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## MODULE 10 - CASE STUDIES IN SUCCESS

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- › Examples of successful Games contractors
- › Testimonials: successes and challenges

***Purpose:***

The purpose of this module is to profile some companies that have had previous success in winning bids related to Games-related contracts. These examples demonstrate that small, independent and regionally based organizations can compete and be successful within an international Games bidding process.

Read on for inspiration!

**TESTIMONIALS: SUCCESSES AND CHALLENGES*****Kootenay Knitting Feels the Power of the Rings***

It began as a basement operation known for its high-quality knitted toques, sweaters and vests. But by creating a focused business strategy and targeting Games-related opportunities, Kootenay Knitting doubled production capacity and significantly increased sales.

“The selling power of the Olympic rings is enormous,” says Allan Rella, the company’s CEO. Kootenay Knitting captured an indirect opportunity. They won a high-profile contract to supply the CBC with vests and sweaters for the 2002 Salt Lake City Winter Games. Along the way, they were also asked to supply 2,500 hats to Olympic sponsors.

The exposure the company received on-air and ‘on the ground’ in 2002 has had a tremendous impact on the business, vaulting them into a new level of sales. “We were flabbergasted by the response,” says Rella.

Kootenay Knitting now has 30 employees and is installing state-of-the-art computerized equipment that will double production capacity. Rella anticipates that sales will increase by at least 60 per cent next year, creating “more Kootenay-based jobs and investment opportunities.”

As Rella admits, the Kootenay region has had to cope with many difficult challenges over the last few years. But it’s also a region of resilient people who are determined to revitalize their community. What the example of Kootenay Knitting shows is that businesses can leverage the Games to grow and prosper - ultimately contributing to stronger and more sustainable towns and regions.

***SymbolArts - Doing Their Homework***

*“We kept calling, spoke with many different people and made ourselves known to them even before they were ready for us”*

- MIKE LEATHAM (PRESIDENT AND OWNER OF SYMBOLARTS)

In 1998, with four years to go and the Games taking place in his own backyard, Mike Leatham, President and Owner of SymbolArts started doing his homework. Based out of South Ogden, Utah his company is the manufacturer and designer of high quality commemorative recognition awards, insignia and public safety items that supplied the Salt Lake City Winter Games of 2002. Leatham knew the importance of knowing his target market, profit margins and “having a smart business plan in place” before contacting the Salt Lake Organizing Committee.

“We kept calling, spoke with many different people and made ourselves known to them even before they were ready for us” admits Leatham, who signed an official contract in 1999 to produce items for the Games such as security badges, medallions, jewelry, nameplates and even Olympic Christmas ornaments. “We had to put up a substantial amount of money in the beginning to serve as a deposit on the royalty required to become an official licensee, and that factor weeded out a lot of people because it was a scary thing - a risk.”

“The month before the actual Games was our best month ever, it was out of control,” with 50 per cent of their 2002 revenues derived from Games business. Unfortunately their contract as an official licensee expired in December of 2002 preventing them from filling any further requests for official merchandise. In terms of surprises, Leatham was absolutely “shocked that six months after the Olympics were over that business was still good,” with many people who had volunteered for the Games still wanting items from SymbolArts. In terms of residual effects of being involved and exposed at an Olympic level, Leatham says, “We have made great connections that have lasted, and now have police officers from as far as Chicago calling us for badges.”

As a result of his Games experience Leatham has some good advice to offer other companies wanting to leverage opportunities. “I saw several companies go out of business despite having secured Olympic contracts, simply because of poor planning and not knowing their intended market. Stay focused, keep it simple, have a plan and most importantly see it through to the end.” Upon reflection Leatham also admits that “overall we had too many products which required a lot of inventory and design time. For example there were coasters we produced that hardly sold whereas our badges for police, fire, security and other federal representatives were the most requested item.”

Despite a trade mission to Italy, Leatham is hesitant to do business overseas. “We don’t have a customer base there and we don’t know what the buying habits are,” confessing they know consumers in North America a lot better. “I’ve met several Olympic security representatives in Italy who know what we produce that are interested in signing us, but we have no strong commitment from them yet.” In Canada it will be good,” says Leatham who visits regularly and is very interested in becoming an official licensee for the 2010 Winter Olympic Games in Vancouver. “It is only 800 miles from here, which doesn’t seem far considering how far SymbolArts has come since they started doing their homework” in 1998.

### ***SuperGraphics - Planning Nets Olympic Payoff***

With the world watching, the Organizing Committee in Salt Lake was determined to transform their city into a Games community. As a full service digital graphics provider, SuperGraphics was successful in making those dreams come true despite weather and installation challenges. In overcoming these obstacles, the company was the only graphics contractor to finish without changing the initial completion date.

A privately owned subsidiary of GM Nameplate Canada Corp., SuperGraphics believes that if you can see it, they can create it. From billboards to fleet graphics, retail interiors, construction hoardings and movie props, they are equipped to implement an organization's advertising needs anywhere in Canada and the United States of America (USA).

Credited with the invention of the now-common bus wrap, SuperGraphics USA is located in Seattle, where a sales team forwards orders to the Surrey location for large format graphics production requiring a 16-foot wide printer. "It's the only one of its kind in British Columbia, which allows the company to explore new graphic possibilities," says David Woodman, General Manager. Using this technology, SuperGraphics contributed more than \$150,000 in graphic materials to the Vancouver 2010 Bid Corporation.

The Seattle office made a detailed presentation to the Salt Lake Organizing Committee more than a year in advance to qualify as a graphics provider. This led to a successful bid on portions of the graphics program, regarded as the "most graphically illustrated Games in Olympic history." The result? SuperGraphics USA/Canada was the single largest provider of graphics products to the 2002 Winter Games.

"Every day was a surprise," says Woodman, describing the Salt Lake City experience as "frantic and demanding, yet creating new respect for the company nationally and internationally." In only two months, SuperGraphics produced 12,000 reflective directional signs, 100 printed table skirts, 50 media backdrops, 135 bus wraps and fascias for various venues.

The Winter Games work, however, comprised only 10 per cent of SuperGraphics' revenues that year. The venture was a low margin project that required a lot of hard work with a potential for priceless credibility and worldwide exposure. Following the 2002 Games, the Surrey facility enjoyed a substantial revenue boost in a traditionally slow period. Woodman advises businesses against over-investment, or developing an entire business plan on servicing one event. He also suggests partnering where it makes sense.

"When the program is over, the company will need to be able to service its debt and pay its bills based on business as usual and responsible growth," Woodman concludes. That being said, SuperGraphics plans include expansion and staff recruitment. David Woodman indicates that he has sent his company brochure and contact information to VANOC. Just as the Games illuminate extraordinary athletic achievement despite gruelling obstacles, the imagination of the SuperGraphics team show the world that graphic possibilities are truly endless.

***EB Engineering's Success a Beacon of Light for Small Companies***

"Small companies should not feel intimidated by the Olympics," says Eddy Butler, President of EB Engineering. "In fact, our experience so far is that organizers like to deal with smaller companies." Located in Sidney, BC, EB Engineering is a small operation with just one full-time and two part-time employees. The company designs and manufactures solar-powered LED lighting for marine, highway, rail and other applications. Since 1998, they have produced the SunBeacon brand of lights, which are distributed worldwide.

"Early on, I spoke with my distributor in Greece about the opportunity to get in on the Athens Olympics," says Butler. "We already had a strong reputation in the country as our product is used by the Hellenic Navy. Before we knew it, we were asked to help develop the specifications needed for lighting the sailing and swimming events. After that, we won the contract."

While SunBeacon's existing presence in Greece was influential in winning the contract, Butler is convinced that a company of any size - so long as it has a great idea - can play a part in Olympic contracts if they have the right attitude.

"Be bold," says Butler. "I really think that small companies can succeed on Olympic bids. The guy in the basement is often the one developing the innovative stuff. It's all about confidence."

The contract for the 2004 Summer Games led to a significant amount of publicity in Greece and beyond. A new project at the Suez Canal came about because of the Games contract; as well as the addition of five new distributors around the world. Having the "Olympic feather in our cap" has proved extremely valuable in terms of proving our SunBeacon products and our company.

***Opening Doors at the Games - Sitka Log Homes***

While large corporations will undoubtedly benefit from many of the direct opportunities offered by the Olympic and Paralympic Games, many small companies are equally successful. If it's anything like the experience of Sitka Log Homes, the result can be phenomenal-gaining international exposure and a surge in new business.

Successfully competing against two companies in the United States, Sitka Log Homes - based in 100 Mile House, BC - won a contract to build three log lodges at Snowbasin, Utah. The lodges were built on the main ski runs used in the alpine speed events and were used by Olympic officials. Sitka's staff of 18 built the components of the lodges using salvaged pine-beetle infested wood, and then assembled the lodges on the Utah mountainside.

"It was great exposure for our product," says General Manager Walter Bransleven. "People from all over the world got to see what we build. Since the Games we've had a lot of follow-up business - we're getting inquiries from around the world and orders from across North America."

International exposure has propelled the company to a new level. Sitka Log Homes has hired an additional 10 people to meet the demand for new orders, and the company has expanded to Vernon. With a more diverse client base and a 30 per cent increase in production, Sitka can credit the 2002 Winter Games for providing the opportunity to open their doors to the world.

***Mills Basics – Using the Sustainability Advantage***

In the start-up stage of VANOC, family-owned Mills Basics was chosen to provide office supplies to the organizing committee. The words were buried deep in the pages of the guidelines, but Brad Mills knew they would give his proposal the edge he was hoping for: “Social responsibility, environmental stewardship and sustainability”. They were in Appendix C, a very light reference to a commitment to sustainability,” said Mills, CEO for Mills Basics. “I knew we had what they were looking for.” Mills wanted to win the contract to provide office supplies for the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC), but he knew his company would be competing against huge corporations with millions behind them.

Mills Basics is a private, family-owned business in east Vancouver. It was founded in 1949 by Don Mills, who was 19 years old at the time, in the basement of his parents’ house in Kitsilano. The company now has 70 full-time employees at its warehouse and print shop on Clark Drive, and Mills’ son, Brad Mills, is the CEO.

The company is also part of a consortium of independent office supply companies across the country, called Basic Office Products, which gives the smaller operations the purchasing power of the office-supply giants such as the U.S. Staples chain. “Mills Basics is a 100 per cent B.C. owned and operated,” Brad Mills says with a clear sense of pride.

When he learned about the request for proposals for office supplies, Brad Mills jumped into action. The company had one month — and one chance — to develop a winning proposal. “The first question was; can we live up to the expectations of an event like this. We have experience with sports, and have worked with the Greater Vancouver Open, the Canucks and the Grizzlies. We are experts in office supplies, so we were very comfortable responding to the proposal,” he said. There was also no question the company could offer proof of its commitment to the community. “Corporate social responsibility and social value are all words we live by,” he said. “The community is where Mills Basics leads. We don’t have the big dollars of the large corporations, but we do have an environmentally friendly office, warehouse and print shop and we try to help the community move forward environmentally, economically and socially.”

Mills Basics is part of Vancouver’s Fast Track to Employment, an employment program in the city’s Downtown Eastside that assists unemployed and under-employed residents in finding jobs. The company has hired and trained youth at risk, the hard to employ, and recovering addicts, offering mentorships and health benefits to help them enter the workforce. So far, they have hired eight people, but Brad Mills says it’s not enough. “We’d like to triple that number in the next 12 months.” The company is also a founding member of the Vancouver Social Purchasing Portal, a web-based service for business-to-business transactions between companies that value social responsibility and community development.

Although it was important to highlight the company’s credentials and expertise in office supplies, Brad Mills wanted to focus the proposal on what VANOC — the customer — needed from Mills Basics. “We can all pick, pack and wrap,” he said. “It may not be as fancy as others, but it’s the same work. We looked at what they needed, what they explicitly said they wanted and also what they didn’t say but could be read between the lines.”

The result was that Mills Basics was the only small company on the short list for the office supplies bid, and then the winner of the contract. “We’re a little tiny company, and we were competing against corporations with hundreds of employees, huge U.S. and European companies with billions behind them. Then you’ve got us — a \$10-million operation,” Mills said. This was validation that small, independent, Canadian, family-owned companies can provide services to one of the most exciting events in the country. It makes us extremely proud. “And if we can do it, so can others.”

Brad Mills has a few suggestions to offer others who are making proposals for contracts for the 2010 Olympic and Paralympic Winter Games. First, do some research; talk to people in the organization and suppliers who are already working with VANOC. Then, consider your proposal from the customer’s perspective rather than from your business’s point of view. Remember to read the fine print. “Look beyond what they’re asking for and really try to understand the key corporate objectives,” he said. “What do they say they want, and what else do they want but aren’t saying.”

Mills Basics has already developed standard office supply kits for new employees that can be pulled together and delivered daily as the committee hires staff. The company is also planning a trip to Salt Lake City to talk to the suppliers involved with the 2002 Winter Games to find out what worked and what could have been done better. Even though it is nearly three years in the future, Brad Mills is already thinking about 2010 and how to set up temporary supply stores and keep the shelves stocked to meet hundreds of different daily needs during the games. “We’ve got a lot of work to do to make sure we’re as ahead of the customer as possible,” Mills said. “Our work is just starting. We have to make sure we have the systems and capabilities in place to meet their needs. Everything should be seamless. We are just so excited.”