

Representative Proposals

- **Cost cutting and e-commerce strategies** for Canada's largest auto parts manufacturer.
- **Market intelligence** for the world's largest manufacturer of health care products.
- **Compensation assessment and realignment** for one of Canada's leading providers of freight transportation and logistics services.
- **Systems analysis and optimization** for a leading financial services provider.
- **Project management support** for one of Canada's foremost life insurance firms.
- **Market/competitor analysis** for Canada's largest pharmaceuticals company.
- **Application software selection support** for a major utilities interest.
- **E-commerce strategy support** for an established toy and gift manufacturer/distributor.
- **Strategic planning support** for a rapidly expanding telecom organization.
- **Financial modeling** for a major Canadian bank.
- **Facilitated session support** for the insurance arm of a leading financial services provider.
- **Freight analysis and alignment** for a major American manufacturing firm.
- **CRM database management** for the investment division of a Canadian banking authority.
- **Strategic planning support** for an American professional services firm.
- **Claims settlement and negotiation support** for a leading life insurance provider.
- **Recruiting cycle support** for an emerging telecom interest.
- **Process engineering** for a leading biomedical company.
- **Lobby support** governing certification procedures for a manufacturer of jet aircraft engines.
- **Process mapping support** for a major insurance authority.
- **Project management and software selection support** for a leading retail giant.
- **Reporting process optimization** for a major North American telecom provider.
- **Business plan development** for an international leader in satellite communications.
- **Market intelligence** for an emerging provider of IT services.
- **Relationship strategy support** for a leading charitable organization.
- **Technology and market assessment** for an American IT solutions provider.
- **Vertical market segmentation** for a renowned manufacturing interest.
- **Supply chain optimization** for one of Canada's leading supermarket and food store operators.
- **Competitor intelligence** for a leading provider of Internet services.

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S·B·R
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Context

SBR's Washington, D.C. and Greater Toronto Area markets continued to boom through 00Q3. Investment in plant and equipment, and the accelerating buildout of IT and telecoms infrastructure, drove business forward.

In the GTA, public investment for the subway, city waterfront, and airport fuelled the economy, as did the continuing private sector boom in condominium construction. Business activity was high in the telecoms and media sectors, with mergers between carriers and content providers. In the financial services sector too, the trend towards consolidation and restructuring continued, with major moves by some financial institutions – such as the demutualization of large insurers – and talk of further mergers on the way.

In the GWA, large construction projects by both the public and private sectors drove the economic climate. Despite the dot-com fallout, the trend towards convergence in the Internet, telecoms and media sectors continued to charge the economy. Equity markets remained volatile with pockets of surge and slump, but interest rate stability and continued high business activity indicate a positive outlook for growth.

The professional services sector continued to restructure and diversify, but a shortage of skilled and talented personnel fuelled inflationary pressure on wages and delivery rates. In e-consulting, a movement toward specialization and a shift from B-2-B to A-2-A initiatives took place. Most major consulting houses now support active outsourcing, technology incubators, and private venture investment funds.

Corporate Overview

July and August witnessed significant business slowdowns, with revenue the lowest in 2 years. SG&A activity constituted over 60% of total hours worked. As a result of the operational slowdown, the company placed greater emphasis upon enhancing and investing in infrastructure and staffing. Significant internal initiatives were undertaken, including—a restructuring of business unit management, an upgrade of the legal documents suite, the roll-out of an independent sales rep program, and a public services sector pilot. However, the bankruptcy of one of the company's customers caused the largest receivables loss in corporate history and dampened reinvestment.

September, however, saw a rebound to rapid growth. The quarter finished with record levels of backlog and staff, and the greatest diversity of project portfolio in corporate history. The GTA units are poised for an exceptionally strong Q4. Recruitment continues, in order to fill over 20 open positions. GWA activity has also expanded, with new work awarded in the intelligence, computer security, and environmental services sectors.

This growth in the amount and scope of work has driven a significant reorganization within the company, with the extension of senior staff and the launch of new LOB's, as well as the expansion of existing ones. New capacity and talent in the company's Advanced Knowledge Management, Legal Support Services, IETS and C⁵I lines of business have enhanced corporate responsiveness and delivery.

Enterprise Services

Enterprise Services provides the shared resources that support and maintain the infrastructure of the company's five SBU's. Its four principal functional areas are—Human Resources, Business Development, Facilities Management, and Administration.

SBR's Human Resource unit grew to 7 FTE to accommodate both internal and practice requirements. Internally, HR increased the company's total FTE head count by over 20%, with offer acceptance rates in excess of 90%. In its external practice, HR was retained to recruit over 50 professionals for a number of customers, including pharmaceutical, retail, banking, and e-commerce ventures.

The realignment of the Business Development unit continued. Marketing and sales cycle costs represented almost 50% of SG&A activity. The unit set new records for its proposal win rate, appointments booked per day, and backlog (which is now tenfold that of 99FYE). Three new staff were landed in the unit. Over 15 specific sector, functional, and service campaigns were launched. The Knowledge Management practice was released mid-quarter. Eight new blue chip clients were acquired.

The Facilities Management and Admin units oversaw the expansion at the Graeme Building, where the first floor was refurbished to house the expanding HR practice. The fifth floor of Graeme was also placed in use, with further renovations anticipated in Q4. The Armoury place building was restructured to house C⁵I.

Business Unit Activity

Financial Services Group / FSG

FSG activity focuses on banks, life and P&C insurers, and on the finance departments of large enterprises. Q3 opened with the unit's lowest revenue and back-log position in over 3 years. Reconstruction of the unit is underway, with FSG finishing the quarter with a strong project book including—

- The analysis of back office software and programming for a funds management firm;
- Evaluation of accounting and deal processing systems for a global insurer;
- Development of financial and operating models for a national CLEC;
- Data modeling support for a large life insurer;
- E-com strategy at a global financial services provider.

Decision Support Services / DSS

DSS projects involve strategy, business planning, risk management, market studies, lobby support, investment due diligence, and M&A process support. Three years ago DSS executed 80% of SBR's business; today it represents less than 10% of business total. However, in response to demand-driven pressures, reconstruction of DSS is well underway.

DSS work in Q3 included—

- Strategic planning for CLEC;
- Technology portfolio due diligence in the incubator of a leading U.S. defense contractor;
- Business concept preparation supporting investment in a electrical services contractor;
- Product assessment and market launch strategy for an Internet security provider.

Operations Support Services / OSS

OSS supports business operations, processes, systems and analysis. In Q3, the unit set records for revenue per month, head count (in excess of 30 FTE), the rate of build out (with growth of over 50% this quarter alone), and the number of projects underway. Engagements included—

- Recruiting of national sales force needed to launch a new pharmaceutical product;
- IT systems pilot management at a major bank;
- Data warehousing design and rollout across the finance units of a global telecom equipment manufacturer;
- Program management office support at a national retailer.

OSS's mandate is increasingly focussed on process and systems optimization, as well as project management services in the non-financial sector.

Industrial Engineering and Technical Services / IETS

IETS focuses on the application of traditional industrial engineering tools and standards (i.e. TQC, ISO, CMM) as they relate to complex infrastructures and physical systems. Areas of practice include—logistics, project office support, mathematical modeling, productivity and asset optimization. Q3 saw this unit launch a project involving process improvement and streamlining for a European-based biotech firm.

Command, Control, Computers, Cyborgs and Intelligent Systems / C⁵I

C⁵I was launched with the reactivation and extension of the company's Armoury Place facilities. The staff of ten in this business unit focus on e-commerce, courseware, Internet security, and ECM/Electronic Counter Measures. By the end of Q3, C⁵I represented almost 10% of company revenue. Work is underway for major US, UK, and Canadian interests.