

BEST MANAGED

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STEAM WHISTLE TARGETS QUALITY

At Steam Whistle Brewing Inc. in Toronto, a passion for excellence may seem to run in the family. The craft brewer, started in 2000 by Cameron Heaps, 34, and Greg Taylor, 45, has been named one of the 2008 Best Managed Companies.

Mr. Heaps follows in his father Frank's footsteps. Frank Heaps started Upper Canada Brewing, one of the country's first craft brewers, in 1985, and Upper Canada one of the first companies named to the Best Managed list. Both Cameron Heaps and Mr. Taylor worked for Upper Canada — Cameron from the age of 14.

"I remember how important it was then," Mr. Taylor says. "Being one of Canada's 50 Best became a part of our brand image. It said something to consumers, suppliers and employees alike about what kind of company Upper Canada was."

Almost from the outset, the pair wanted that same stamp of excellence for their own start-up brewery.

The critical acclaim that comes with being a Best Managed recipient follows on great commercial success for Steam Whistle. Based in the CP Rail Roundhouse near Toronto's waterfront, Steam Whistle produces a single product: a European-style Pilsner. It sells its beer in Ontario, in Alberta — a market it entered four years ago — and, more recently, in British Columbia.

From a dead start in 2000, annual volume has risen to 50,000 hectolitres a year and production capacity to about 95,000 hectolitres. That is enough suds to generate just about \$20-million a year in sales, Mr. Heaps says.

The goal is to continue maintaining that pace of growth. It has been quite a feat considering the market Steam Whistle is in has been flat as far as growth goes for the past 20 years.

And yes, being one of Canada's Best Managed Companies seems certain to help sustain that remarkable growth, the pair says.

"We actually entered two years ago and it was a real learning experience," Mr. Heaps says. "We got to see what other companies were doing as best practices and realized we should be doing some of those things as well."

One area that could be improved was human resources, says Mr. Taylor. He says just filling in the questionnaire in the first round of the vetting process convinced the pair they should formalize some HR practices and improve on some benefits.

"We did all that and hired an HR professional as well," Mr. Heaps says. "The reaction from employees was terrific and when they are happy, productivity improves."



Cam Heaps, left, and Greg Taylor of Steam Whistle Brewing Inc. say the Best Managed designation has helped them improve their business habits.

What being a Best Managed company really revolves around is conducting your business the same way you live your life, the pair say.

"Be fair in the way you treat employees, suppliers and customers. Be concerned about the impact the business has on the environment. Be socially responsible in the communities you serve. Focus on creating a quality product. It is all really just common sense," Mr. Taylor says.

In all of these areas Steam Whistle has an advantage, Mr. Heaps says. "One of the biggest factors working in our favour is that we have just one product — our Premium Pilsner. That means we can focus in and we are not distracted by having to balance a whole range of products each directed toward a different

target audience."

The company's motto is "Do one thing really, really well," Mr. Taylor says. That single focus gives the ability to steer all resources to a single end. Beside using the best ingredients, the brewery has a technically advanced qual-

ity assurance lab and what it calls the Team Clean Program, where customer service staff checks the packaged-on dates on stock in bars and restaurants and replaces anything nearing old code. They even clean draught lines to ensure fresh taste.

That same attention to detail extends to its employees. Steam Whistle's devotion to diversity in the workplace saw it win the Immigrant Success Award in 2008 for hiring skilled immigrants and it has twice been nominated for Canada's Most Admired Corporate

Cultures. There is profit-sharing for all employees as well as the opportunity to become shareholders.

The company has even made its location work to its advantage. There are tours each half hour 363 days a year plus two event spaces for par-

ties, fundraisers, meetings and concerts. Steam Whistle's own gallery, which showcases young artists, drew 80,000 visitors last year alone.

The brewery is one of Toronto's few green buildings, depending on alternative energy sources such as District Steam Heat, Deep Lake Water Cooling and 100% green electricity from Bullfrog Power. It uses bio fuel in its delivery trucks, unique glass bottles that can be refilled twice as often as industry standard brown bottles, its waste diversion program composts organic waste, it sends party event leftovers to shelters and was the first brewery to adopt bio-degradable beer cups.

"These are all things Cam and I believe in. We support them in our private lives; it just makes sense to support

them in our business life as well," Mr. Taylor says.

"You might find some operators saying there is not enough bottom line return for some of these initiatives, but all I would do is point to our success. That is proof enough for us."

"Steam Whistle demonstrates the power of engaging an entire organization in the pursuit of a single goal," says John Hughes, National Leader, Canada's 50 Best Managed Companies Program. "Relentless focus on a single product has been the formula for success and has established the foundation for Steam Whistle's growth in the future."

■ To find out how the Best Managed program can help your private company, visit www.canadas50best.com.

The company's motto is:
Do one thing really, really well