

MM PA C REPORT

CAMSC HIGHLIGHTS

Shared Value of Supplier Diversity

BUSINESS VALUE

TOP FACTORS FOR AWARDING BUSINESS TO CAMSC SUPPLIERS

- 
COST COMPETITIVE
....
- 
COST SAVINGS
....
- 
ENHANCED PRODUCT/SERVICE QUALITY
....

SOCIAL VALUE

Aboriginal and minority-owned businesses are more likely to create jobs in their communities than large corporations.



For contracts awarded to CAMSC suppliers in 2013, **56%** of employees were Aboriginal or minority, compared with 21% at federally regulated corporations.

ECONOMIC VALUE

In 2012, **37%** of CAMSC suppliers were considered high-growth firms, meaning those firms with annual revenue growth greater than 20%.



BY THE NUMBERS

\$1.2 Billion

CAMSC Corporate Members spend with CAMSC certified suppliers (since 2004)

560+

Aboriginal & Minority Suppliers in the Diversity Business Marketplace

75+

CAMSC Corporate Members

WHY SUPPLIER DIVERSITY AND WHY CAMSC

Identify new suppliers: reduce costs & leverage innovation

Increase revenue: support government and commercial contract requirements

Demographic shift = market shift: build brand loyalty & brand visibility

Support wealth creation in the communities in which you do business

WELCOME

CAMSC is proud of the leadership role it has played in enabling supplier diversity to flourish across Canada. Since CAMSC launched in 2004, we have been able to identify and facilitate connections for many hundreds of inspiring, hard-working Aboriginal and minority entrepreneurs who have demonstrated their business value – cost savings, enhanced quality, innovative solutions – to a wide range of Canadian and global corporations. We are pleased that a collaborative ecosystem of certification and business support organizations is developing that strengthens the ability of corporations to implement inclusive procurement at scale.



CAMSC invests significant efforts in enhancing the business value of supplier diversity to our membership base. However, in celebration of our 10th anniversary, we thought it worthwhile to pause and reflect as well on the social and economic impact of supplier diversity. This impact report is the result of these efforts.

The report highlights the shared business, economic and social value of supply chain diversity. It demonstrates the competitive solutions that Aboriginal and minority suppliers are delivering, the productivity investments to enhance growth and the employment that Aboriginal and minority-owned businesses create in their communities.

While the results to date are encouraging, there is a long way to go to achieve full economic inclusion of Aboriginal peoples and visible minorities. Large corporations cannot achieve economic inclusion alone. They need the support of their prime vendors to expand the opportunities to a wider range of suppliers. We also need government policy-makers to recognise the economic advantages of an inclusive supply chain that enhances Canada's productivity, broadens its tax base, as well as the wealth creation that Aboriginal and minority suppliers deliver to the wider community. Last but not least, we need to spread the word to ensure that more Aboriginal and minority suppliers are aware that large corporations are actively looking to be inclusive, so that small businesses include corporate supply chain opportunities in their growth strategies.

We hope you will join us for the next 10 years to expand the shared business, economic and social value of supplier diversity across Canada.

Sincerely,

Cassandra Dorrington
President

ACKNOWLEDGEMENTS

We would firstly like to acknowledge the support of Accenture, which partnered with us on survey design and data analysis, for its time and contributions to this report. We would also like to recognize the support of Johnson Controls, Kellogg's and Fresh Art & Design, who made production of this report possible.

Lastly, we would like to acknowledge and express our thanks to CAMSC's Board members who have contributed to the direction and growth of CAMSC over the past 10 years.

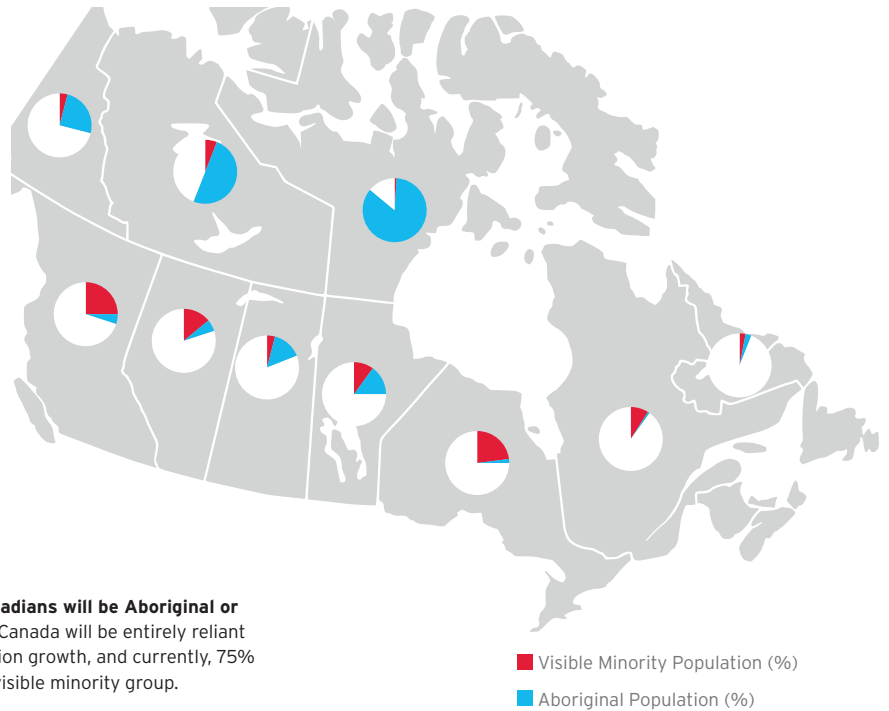
CAMSC BOARD MEMBERS



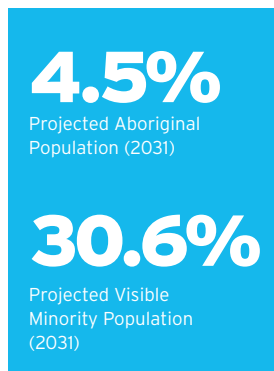
ABOUT CAMSC

Established in 2004 as a private-sector-led non-profit, the Canadian Aboriginal and Minority Supplier Council's (CAMSC) mandate is to promote and facilitate the inclusion of Aboriginal and minority-owned businesses in procurement opportunities for corporate Canada. CAMSC is modelled after and has a reciprocity agreement with the National Minority Supplier Development Council (NMSDC), providing CAMSC certified suppliers with improved access to the US market.

ABORIGINAL AND MINORITY DEMOGRAPHIC HIGHLIGHTS



THE CHANGING FACE OF CANADA



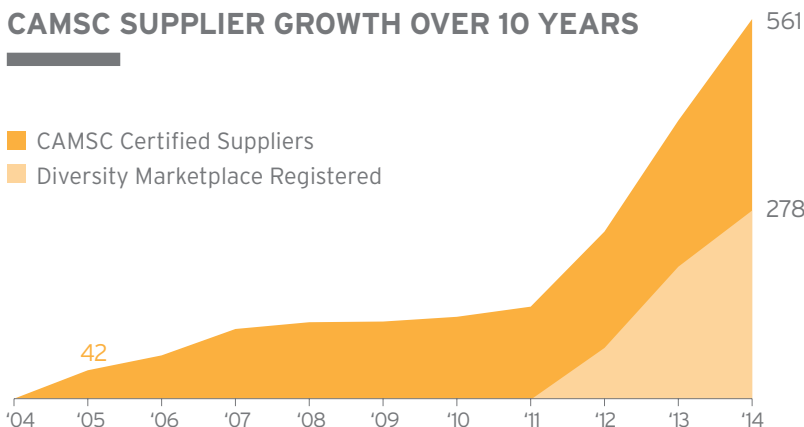
By 2031, one in three Canadians will be Aboriginal or visible minority. By 2030, Canada will be entirely reliant on immigration for population growth, and currently, 75% of immigrants belong to a visible minority group.

At the same time, the First Nations, Métis and Inuit population grew 20% between 2006 and 2011. The Aboriginal population is poised to continue this explosive growth given its median age is 13 years lower than the Canadian average.

This dramatic growth presents business opportunities for companies not only to attract new customers in a marketplace where buying power and investment needs will rapidly increase but also to leverage their skills, innovation and entrepreneurial mindset.

CAMSC SUPPLIER GROWTH OVER 10 YEARS

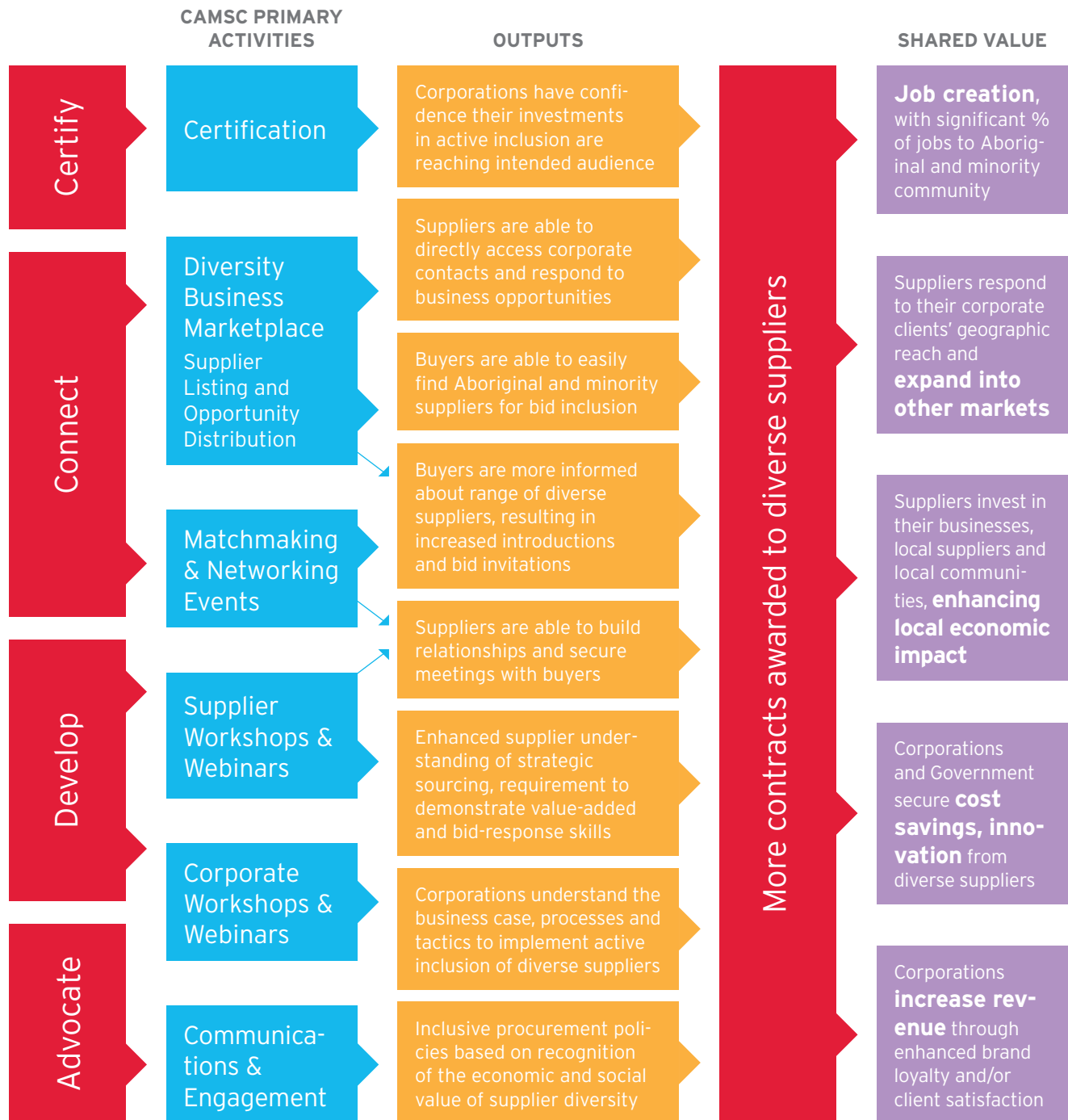
■ CAMSC Certified Suppliers
 ■ Diversity Marketplace Registered



Supplier diversity is a strategic business process aimed at providing diverse-owned companies an equal opportunity to become suppliers to major corporations across Canada and the US. Corporations are capitalizing on the opportunity for competitive advantage as well as community engagement that comes from working more closely with a broader range of Aboriginal and minority suppliers. Supplier diversity also offers significant opportunities to create wealth and employment in Aboriginal and minority communities.

Since its inception in 2004 with eight founding corporate members, CAMSC has connected hundreds of Aboriginal and minority-owned suppliers to business opportunities at more than 75 Canadian and multinational corporations.

SUPPLIER DIVERSITY THEORY OF CHANGE



MEMBERSHIP Value

Corporate members of CAMSC have access to a range of tools and services developed to facilitate engagement, inclusion and utilization of Aboriginal and minority suppliers in the supply chain.

TOP 5 MEMBERSHIP BENEFITS FOR CAMSC CORPORATE MEMBERS



3 OBSTACLES REPORTED TO SECURING BUSINESS WITH LARGE CORPORATIONS



Inclusive procurement implementation is a change management process that requires buy-in and support from executives to procurement and business unit leaders across very large organizations. While this change is not immediate, with executive support and performance incentives, companies are communicating and building awareness across the organization, resulting in increased opportunities for CAMSC certified suppliers. In 2013, CAMSC corporate members spent more than \$470 million with CAMSC certified suppliers, representing more than 180 contracts.

TOP

5

BENEFITS

FOR CERTIFIED CAMSC SUPPLIERS



IDENTIFY NEW BUSINESS CONTACTS
....



SECURE MEETINGS WITH CORPORATE PROSPECTS
....



RETAIN BUSINESS WITH CORPORATE CLIENTS
....



INFORMATION ON DOING BUSINESS WITH LARGE CORPORATIONS
....



NETWORKING EVENTS

SUPPLIER PROFILE **TEAMRECRUITER.COM**

People, passion and purpose have long characterized Leonard Jean-Pierre Anthony's approach to life. Leonard found his entrepreneurial drive and passion for engaging people early on, launching two ventures in high school. After harnessing that same drive for a successful career in the CFL, Leonard dove into HR recruitment, and followed his passion for finding the best people to launch TeamRecruiter.com.

Since certification in 2005, the company has grown to include a US head office in Chicago, with branch locations that support all Canadian Provinces and US states. Their growth is tied to contracts secured with more than 10 CAMSC corporate members as well as other corporations throughout North America.

Diversity is at the core of their philosophy and is highlighted in their ownership, internal policies and service offerings. Leonard is particularly proud of TeamRecruiter.com's work seeking out new Canadians, providing them with an opportunity to demonstrate immediate value as a member of the TeamRecruiter.com team, and charting their long-term contributions to the Canadian economy.

MEMBER  ACCOUNT

CAMSC certification is a strategic advantage that can create opportunities that would normally be unavailable. Certification gave us the opportunity to compete for new business, and retain and grow existing accounts.



LEONARD JEAN-PIERRE ANTHONY
OWNER

LAUNCHED BUSINESS
2000

CERTIFIED
2005

INDUSTRY
STAFFING AND HUMAN RESOURCES

EMPLOYEES AT CERTIFICATION
10

INTERNAL EMPLOYEES 2014
50+

ABORIGINAL OR MINORITY EMPLOYEES 2014
85%

ASSIGNMENT EMPLOYEES 2014
500+

REVENUE GROWTH SINCE CERTIFICATION
\$13 MILLION



HEAD OFFICE
MARKHAM, ONTARIO

CAMSC corporate members are finding competitive suppliers. Since CAMSC's launch in October 2004, corporate members have spent more than

\$1.2 Billion

with CAMSC certified Aboriginal and minority-owned businesses



The diverse team at TeamRecruiter.com, Toronto Central Branch

BUSINESS Value of Supplier Diversity

Corporations are tracking the positive returns on investment of supplier diversity, including its contributions to cost savings and innovative solutions, increased corporate and government revenue, as well as brand loyalty in the fast-growing Aboriginal and minority consumer base. The social return on investment of increased Aboriginal and minority employment enhances the total value.

CORPORATE SPEND WITH CERTIFIED SUPPLIERS

CAMSC corporate members are revising procurement processes to enable active outreach and inclusion of diverse suppliers in bid opportunities. This has resulted in business awards to competitive, quality-driven and innovative Aboriginal and minority suppliers. Opportunities range in value from several thousand dollars to multiyear, multimillion dollar awards.



100% of corporate members responded that supplier diversity strongly contributes or contributes to securing new clients

TOP 5 FACTORS FOR AWARDING BUSINESS TO CAMSC SUPPLIERS

- COST COMPETITIVE** ...
- COST SAVINGS** ...
- GEOGRAPHIC COVERAGE** ...
- ENHANCED PRODUCT/SERVICE QUALITY** ...
- ENHANCED SERVICE DELIVERY LEVELS**

SUPPLIER PROFILE STANDARD TOOL & MOLD

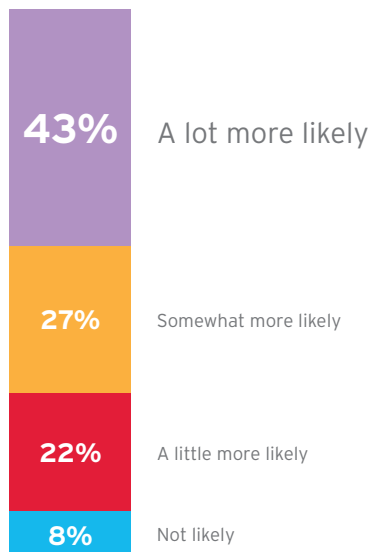
After years of working in the mold-manufacturing industry, Jin Hu was keen to take on the challenge of developing new molding processes that would deliver greater value to clients. In 1996, he launched Standard Tool & Mold as a full-service supplier of injection molds for the plastics industry.

Since Standard Tool & Mold became certified, it has tripled its workforce and quadrupled its revenues. Jin and his team recognize the dynamic nature of the automotive sector, and are constantly adapting their services and business model to better service customers. Investing in an owned and operated offshore facility has contributed to strong growth, in addition to increasing their capacity to produce both large and small molds cost effectively. They are looking forward to continued growth as they expand part-production capabilities at their offshore facility, while also exploring an additional location to serve the growing manufacturing base in Mexico.



INCREASE BRAND LOYALTY

How much more likely would you be to purchase products/services from companies that invest in your local community?



MEMBER ACCOUNT

We are constantly striving to improve through the use of new technologies, advanced equipment and our dedication to quality. CAMSC has opened doors to numerous automotive matchmaking events that gave us the opportunity to connect and showcase our value. CAMSC certification has been a valuable tool to help us get noticed.



JIN HU
OWNER

LAUNCHED BUSINESS
1996

CERTIFIED
2005

INDUSTRY
MANUFACTURING – AUTO-MOTIVE AND CONSUMER PRODUCTS

OFFSHORE FACILITIES
SHENZHEN, CHINA

EMPLOYEES AT CERTIFICATION
12

EMPLOYEES 2014
36

REVENUE GROWTH SINCE CERTIFICATION
400%



HEAD OFFICE
WINDSOR, ONTARIO

56% of CAMSC corporate members engage with Aboriginal and minority suppliers to gain insights into Aboriginal and minority markets.

In addition, CAMSC certified suppliers indicated they are more likely to support companies that invest in their local cultural communities.

This feedback correlates with other studies. 42% of North American respondents in Nielsen's 2014 corporate social responsibility survey say they are willing to pay extra for products and services from companies that are committed to positive social and environmental impact.

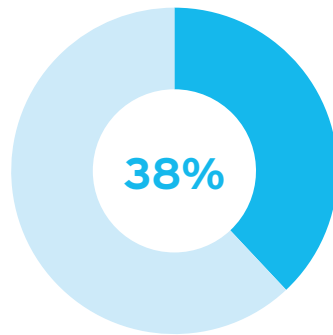
SOCIAL Value of Supplier Diversity

While identification of innovative, competitive suppliers remains the primary driver for CAMSC corporate members to invest in supplier diversity, corporate social responsibility remains one of the top 3 drivers of programs in Canada.

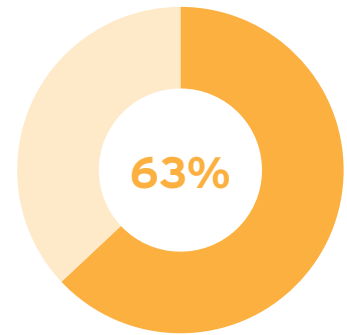
The most significant social impact of supplier diversity is enhanced employment opportunities for Aboriginal peoples, visible minorities and new immigrants. Aboriginal and minority-owned businesses are more likely to create jobs for Aboriginal and minority community members than large corporations.

JOB CREATION

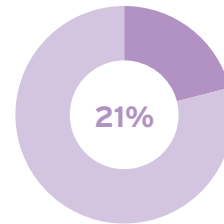
Average % of employee base that is Aboriginal or minority (2013)



CAMSC CERTIFIED ABORIGINAL-OWNED BUSINESSES



CAMSC CERTIFIED MINORITY-OWNED BUSINESSES

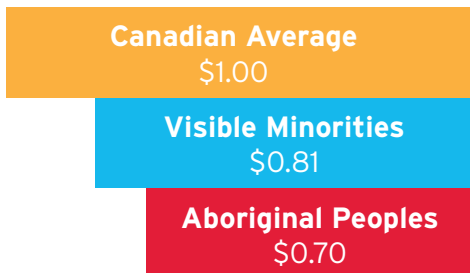


Federally regulated private-sector companies

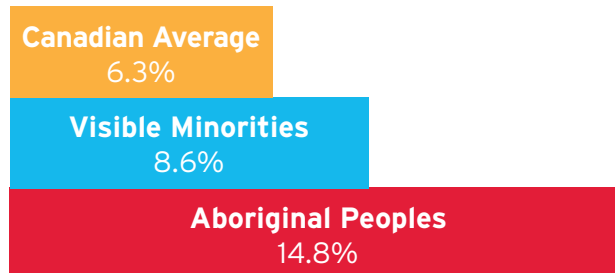
Aboriginal people and visible minorities experience significant when compared to the Canadian average.

ABORIGINAL AND MINORITY UNEMPLOYMENT & WAGE GAP

CANADIAN INCOME DISPARITY (2006)



CANADIAN UNEMPLOYMENT RATE (2006)



SUPPLIER PROFILE ACOSYS CONSULTING SERVICES

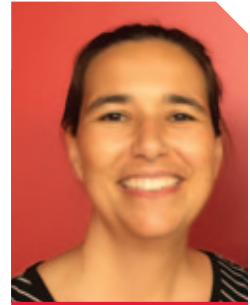
Inspired by the 1996 Royal Commission on Aboriginal Peoples, which stated that “the greatest hindrance to Aboriginal peoples was a lack of training and lack of opportunity,” Julie Lepage and David Acco decided to respond to the challenge. In 2006, they launched a social enterprise that leveraged their IT and human-resources expertise to deliver consulting solutions that simultaneously enabled inclusion of Aboriginal people in professional and management roles.

Their track record of efficient project delivery and a number of satisfied clients in the CAMSC network provided Acosys with a solid foundation and reputation on which to introduce their innovative model for Aboriginal internship. The Aboriginal Internship Program (AIP) recruits, helps to train and provides support to Aboriginal talent through the entire internship lifecycle, offering major corporations a cost-effective opportunity for project staff augmentation while building talent and capacity in the Aboriginal community.

With a success rate of 100% – all interns are now working full time in the private sector in professional positions – Acosys is excited about its progress building towards a national Aboriginal internship program with private-sector clients and government partners.

MEMBER  ACCOUNT

CAMSC has opened the doors and helped us to build our identity as social entrepreneurs. The certification has helped us gain access to corporate members, especially those with well-developed corporate social responsibility, diversity and inclusion policies.



JULIE LEPAGE AND DAVID ACCO
OWNERS

LAUNCHED BUSINESS
2006

CERTIFIED
2007

INDUSTRY
PROFESSIONAL SERVICES

ABORIGINAL INTERNSHIP PLACEMENTS SINCE CERTIFICATION
15



HEAD OFFICE
MONTREAL, QC

employment and income disparities

CAMSC suppliers spent almost **40% of donations and volunteer hours** supporting local cultural community initiatives.

3,396 JOBS

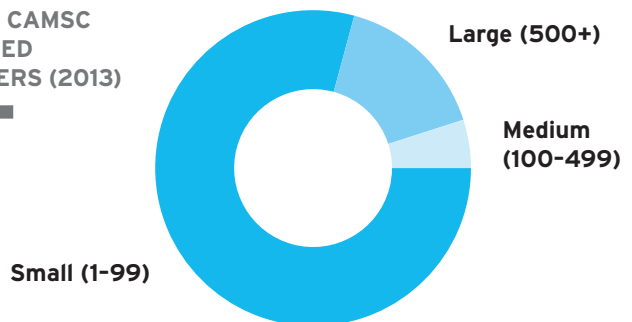
Since the launch of the Diversity Business Marketplace, CAMSC has tracked total jobs supported, as well as jobs created for Aboriginal and minority community members.

In 2013, CAMSC certified suppliers earned more than \$470 million in revenues from corporate members. These CAMSC suppliers sustained or created 3,396 jobs, or 56% of total employment, for Aboriginal peoples and visible minorities.

ECONOMIC Value of Supplier Diversity

Small businesses account for more than 98% of all firms in Canada and proportionally play a large role in net job creation. Over the past 10 years, small businesses created 78% of all private-sector jobs, or a little over 100,000 jobs each year on average.

SIZE OF CAMSC CERTIFIED SUPPLIERS (2013)



ABORIGINAL AND MINORITY BUSINESSES IN CANADA

Aboriginal and minority-owned businesses are becoming an increasingly significant part of the economy. Minorities are buying/starting businesses at 1.5 times the rate, and Aboriginal peoples at 9 times the rate, of other entrepreneurs.

\$2.6 Billion

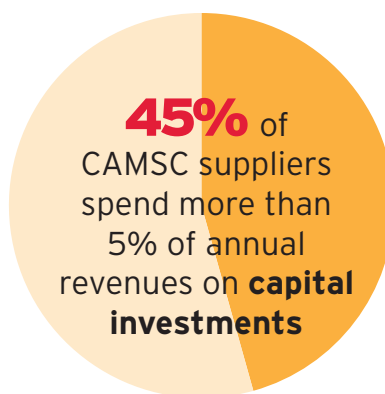
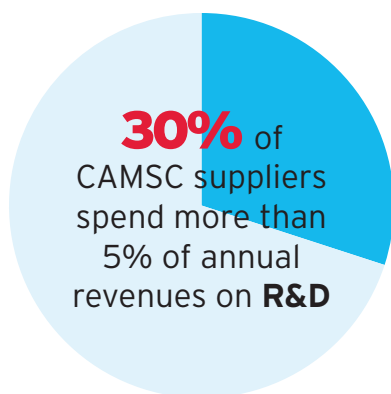
Total Revenue of CAMSC Certified Suppliers (2013)

11,551

CAMSC Certified Suppliers Total Employment in Canada (2013)

SUPPLIER INVESTMENTS

CAMSC certified suppliers are investing in innovation and productivity enhancements.



SME BUSINESSES IN CANADA

2% Aboriginal
9.8% visible minority



As of December 2012, there were 1,107,540 SME businesses (with 1 or more employees) in Canada.

SUPPLIER PROFILE **CONTACT SERVICES**

When Riaz Pisani acquired Contac Services, it was a small, regional travel-print-fulfillment company serving western Canada. He quickly saw the opportunity for innovation, and invested in developing a platform that leveraged both technology and personalization. Within 12 months of launch, Contac Services controlled the travel-print-fulfillment sector across Canada based on its efficient, reliable and personalized customer capabilities.

Contac Services is now a global technology company offering fully integrated supply-chain solutions for its customers. Its rapid growth has been enabled by a significant in-house technology team that continuously innovates to enhance its procurement and middleware ordering platforms, combined with strategic alliances that allow Contac to focus on data-driven and customized solutions.

With 6 logistics and fulfillment warehouses across North America, it is looking forward to rapid expansion across the US, as it work to fulfill its Fortune 100 clients' supply-chain needs.

MEMBER  ACCOUNT

While Contac Services leads its customer discussions with its innovative solutions, CAMSC certification is an added advantage when engaging North American clients committed to a diverse supply chain.... A CAMSC introduction goes a long way to building trust and opening doors.



RIAZ PISANI
OWNER

ACQUIRED BUSINESS
2004

CERTIFIED
2010

INDUSTRY
TECHNOLOGY SOLUTIONS

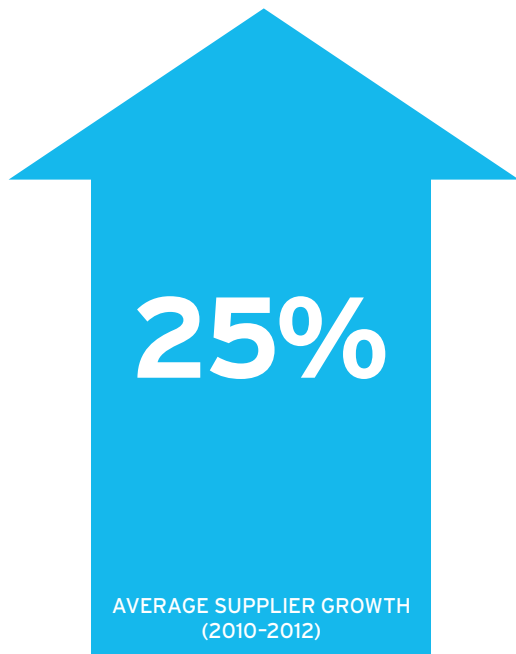
EMPLOYEE GROWTH SINCE CERTIFICATION
120

ABORIGINAL AND MINORITY EMPLOYEES
50%

REVENUE GROWTH SINCE CERTIFICATION
200%



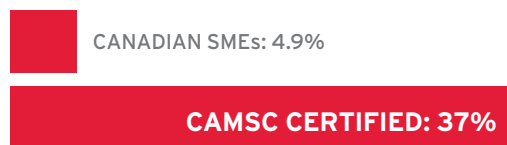
HEAD OFFICE
VANCOUVER, BC



CAMSC CERTIFIED SUPPLIERS ARE GROWING FASTER THAN THE AVERAGE CANADIAN SME

For suppliers certified from 2010 to 2012, the average growth rate was 25%. In 2012, 37% were considered high-growth firms, meaning those firms with annual revenue growth greater than 20%. In comparison, Industry Canada reported approximately 4.5-4.9% of total SMEs are high-growth firms.

HIGH GROWTH FIRMS



GLOSSARY

Aboriginal Peoples	The <i>Employment Equity Act</i> defines Aboriginal peoples as persons who are First Nations (Indian), Inuit or Métis.
CAMSC	Canadian Aboriginal and Minority Supplier Council.
High-Growth Firm	According to the definition of the Organisation for Economic Co-operation and Development, high-growth firms are those with average annualized growth rates greater than 20% per year, over a three-year period, and with 10 or more employees at the beginning of the period.
NMSDC	National Minority Supplier Development Council
Shared Value	Shared value is a management principle, developed by Michael Porter and Mark Kramer, that seeks opportunity for business in solving social problems.
SME	Small and Medium-sized Enterprise, defined as per Industry Canada as any business with 1-499 employees (small businesses are 1-99 employees).
Visible Minority	The <i>Employment Equity Act</i> defines visible minorities as persons, other than Aboriginal persons, who are non-Caucasian in race or non-white in colour. The visible-minority population consists mainly of the following groups: South Asian, Chinese, Black, Filipino, Latin American, Arab, Southeast Asian, West Asian, Korean and Japanese.

METHODOLOGY

The results of the report are based on data that CAMSC collects in the Diversity Business Marketplace from all of its certified suppliers, especially annual revenue and employment, and augmented with corporate member and certified supplier surveys. CAMSC data was compared with published information from Statistics Canada and Industry Canada where available.

Just under 50% of CAMSC corporate members reported spend with CAMSC certified suppliers in 2013. These companies were invited to respond on the specific business value of awarding contracts to CAMSC suppliers, as well as the value of supplier diversity to company revenue and brand loyalty. Survey responses on the business value of awarding contracts to 72% of certified suppliers were provided.

All CAMSC certified suppliers were invited to participate in an online survey during July and August 2014, with a response rate of 27%. Uptake of the survey was lower than expected during the summer holiday period; however the sample size was sufficiently diverse to capture the views of a range of sectors and business sizes.

REFERENCES

- Block, S. "Ontario's growing gap: The Role of Race and Gender," Canadian Centre for Policy Alternatives, 2010
- Building Markets, "Sustainability Framework," 2013. <http://www.buildingmarkets.org/our-impact/sustainability>
- Employment and Social Development Canada, "Employment Equity Act: Annual Report 2013," page 15
- Industry Canada, Small Business Branch, "Survey On Financing And Growth Of Small And Medium Enterprises, 2011 – Data Tables," September 11, 2013, pages 22-30
- Industry Canada, Small Business Branch, "Key Small Business Statistics," August 2013
- The Nielsen Company, "Doing Well by Doing Good," June 2014.
- Porter, M.E., Kramer, M.R. "Creating Shared Value," Harvard Business Review, 2011
- Statistics Canada, "Projections of the Diversity of the Canadian Population: 2006-2013," March 2010
- Statistics Canada, "Population Projections by Aboriginal Identity in Canada: 2006-2031," March 2012
- Wilson, D., Macdonald, D. "The income gap between Aboriginal peoples and the rest of Canada," Canadian Centre for Policy Alternatives, 2010



To keep our company and communities growing strong, we source from the widest and the best base of suppliers. CAMSC is our valued partner as we seek out certified Aboriginal and minority suppliers across Canada.



DEBRA QUADE
Supplier Diversity Manager,
The Kellogg Company



We believe supplier diversity is a critical ingredient in value creation. Johnson Controls currently works with more than 600 diverse suppliers because they are delivering better performance, reduced costs or introducing innovation. This diverse supplier base enhances value for our customers and strengthens the communities in which we operate.



ALBERT LOUIS
Global Director, Supplier
Diversity & Business
Development,
Johnson Controls Inc.





CAMSC

Canadian Aboriginal and
Minority Supplier Council



Conseil canadien des fournisseurs
autochtones et de minorités visés

**CANADIAN ABORIGINAL
AND MINORITY SUPPLIER COUNCIL**

95 Berkeley Street, 2nd Floor,
Toronto, Ontario M5A 2W8

Phone: 416-941-0004

Fax: 416-941-9882

www.camsc.ca