourses of fancy office towers just as you'll find them in small towns and suburbs.

A Leger Marketing survey for the Bank of Montreal in June found 70% of Canadians visit a Dollarama store at least once a month, while 29% shop there at least once a week. Proximity is key: 85% of Canadians live 10 kilometres or less from a Dollarama outlet. Whether they're flush with cash or penny-pinching when they walk through the door, the retailer just seems to have a knack for offering things they want at a price they can't refuse.

And yet, Rossy isn't sitting here all smug and satisfied. There are places where the Dollarama formula can work every bit as well as it does in Canada, he says, and he wants to capitalize on that as he plots the future.

The company has already branched out, plowing manpower and money into a Dollarama clone in Latin America called Dollarcity. Dollarama has owned a majority stake in the retailer since 2019, and it's investing big in its expansion, with plans to double its store count to 1,050 in Colombia, Guatemala, El Salvador and Peru over the next five years. A launch into Mexico will take place in 2026, and the partnership deal includes options to open in five other Latin American countries.

Dollarama is analyzing expansion onto other continents, too, Rossy says—whether through partnerships, opening new stores on its own or acquisitions. “We’ve been looking at the rest of the world, thinking about opportunities,” he says. “Mexico will be a new foray into a huge country with great upside. But I would tell you, I feel that at this point we can, we could, do even more.”

Stretching the length of a glass-windowed facade in Rossy's office at Dollarama headquarters is a collection of curiosities that he calls The Wall of Shame.

On a table alongside photos of his wife and four kids are dozens of failed products—items Dollarama was pitched on but never bought, as well as one or two that made it onto the shelves by mistake, to the CEO's great distress.

“This, for example: total nightmare,” he says, holding up a small blue towel with a Russian flag, green army tank and some lettering printed on it. “We buy blue towels. From a vendor we’ve been buying from forever. We buy many colours. Blue is one of them. And right in the middle of the Ukrainian war, I started getting pictures of this from the stores. So I was like, ‘What the hell is that?’”

The vendor had received an order from a Russian military regiment and, by a stroke of bad luck, a dozen or two made it into Dollarama's shipment. Rossy immediately got on the phone. “I had every district manager running to all their stores to look through this. I was like, ‘If one of those towels gets out, I’m never going to hear the end of it.’ So it made it to The Wall of Shame.”

Rossy loves merchandise. He slips easily into explanations of retail trends during a tour of the company's basement laboratory at HQ, a messier version of a real store that serves as a library for purchases present and past. This is where 12 senior buyers verify goods under their purview, and other staff test-shop concepts like new hooks or shelving. It's also where they prepare layouts to show customers, like an end-of-aisle display they're currently doing for chocolate maker Mars Wrigley.

Rossy, by the way, is one of those senior buyers. He regularly leads Dollarama buying trips to China and the United States, spending 1.5 months a year in Asia alone. He claims that if a stranger on the street were to show him Dollarama's entire inventory mixed with other goods, he'd be able to identify 90% of his offerings.

If you think he's a nepo baby, you'd be wrong. The moment Larry Rossy signalled he was ready to hand over command after a 40-year run, the board launched a formal selection process that sought out both internal and external contenders. Neil, who'd joined Dollarama after graduating from Queen's University and had done almost everything there was to do at the retailer, was by far the best candidate, says chair Steve Gunn. It wasn't even close.

Officially, Rossy's title at the time was chief merchandise officer. But the reality was that he and a small circle of senior executives were already part of every decision at the highest level—the result of his father relishing the opinions of his lieutenants on everything of importance.

Neil was offered the job. But he didn't say yes at first. He knew his father still loved the work—“it made him happy” even as he began confronting health challenges, he says. And the son was perfectly content in a support role. A CEO title was “not something I need as a person,” he says. Soon, though, Larry's signal became more urgent, and Neil's empathy and self-effacement gave way.

“If I said, ‘Spot the CEO of Dollarama’ at a cocktail party, he'd be the last guy you choose,” says Gunn, because he's humble, grounded and way more interested in finding out about you than talking about himself. “He didn't want the fame or the glory. But



not only does he know every aspect of the company, he's also the keeper of the culture.”

Truth is, Neil Rossy has been part of his family's retailing history since he was a kid. Before Dollarama was founded in 1992, the clan ran a chain of variety shops operating under the S. Rossy Inc. name in Montreal. Rossy worked in the stores and warehouse, and one summer he handled deliveries, getting stuck on Montreal's busy Decarie Expressway when the engine on an old red cube truck blew up. Later, he emptied cargo containers (which remains the worst and hardest job at Dollarama to this day, he says). “Those were all good lessons.”

Over time, he learned first-hand the ingredients of Dollarama's magic sauce. And he's cooked it to perfection, much like the homemade jam he now makes at night. (“I'm not a good sleeper,” he says.)

The recipe goes something like this: 1. Source goods directly from suppliers rather than through wholesalers or other middlemen to increase your bargaining power and keep costs low. 2. Cultivate deep relationships with those factories and treat them as partners. When they have problems, be understanding and adapt instead of demanding and punishing (Dollarama's 10 biggest vendors represent about 31% of its total purchases). 3. Make the shopping experience and operations as clean and simple as you can. 4. Be flexible enough to make quick changes when needed, while approaching major strategic shifts in a slow and hyper-cautious way.

The new CEO made more than a few moves of his own, however. He expanded the company's lone distribution centre, increasing capacity by 50%. He rolled out credit card payments for the first time, even though much of Dollarama's store assortment could often be bought with pocket change. He launched an e-commerce website that sells select merchandise by the case. He then steered

through the COVID-19 crisis, sacrificing profit in pursuit of a greater societal good. Later, he raised Dollarama's price points to \$5 to counter inflation, boosting his buying power in a bid to offer even more appealing merchandise.

It has worked. Over the past few years, sales productivity per Dollarama store has meaningfully increased as a result of market-share gains from other retailers, according to BMO analyst Tamy Chen. All of this without spending a cent on advertising, although you could argue the company doesn't need it—there are plenty of shoppers on TikTok offering tips on the latest Dollarama deals.

Rossy considers “everyone” his competition, because his are variety stores that “nibble a little bit from everyone's plate,” from stationery to hardware. He pays most attention to the Goliath of the industry, Walmart, but watches all the others, too. And he says one reason Dollarama is beating its dollar-store competition (same-store sales growth in the latest quarter at Dollarama was 4.7%, versus 1.3% at Dollar Tree) is simply because of what's on the shelves.

Dollarama has added more brand-name goods to the mix in recent years. That, in turn, has helped attract more customers, including those who would never buy an item not made by a well-known manufacturer. Meanwhile,



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INNOVATOR of the YEAR MIKE GREENLEY

MDA SPACE IS A 55-YEAR-OLD CANADIAN STALWART. UNDER GREENLEY, IT'S SHOOTING FOR THE STARS—LITERALLY—AS IT AIMS TO BECOME A TOP CONTENDER IN THE NEW SPACE RACE
BY DEBORAH AARTS

➤ Regretfully, there is no Canadarm waving you in as you approach MDA Space's new head office in Brampton, Ont.

In fact, there doesn't seem to be much cool space stuff at all yet—certainly nothing akin to the rocket abutting the front door at SpaceX's soon-to-be-former California home, or the lunar lander hulking over the lobby of Blue Origin's headquarters in Washington state. Just a trio of perfectly nice, not-quite-finished buildings amid the constellation of low-rise offices and warehouses now proliferating in this placid corner of suburbia.

Then you have to move your car because you've accidentally pulled into a spot reserved for NASA.

It's one subtle signal of many that MDA is quickly positioning itself at the vanguard of a whole new space race. In the past five years, the stalwart 55-year-old developer of satellites and space robotics has wrangled itself out of foreign ownership, gone public, launched a fleet of industry-leading commercial products, earned a string of blockbuster contracts, doubled sales, hired thousands of employees, and repositioned itself on a dizzyingly sharp growth trajectory.

The man behind it all is CEO Mike Greenley, a sharp and enterprising architect on a mission to take Canada's largest and most venerated space business to infinity and beyond. "We have a legitimate chance to be one of the top three to five global space companies—that's for real," he says with measured, but

undeniable, excitement during a conversation in his sun-filled, frill-free corner office. And he'll be damned if MDA doesn't chase that opportunity full-throttle.

When engineer John Spencer MacDonald and physicist Vern Dettwiler first hung up a shingle in 1969—at the very peak of global space mania—they did so in part to offer top-tier Canadian scientists, engineers and mathematicians the type of hard, interesting problems that would keep them from gravitating south. Over time, that ethos helped turn MacDonald, Dettwiler & Associates from a Vancouver basement operation into a globally respected fount of incredible space technology, with a brag book full of such government-backed big swings as the development of the Canadarm robotic arm and the RADARSAT synthetic aperture radar satellite series.

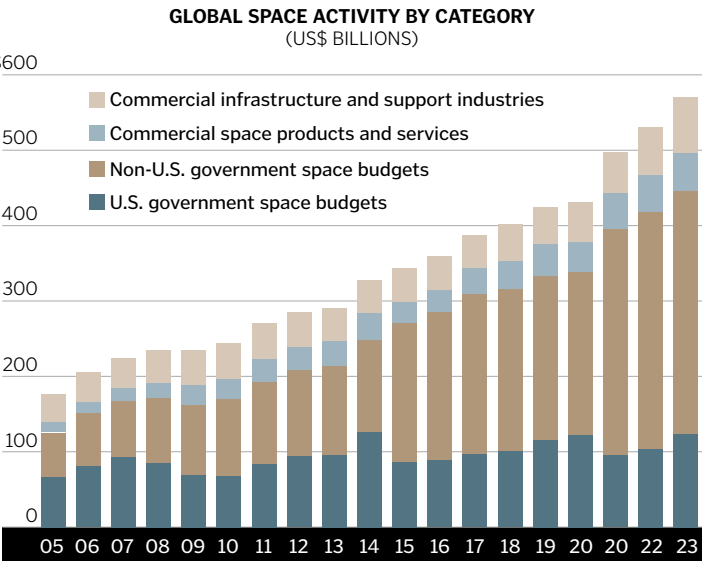
While the quality of MDA's work was always steady and strong, its ownership history became a game of cross-border hot potato. In 1995, it became a subsidiary of Virginia-based Orbital Sciences; six years later, a syndicate of majority Canadian investors (including the Ontario Teachers' Pension Plan) brought controlling ownership back north. Fast-forward to 2017, when MDA acquired satellite imagery company DigitalGlobe and rebranded as Maxar Technologies. A year later, it moved its headquarters to Colorado. It was in this context that, in January 2018, Greenley came aboard to run the MDA business.

Greenley had never worked in the (non-aero) space business before, but a scan of his CV indicates why he was a shrewd choice for the job. He was trained as a scientist, earning a Master's degree in psychomotor behaviour (that is, the ways in which we think and learn) from the University of Waterloo. He forged his technical chops providing design support on complex information systems for clients in defence, nuclear power and aerospace, while simultaneously sharpening his entrepreneurial instincts as the CEO of Greenley & Associates, a consultancy he sold to CAE in 2004. He then upped his executive experience over a decade-plus climbing ladders at the likes of CAE, General Dynamics and L3 Technologies. It all produced a leader with an uncanny knack for mobilizing smart people to figure out solutions to important problems. "Once you conquer the systems engineering process and how it works, I find you can adapt it anywhere," Greenley reasons.

So, upon getting a glimmer of what might be possible at MDA, he couldn't resist the opportunity to apply his unique set of skills to something big. About as big as it gets, actually. "I came here because it's space," he explains, "and because it's important for Canada."

The cosmos have always triggered a certain profound ambition among us Earthlings, providing the canvas for—among other things—geopolitical territory-marking, billionaire vanity projects and seemingly unfathomable tests of human achievement. Plenty of that is still going on, but in the past decade, we've started thinking differently about space. Specifically, a lot more of us have started to see it as a way to make money. In a globalized world facing a growing spectrum of competitive, environmental and security threats, more and more businesses—from Uber to Apple—are finding it strategically beneficial to stake commercial claims in the sky. McKinsey & Co. expects the global space economy—comprising technology like satellites and robots, as well as the spectrum of revenue-generating activities made possible by that tech—to reach US\$1.8 trillion in 2035, nearly triple its size in 2023.

These are the kind of numbers that set folks dreaming: Witness Elon Musk evangelizing about cities on Mars or Jeff Bezos pegging our economic future to giant orbital industrial parks. And while there's certainly an element of the far-out in all of this, there's tangible value in helping organizations address far more immediate terrestrial challenges, like tracking deforestation, patrolling illegal fishing, fostering communication in rural and remote areas, and offering more reliable eyes on matters of sovereignty and security. "Space is so involved in things that I think Canadians care about, and that are important to our future," explains Brian Gallant, the CEO of Space Canada, an industry association Greenley helped



create and whose board he chairs. "Mike so obviously recognizes this. He understands the moment that space finds itself in."

Moreover, from the start, Greenley recognized the specific value MDA could bring to the new commercial frontier. "We've always participated in the space economy, but it was spotty," he reports. A ream of data points—more countries creating space agencies, more venture capitalists investing in the sector, more corporate giants developing strategies for extraterrestrial expansion—told him that was changing. Furthermore, consultations with clients told him that MDA's experience and track record—with its 100% success rate over more than 450 space missions—could be a differentiator in commercial applications. "It became clear that there's a new economic zone opening up, and it's persistent," he explains. "Once you feel that, and see how we can connect into it with our world-leading innovations, you get the confidence to say: 'We've got this. We can grow this business.'"

Greenley is an arresting conversationalist. He is thoughtful, deliberate and bracingly good at distilling complex ideas into concise, complete sentences. As he speaks, his gaze often locks on the middle distance, as if he's mentally assembling the logical mainframe for what he's about to say, yet he's never less than fully present and engaged. He is quick to share strong and well-articulated opinions on everything from the perils of groupthink ("I really value independent thought") to Canada's productivity crisis ("We need more head offices here"). He comes across as not

just a guy who knows what he's talking about, but a guy you want to follow. Which may help explain his efficacy in the monumental effort of repositioning MDA.

Greenley's first imperative after taking the job was to build a runway. His vision required the kind of investment and operational agility that would be tough to drum up operating as a subsidiary—especially one with a U.S. parent. Moreover, he felt compelled to repatriate MDA to its country of origin. "We needed to become a standalone company so that we had the freedom to focus on the things where we could really grow," he explains, "And also we could use our cash and our profits to invest in ourselves, instead of sending it to a head office." So, in early 2020, as he puts it, "we caused ourselves to be sold" from Maxar, via acquisition by a consortium of Canadian private equity investors led by Northern Private Capital. A year later, MDA completed its IPO on the Toronto Stock Exchange.

It was a lot of manoeuvring, and a lot of adjustment, in a relatively short period. But Greenley's suitability for the role was immediately evident, according to Columbus Capital Corp. CEO Brendan Paddick, who was part of the investor group that bought MDA from Maxar, and who now chairs its board. "He has the ideal mix of character and skills,"



NEWCOMER of the YEAR LAURA DOTTORI- ATTANASIO

SHE GAVE UP A ROLE THAT COULD'VE SEEN HER BECOME ONE OF THE FIRST WOMEN TO LEAD A MAJOR CANADIAN BANK. BUT DOTTORI-ATTANASIO COULDN'T RESIST THE CHANCE TO TURN HER DECADES OF EXPERIENCE TO A NEW CHALLENGE
BY TIM KILADZE

Early last year, Bay Street was rocked by a bombshell departure.

As a top executive at CIBC, Laura Dottori-Attanasio was one of the most senior women in Canadian banking—and she was well-placed to succeed Victor Dodig as CEO, which put her in rare air on Bay Street. She'd spent seven years as the bank's chief risk officer, a crucial position at any financial institution in the aftermath of the global financial crisis, when scores of banks nearly blew up. In March 2020, she took over personal and business banking—CIBC's profit centre.

So when the bank announced in January 2023 that Dottori-Attanasio was “retiring”—at the age of 55—shock rippled across Bay Street. The bank itself was caught so off guard by her exit that another executive had to add her entire portfolio to his. Nobody had even considered the possibility.

The surprise departure led to fervent speculation about where Dottori-Attanasio would end up. And then the news hit. She was going to be CEO after all—just not at CIBC. Element Fleet Management Corp. had stolen her away.

Element might not have the same name recognition with retail investors as CIBC does. But it has quietly become one of Canada's secret stock market stalwarts.

Amid fears that the Toronto Stock Exchange is losing its relevance—scorching U.S. markets are stealing investment capital, private equity is swallowing everything in sight, and junior resource developers, once a staple of the Canadian market, can’t raise money to save their lives (literally)—companies like TFI International, Stantec and Element now all have market valuations of \$10 billion or more. And they just keep growing.

Element was created in 2011 by Steve Hudson, who’d previously founded Newcourt Credit Group, once the second-largest non-bank lender in the world. In 1999, he sold it for US\$2.4 billion. After a couple of left turns—backing Hair Club for Men and weight-loss brand Herbal Magic—he decided to recreate Newcourt’s leasing model at Element. There have been some serious bumps along the way, but what’s made Element’s rise so impressive is that its core business model—leasing and servicing fleets of vehicles for corporate clients, such as service vans for cable companies, passenger cars for pharmaceutical reps and small refrigerated trucks for milk producers—isn’t tied to a hot economic trend, like soaring e-commerce sales during the COVID-19 pandemic. Element’s just really good at what it does. In the first half of 2024, it had a profit of nearly US\$200 million on revenue of US\$537 million. Market darling Shopify lost US\$102 million in the same time frame.

But Element is also at an inflection point. Investors fell in love with it because management pulled off a corporate restructuring for the ages. Hudson had saddled the company with too many messy acquisitions, and a new management team, led by CEO Jay Forbes, fixed everything up. But Forbes wanted out after a gruelling five-year stint (he’s since become CEO of Woodbridge Co. Ltd., the Thomson family’s private holding company and owner of *The Globe and Mail*), which means it’s on Dottori-Attanasio to take Element to new heights.

Investors are giddy with what they’ve seen so far. Since Dottori-Attanasio took over as CEO in May 2023, Element’s shares are up by 43%, more than double the return delivered by the S&P/TSX Composite Index.

But as is the case with so many industries, digitization is reshaping Element’s profit model. A car-fleet company might seem immune to this trend, but a little more than half of Element’s revenues come from selling add-on services, and scores of tech companies—from startups to giants—want in on that market. Just look at what Apple has done with its CarPlay software, which is now regularly used as touchscreen software in new vehicles.

It might seem odd for a career banker to be charged with leading a tech revolution. But Dottori-Attanasio was built for this. “Think

of fleet management today as banking 20 years ago,” says Jaeme Gloyn, an analyst at National Bank Financial.

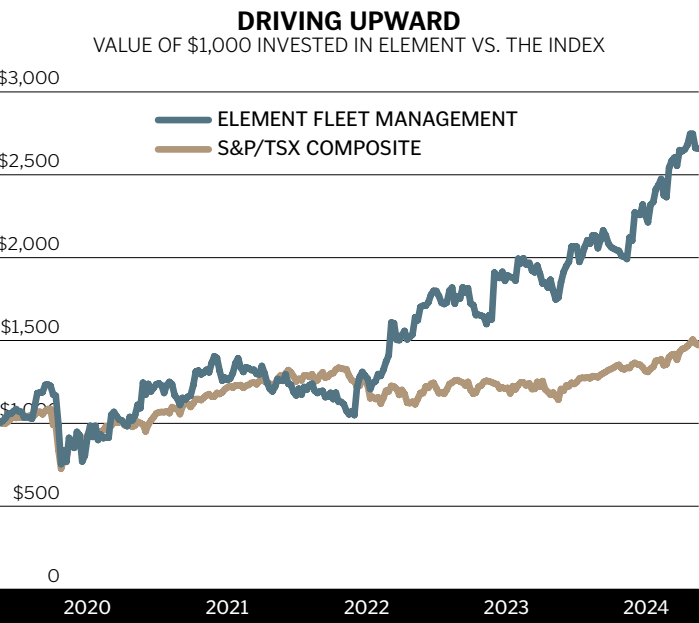
Banks used to depend on branches and manual paperwork, but over the past 15 years, fintech companies have tried to upend that business model. Dottori-Attanasio knows what it takes to fend them off, and a year and a half in, she’s already put her stamp on Element with a tech acquisition that will upgrade its software and databases. She’s also pulling on her time leading CIBC’s risk division to embed a more sophisticated approach to risk management into the company’s culture.

“Banks are phenomenal training grounds,” says Dottori-Attanasio. “They’re so large and complex. And because they’re highly regulated, you get to see how to do things exceptionally well.”

As a kid in Témiscaming, Que., Dottori-Attanasio got a taste of what it takes to build a business up close. Her dad, Frank Dottori, was the founder of Tembec, and he grew it into one of Canada’s dominant forest products companies, all from a single shutdown mill. Instead of joining the family business (which became a public company), Dottori-Attanasio branched into banking after studying finance and economics at Western University.

About 15 years into her career, she started making a name for herself at National Bank of Canada. Though the bank is headquartered in Montreal, its capital markets division has a major Toronto office, and she rose through the ranks in corporate banking, helping manage a division that lends hundreds of millions of dollars to large corporate clients. Investment bankers are often talked about as the big-shots who bring in major M&A and IPO work. But often, it’s the calmer corporate bankers who win those deals by lending large sums to the clients.

David LeGresley, who ran corporate and investment banking for



National Bank at the time, thinks the world of Dottori-Attanasio. “A great leader of her team,” he says. “Tough as nails. Works tirelessly. Strategic.”

By 2007, on the executive track at National Bank, she moved back to Montreal, where she made the pivot into risk management to help broaden her expertise. But just a year in, the political infighting reached obscene levels, according to executives intimately familiar with the situation, and she became a casualty of friendly fire. Four months later, in January 2009, CIBC hired her as its head of corporate banking.

Over 14 years at CIBC, Dottori-Attanasio rose and rose, ultimately joining the bank’s executive team as chief risk officer, then taking on its personal and business banking division. That role put her on the short-list to succeed Dodig—though CIBC’s board wasn’t showing much urgency around succession planning, despite the fact that Dodig’s been in the role since 2014. When Element came calling, Dottori-Attanasio was intrigued.

At the time, the company’s stock was finally taking off after a five-year roller coaster ride. Hudson and his hand-picked CEO, Brad Nullmeyer, had run into trouble, overexpanding through acquisitions including the \$8.6-billion deal to buy GE Capital’s fleet business in 2015. The integration of those purchases was sloppy, and customer service and attrition eventually became a glaring problem. A customer might order a vehicle in Washington, DC, and the car would get shipped to Washington state. Or they’d order new tires...and they’d just never arrive.

Element’s shares plummeted by 29% in a single day in February 2018, when the company announced a double whammy of bad news: Nullmeyer was leaving, and it had lost a major customer. Three months later, Forbes—who’d just turned around Manitoba

Telecom Services—took over and embarked on a brutal restructuring. His No. 1 task: Fix customer service. It took a few years, but Element’s operations stabilized, and management started promoting a “capital-light” business model. That may not sound all that sexy, but it’s the kind of thing that makes institutional investors drool. Element isn’t in the business of owning cars and trucks—it just finances leases for its clients—and big-name investors tend to like this model because they don’t get stuck holding onto assets that lose value as they age.

Think of Element as a sort of bank: It’s a lender, but instead of using retail deposits to fund its loans, it borrows in the form of long-term debt, and then lends that money out at a higher rate in the form of leases. The money it makes from doing so is known as net interest income, which comprises almost half of Element’s operating profit.

In other words, Dottori-Attanasio is able to put a career’s worth of knowledge to the test. Her goal now is to instill some rigour and standards around things like lease approvals, so that new loans can be approved quicker, and to ensure there are fewer surprises in the loan book. “When I arrived,” she says, “we were selling leases a bit like we were selling the rest of our services.”



CORPORATE CITIZEN of the YEAR MAX KOEUNE

WITH CLIMATE CHANGE WREAKING HAVOC ON CROPS, KOEUNE KNEW MCCAIN FOODS—WHICH RELIES ON A NETWORK OF 3,500 POTATO FARMERS WORLDWIDE—HAD TO DO SOMETHING DRASTIC. ENTER THE FARM OF THE FUTURE
BY JASON KIRBY

➤ Crispy on the outside, fluffy in the middle, the McDonald's french fry is an icon of American capitalism. The chain's shoestring fries are the salty vanguard of U.S. soft power abroad, selling in 100 countries, while their origin story is the very symbol of entrepreneurial zeal. It's now legend: Ray Kroc, a travelling salesman of milkshake mixers in the 1950s, fell in love with the fries sold by the McDonald brothers at their take-out restaurant in San Bernardino, Calif., and had the vision to perfect and automate the fry-making process to build that single location into an empire that now serves an estimated nine million pounds of fries each day. "The french fry," Kroc wrote years later, "would become almost sacrosanct for me, its preparation a ritual to be followed religiously."

Go into a McDonald's almost anywhere in the world today, though, and there's a good chance the fries you'll be served were made in a plant owned by McCain Foods, a company that—at least here at home—is still best known for its Superfries, Pizza Pockets and devilishly addictive frozen cakes.

McCain, founded in the small rural town of Florenceville, N.B., has quietly built itself into a global frozen-potato juggernaut, raking in \$16 billion this year from sales in 160 countries and employing more than 22,000. By the company's own mea-

sure, one out of every four french fries sold on the planet comes from McCain.

One in four.

It's that kind of clout that has rested in the hands of Max Koeune since 2017. And now, he's marshalling the company's vast reach for an ambitious mission that could be vital to McCain's future—not to mention the planet's.

Over the decades, McCain has built a farflung empire, with 54 factories on six continents churning out hundreds of frozen potato and appetizer products—from standards like fries (thick-cut, thin-cut, crinkles and Smiles) to items tailored to local tastes. At the same time, the world's largest frozen-fry maker has formed tight relationships with its network of 3,500 independent potato farmers, spread across 16 countries, who supply nearly seven million tons of potatoes annually to the company's production plants.

McCain is using those links to spread the gospel of regenerative farming, which loosely refers to more natural farming practices that help the soil hold on to more water and nutrients to boost plant growth. "If conventional farming continues, and we want to feed a planet of 10 billion people, that means all the things that are problematic today are going to be exponentially problematic in 10 or 15 years," says Koeune while showing off one of McCain's commercial-scale experimental Farms of the Future outside Florenceville, a picturesque spread of red barns that sits along the Saint John river. "That means more deforestation, more greenhouse gases, more water use in places where there are already deficiencies, more nitrogen or other fertilizers pumped into the ground. The simple facts tell you it's a dead end."

Modern industrial agricultural practices might boost yields, but they're hard on the land—contributing to water scarcity, loss of biodiversity and the spread of harmful chemicals—and agriculture accounts for roughly a tenth of global greenhouse gas emissions.

Granted, potato farming is on the low end of the emissions scale (those from eggs and especially beef are exponentially greater). Still, any strike against climate change is good news for Koeune's business, since growing spuds in a world of extreme weather becomes more precarious each year. "In the northern hemisphere, yields are declining despite more sophisticated and effective chemicals, and at some point there's only so much you can get out of the soil," he says. "Without potatoes, we don't have a business."

Koeune hopes McCain's experiment in sustainability—with the aim of implementing some level of regenerative practices across 100% of its acreage by 2030—will reverse some of the worst trends of large-scale agriculture and help growers fulfill their con-

tracts even when hit by extreme events.

But rarely has anyone attempted such a project at this scale and level of precision. And it's Koeune's job to pull it off while maintaining the rapid growth trajectory McCain has been on under his watch: a roughly 75% increase in sales since he took over in 2017. "We're not the largest food company in the world," he says, "but our size means we can have an impact."

Shortly after Koeune joined McCain as CFO in 2012, he found himself standing at a customs counter in Melbourne's airport, trying to justify to a confused border guard why he'd flown from Toronto to Australia. He was there, Koeune told the officer, to visit McCain's frozen french fry operations, a statement that left the man thoroughly confused. "Why would you need to come all the way from Canada to visit an Australian company?"

That's when it dawned on Koeune. McCain and its wide array of products—chunky beer-battered chips, frozen vegetable mixes, roast lamb meals and pizzas—are so ubiquitous that many Aussies believe it's a homegrown success, a domestic company with a half-century-long history of producing fries Down Under.

The same pattern played out in other countries Koeune visited. In the United Kingdom, where McCain has operated since 1968 selling frozen jacket potatoes and baby hasselbacks, alongside both fries and chips, the company often passes as a British brand. Likewise in India, where McCain set up shop in 1998 and offers aloo tikki potato patties and masala fries among its products, the company's Canadian roots aren't widely known.

McCain is about as Canadian as it gets, of course, founded in 1957 by brothers Wallace, Harrison, Robert and Andrew McCain in their tiny New Brunswick hometown. (The company's head office is now in Toronto, but it still employs more than 1,200 people in Florenceville—whose population is just 1,573—in tech and innovation, as well as at its factories.)

If most Canadians are oblivious to McCain's international frying status, even fewer will have heard of Koeune. That's partly by design. McCain is a private company, owned by the descendants of the founders, meaning its activities mostly fly under the radar. No quarterly conference calls. No public annual meetings.

The relative anonymity Koeune enjoys outside the food industry suits the quiet CEO, who is a bit of a shoestring fry himself—tall and lithe, and a hardcore road cyclist who regularly covers up to 180 kilometres on weekends with his riding club. He's comfortable sitting back and listening as others do the talking. "I've been around big CEOs at big companies in the U.S., and that's not Max," says Scott McCain, chair of the operating-company board and Wallace's son. "He's never the one to take the oxygen out of the room at board meetings. He leads by example."

Born in Luxembourg, Koeune, 52, has spent his entire life abroad. As a kid, he moved wherever his father's executive job in manufacturing took the family. In his early career, Koeune worked at French food giant Danone, where he became head of corporate development after a management stint in Mexico. While there, he taught himself Spanish—his fifth language after Luxembourgish, German, English and French—once he realized no one in his office spoke anything else. When he speaks, it's with an omni-European accent that's difficult to pin down.

The CFO offer came in 2012. It wasn't a complete surprise: McCain's CEO at the time, Dirk Van de Put, who'd been in the job for two years, had been his boss at Danone.

Five years later, the company was already grooming Koeune to be Van de Put's eventual successor when the latter left suddenly to take over snack giant Mondelez International.



In the previous decade, McCain's fortunes had slumped. It was still a giant, but rivals were chipping away at its market share—the Big Three of the potato world are McCain, privately owned J.R. Simplot Co. and publicly traded Lamb Weston, both based in Idaho. "When you are No. 1 in the world in french fries, which we'd been for a number of years, sometimes you can get full of yourself, but that's when you need to be most frightened," says McCain. "We weren't, and we were slipping."

Van de Put had already done a round of streamlining measures, including selling off the North American frozen pizza business in 2014 to Dr. Oetker. So, Koeune turned his attention to revamping many of McCain's aging factories, upgrading outdated IT systems and digitizing its operations. In early 2020, he and his team had just put the finishing touches on a five-year plan when the pandemic hit. "We went into firefight mode," he says.

Almost overnight, McCain's business shrank by more than half. As restaurants closed, potato stockpiles overflowed. Potatoes are 80% water, which means they don't travel well, and there's a limit to how long they can be stored without bruising or rotting. The company ended up donating massive quantities of raw and prepared potato products to food banks around the world.

At the same time, McCain's growers were depending on the fry maker living up to its contracts—which it did. "Everyone knew immediately we had to support our growers, which wasn't in the short-term financial interest of the company," says Koeune.

But McCain had a few things going for it. Perhaps most important was its ownership structure. Being private shielded the company, with what Scott McCain calls its conservative balance sheet, from the extreme swings pummeling publicly traded food makers. In most markets, McCain also caters to consumers whether

they're eating at restaurants or at home, and it quickly shifted to meet demand in the super-market freezer aisle.

The restaurant take-out and delivery boom offered McCain another timely opportunity. Even before COVID-19, it had been tracking the growth of food delivery apps and knew it had a weakness: moisture in to-go containers. "The last thing you want is cold and soggy fries, so you need a batter that maintains that crispiness and heat 30 minutes later," says Koeune. R&D teams at McCain's various labs and test kitchens were already looking for an answer. The pandemic accelerated that effort, and the SureCrisp french fry was born, with a secret coating engineered to maximize crispiness longer. The new fry has proven popular with restaurant chains on several continents, even with a higher price point, says Koeune.

The company also seized on the pandemic disruption to accelerate its investment strategy. Last year, McCain said it would expand its factory near Lethbridge, Alta., at a cost of \$600 million, more than doubling the workforce to 485. The new plant will start churning out frozen potato products next spring. That's just one in a string of other big-ticket investments, including its first plant in Brazil, a second factory in China, and expansions or renovations in Grand Falls, N.B., Washington



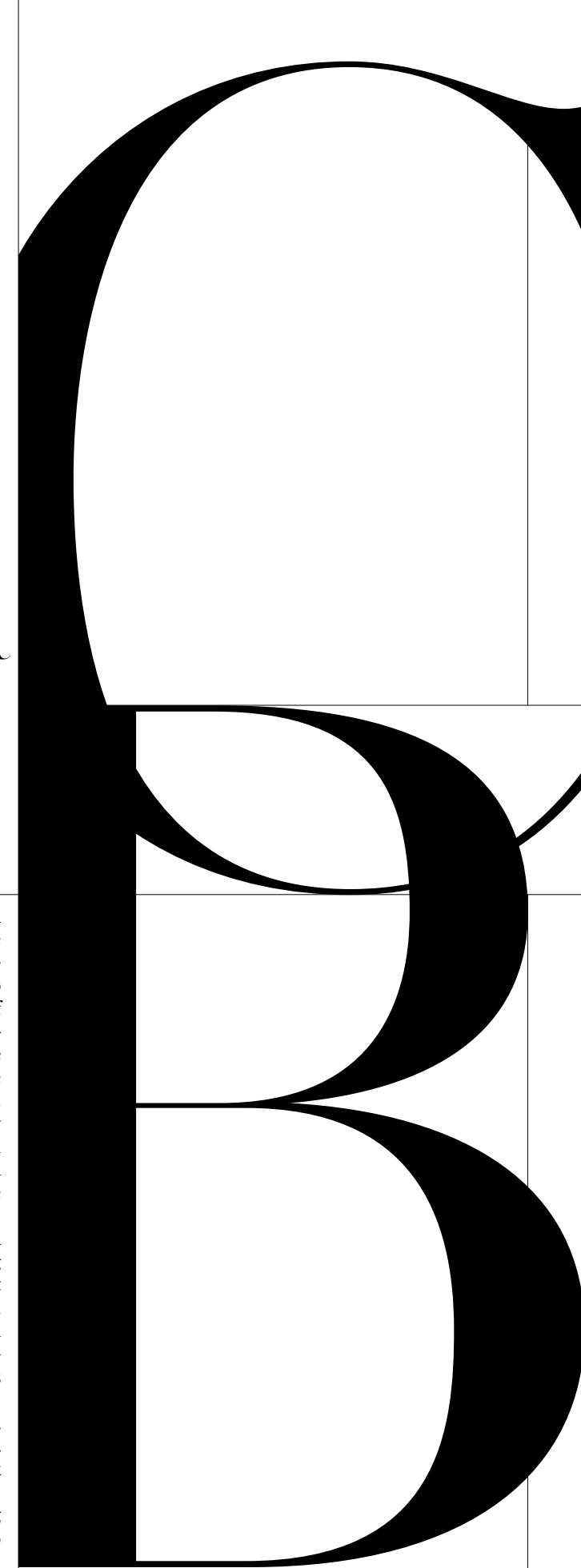
STRATEGIST of the YEAR CHARLES BRINDAMOUR

DESPITE A SHARP RISE IN NATURAL DISASTERS, INTACT FINANCIAL IS OUTPACING ITS PEERS, THANKS LARGELY TO BRINDAMOUR'S USE OF DATA TO FINE-TUNE ITS POLICIES. HE'S ALSO BECOME A GLOBAL VOICE FOR ADAPTATION AND, BETTER YET, PREVENTION
BY CLARE O'HARA

➤ The route to Charles Brindamour's family cabin snakes north from his hometown of Quebec City. Once or twice a year, he says goodbye to his wife, Josée, and their daughters, Emmanuelle and Juliette, and embarks on the familiar trip from Toronto for some solitude in the forest. His only company is a stack of books—but not the le Carré spy thrillers and geopolitical non-fiction he likes to read in what little spare time he has. No, these trips are reserved for the collection he amasses throughout the year focused on climate change and, increasingly, generative AI. This summer's reading list included *Not the End of the World* by Hannah Ritchie, *The Master Algorithm* by Pedro Domingos and Gaia Vince's *Nomad Century*—titles he hopes will give him a fresh perspective on the challenges facing the world in general and the company he leads, Intact Financial Corp., in particular.

As Canada's largest property and casualty insurer, Intact is on the front lines of climate-related disasters, which are increasing at a staggering rate. This summer alone, four catastrophes hit Canada hard—the wildfire that destroyed much of Jasper, Alta., flooding in downtown Toronto and in Quebec, and a hailstorm in Alberta—contributing to the \$7 billion in insured losses the industry has already calculated for the first nine months of 2024. That's more than double what insurers paid out in all of 2023.

And yet, Intact has grown to \$22.4 billion in annual premiums, up from \$4.3 billion in 2009, and the share price hit \$263 on Nov. 6—up nearly 700% since it first went public on the Toronto Stock Exchange in 2009. Since then, the insurer has had 19 consecutive dividend increases and seen a total shareholder return outpacing the TSX 60 by 6% over the past 10 years. That includes about a 30% increase in its share price in 2024 alone, despite a year of disaster.



So, what's Brindamour's secret? The easy answer is to say that Intact, like many P&C insurers, has hiked premiums. And it has—on home insurance, Intact's have gone up by 9% this year. More importantly, though, Brindamour has turned his actuary's brain and voracious appetite for information toward fine-tuning Intact's strategy to withstand the increase in catastrophic events and ensure it continues to pay out millions in disaster claims while still turning a profit.

It's a strategy that's been 15 years in the making—ever since Brindamour took over the reins as CEO of Intact's predecessor, ING Canada. Since then, he has overhauled the way the company sells policies, launched a dedicated natural-disaster claims team, and purchased a home restoration company in 2019 to speed up wait times for policyholders—all while steering Intact through a series of acquisitions to bulk up its share of the Canadian market and establish a beachhead in Europe.

And while he's far too modest to admit it, Brindamour has become a major pillar in the fight against climate change on the global stage, too. Well before climate targets became boardroom buzzwords, Brindamour predicted that climate risk was erupting, and it was an issue that required collaboration between corporate Canada and citizens, city officials and government bodies.

"Charles was pushing the adaptation agenda at a time when almost no other big CEOs were," says Blair Feltmate, a climate professor at the University of Waterloo and head of the Intact Centre on Climate Adaptation, whose mission is to develop practices that help homeowners and communities avoid hardship due to flooding, wildfire and extreme heat. "There's a very good chance Canada wouldn't have a national adaptation strategy today without Charles." In 2010, Feltmate notes, Brindamour funded the first major national conference on climate adaptation, which led to one of the first published papers on the subject. "He supported the foundational work behind the scenes," says Feltmate, "often pulling the levers to have meetings with industry associations and ministers at the federal level."

More recently, with major floods having devastated multiple regions, including downtown Toronto, Brindamour has been an advocate for developers to reconsider plans to build residential homes in low-lying areas. The alternative, he says, could leave Canadians living in zones too risky to insure.

"I'm in the camp that you should use your edge to make a difference," Brindamour says. "Given the business we've built, our resources and my knowledge of the file, this is an area where I feel we bring something to the table. Because if we want to move the needle on climate, it needs to be embedded in strategy."

Several weeks after the fire ripped through Jasper, destroying more than a third of the city's 1,113 buildings, Brindamour walked through the empty residential streets, examining the devastation. The place looked like an apocalyptic movie set, with burnt-out cars abandoned alongside charred remnants of once-healthy neighborhoods. Blue safety fencing blocked access to areas that were still deemed unsafe. Brindamour was awestruck by how quickly the fire spread, even jumping across rivers as it consumed 32,700 hectares over the course of a month.

The catastrophe took the entire industry by surprise, he says. The town wasn't even close to the top of the list of cities most at risk, according to Intact's own analysts. It was No. 73.

Once upon a time, Intact might have been overwhelmed by a disaster of this magnitude.

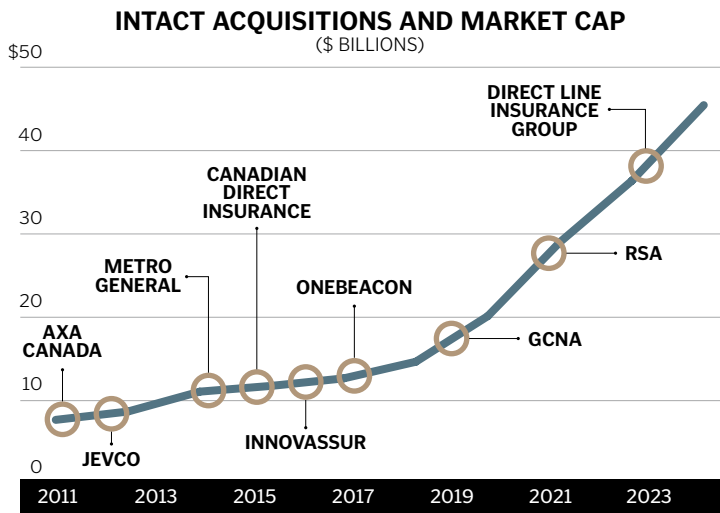
In the beginning, P&C insurers were largely focused on protecting homes against house fires, and Intact was no different. But roughly three decades ago—around the time Brindamour joined the insurance business—natural disasters started an upward march, increasing by a factor of four when adjusted for inflation.

About 15 years back, while he was still settling into his new role as CEO of Intact, Brindamour started to crunch the data and found a serious problem: For every dollar Intact was bringing in from premiums on those fire-centric policies, it was losing between \$1.10 and \$1.12, predominately on water damage. The way insurance was being sold wasn't sustainable. "If we wanted to fulfill our purpose, which is to help Canadians be resilient in bad times," he says, "we needed to change how we did that."

First, Brindamour had his teams redesign its products to provide coverage for individual perils such as floods, wind, hail and hurricanes. Next, he changed the type of data Intact was collecting. So, rather than just asking for a postal code, Intact began to look at the exact location of a home and at what altitude. "We changed our view of natural disasters," Brindamour says. "Normally, you price insurance looking at the past. But in the case of climate change, you have to take the view that it's trending upward prospectively, and the past is only a partial indication of the future."

Intact then added a geospatial modelling team to carry out a closer analysis of data directly linked to specific locations, using satellite imagery and weather maps to better predict climate risk.

And in 2014, Brindamour created a dedicated claims team for natural disasters. Intact wanted to ensure customer phone lines wouldn't get backlogged when major events began to hit back-to-back. Today, 5,000 employees manage 99% of Intact's claims in-house—up from 3,000 a decade earlier—reducing wait times



to seconds, not hours. "We were scrambling when there was a natural disaster," says Brindamour, "whereas now it's part of our competitive advantage."

In August, after Calgary was hit with a brutal hailstorm, Intact set up drive-through "hail centres" that appraised thousands of vehicles and reduced the average wait time from 60 to 45 minutes. In Jasper, after 25,000 residents were forced to evacuate, Intact brought in Wildfire Defense Systems, a private U.S. firefighting organization, to fireproof buildings owned by 700 families and businesses it insures there.

Once the fire was under control, the action shifted to On Side Restoration Services, Intact's in-house home-repair business (which now has 40 outposts across the country). More than 100 experts arrived a day before the town re-opened to clean and clear debris, even competing with bears to remove more than 2,300 fridges filled with spoiled food from 900 buildings.

"Charles will always say we don't have a climate strategy, because climate is embedded in our business, and we bear it on our balance sheet," says Intact's CFO, Louis Marcotte. "I think that is a defining differentiator between us and everybody else."

Data and generative AI have a big role to play. Intact now has 500 people working to deploy more than 93 machine learning models, looking for ways to stay ahead of competitors. Brindamour says Intact has been doing this for 10 years, well ahead of most rivals.

The benefits are enormous. For example, AI can generate more than one trillion price points to determine the cost of one household's premium. That means there's a wider array of prices for customers to shop around. "When data is being democratized, you have to move faster to maintain that advantage," says Brindamour, "and that is why we've been on AI for a long time."

Brindamour was destined to be an insurance guy. Growing up in Quebec City, he says there was only one career his guidance counsellor ever discussed: actuary. The early 1990s were difficult times for the province, he says, and the town had a world-class actuarial school. "If you were good in math, you didn't think about all sorts of professions," Brindamour says. "If you wanted a job, you went to study actuarial science." It didn't hurt that both his parents were in insurance.

After graduating from Université Laval in 1992, Brindamour was hired by a small Quebec-based insurer, Commerce Group, that would later be acquired by ING Group. After stints in both Toronto and Europe, Brindamour returned to Canada and was named chief operating officer of ING Canada in 2007. A year later, at 38, he became CEO. In 2009, ING decided to pull out of the country, selling off its banking and insurance divisions, the latter of which became Intact Financial, Canada's largest independent insurer, with Brindamour at the helm. The deal was one of the largest on the Toronto Stock Exchange at the time, raising \$2.2 billion in share sales.

It comes as no surprise that a guy obsessed with numbers has five key principles that have helped guide Intact's success, and he rhymes them off in his office overlooking Queen's