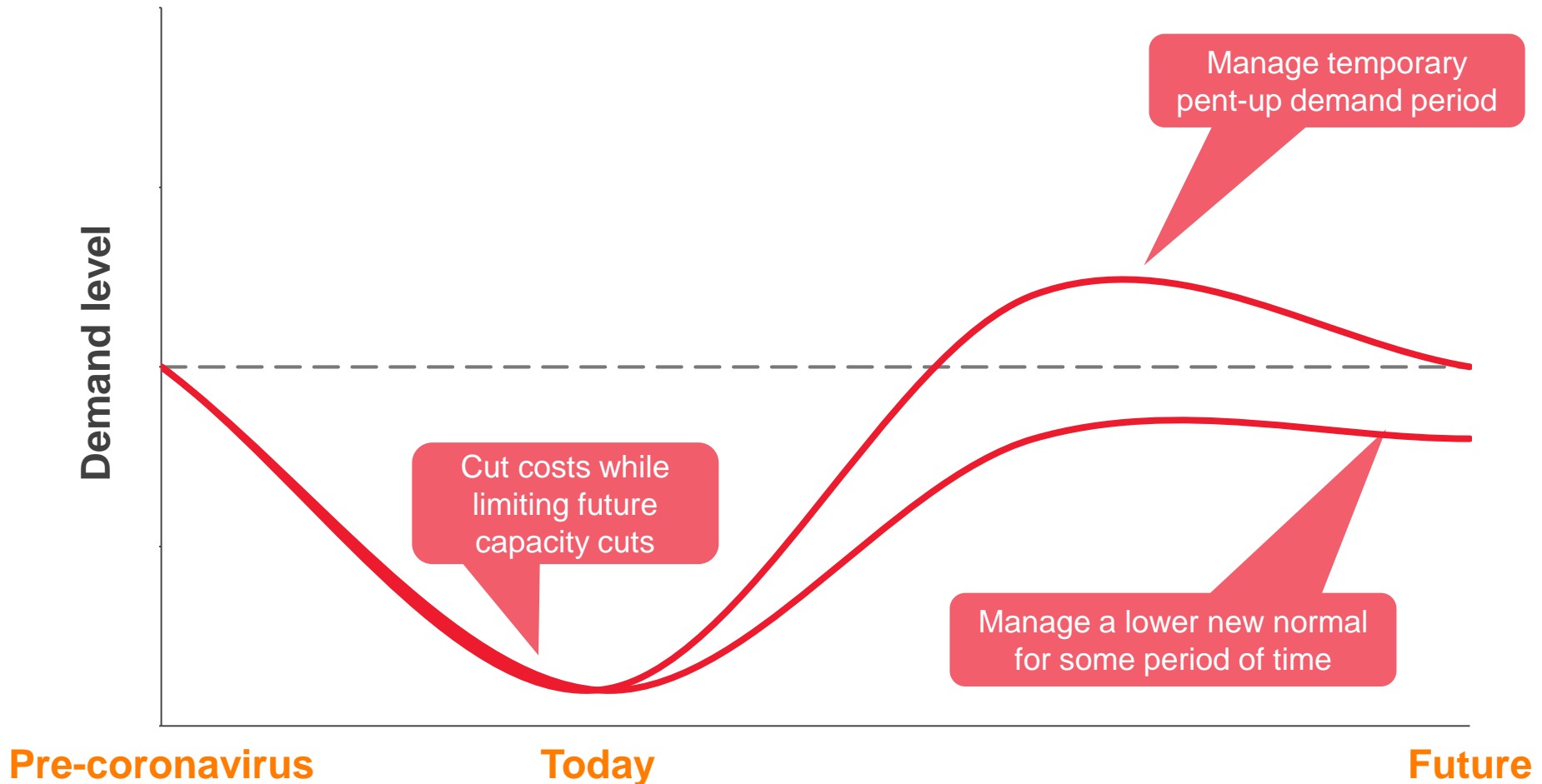


# Most companies will have to manage severe short term demand drops and future swings



# Everyone needs a plan

## SURVIVE NOW

### Retain sales

Adapt offering to meet revised customer needs

If not online yet...now is the time!

Adjust service delivery models

Carefully consider pricing and payment term changes

Explore retooling capacity for urgent societal needs

### Conserve cash

Leverage all government programs

Seek concessions from suppliers, landlords and bankers

Cut dividends and other cash outlays

Reduce salaries

Reduce staff






## THRIVE LATER

Find competitors who are worse off and acquire their share or acquire them




Take a fresh look at the organizational structure

Explore new strategies for the future











# Retain sales

Strategy	Examples
<p>1 Contactless in-store offering</p>	<ul style="list-style-type: none"> <li>• Curbside pick-up</li> <li>• Increased dollar limits at POS</li> <li>• Protective barriers at points of contact</li> </ul>   
<p>2 Online offering</p>	<ul style="list-style-type: none"> <li>• Shipping fees waived</li> <li>• Flexible return policies</li> <li>• Social media to deliver product</li> <li>• Online content</li> <li>• Online marketplace in collaboration with other suppliers</li> </ul>    
<p>3 Pricing</p>	<ul style="list-style-type: none"> <li>• New offering at lower prices</li> <li>• Collections deferrals</li> <li>• Contract term easing</li> </ul>   
<p>4 Capacity retooling</p>	<ul style="list-style-type: none"> <li>• Production shift to medical supplies and equipment</li> <li>• Empty space used for COVID testing</li> </ul>    
<p>5 Diversify revenue streams</p>	<ul style="list-style-type: none"> <li>• Partnerships to fill emerging needs e.g. filling hiring gap with displaced hospitality workers</li> <li>• New end markets or geographies</li> </ul>   

# Conserve cash

Strategy	Examples	
<p>1 Alternative staffing</p>	<ul style="list-style-type: none"> <li>• Shorter workweeks</li> <li>• Reduced daily hours</li> <li>• Sabbaticals</li> <li>• Temporary lay-offs</li> <li>• Redeployment of hours to other parts of the business with increased demand</li> <li>• Permanent cuts (last resort)</li> </ul>	
<p>2 Compensation modifications</p>	<ul style="list-style-type: none"> <li>• Salary increase freezes</li> <li>• Salary reductions</li> <li>• Bonus delay</li> <li>• Overtime restrictions</li> <li>• RRSP matching freezes</li> </ul>	
<p>3 Contract concessions</p>	<ul style="list-style-type: none"> <li>• Loan payment deferrals</li> <li>• Rent payment deferrals</li> <li>• Supplier payment deferrals</li> <li>• Advance payments</li> </ul>	

# Come out stronger

Strategy	Examples	
<p>1 Acquire undervalued assets</p>	<ul style="list-style-type: none"> <li>Acquisition of struggling businesses, defunct locations, hard assets, etc.</li> <li>Talent acquisition</li> </ul>	
<p>2 Revise strategy for the new normal</p>	<ul style="list-style-type: none"> <li>Post-crisis world strategy refresh</li> <li>Special projects (e.g. new product development, sourcing and pricing optimization, complexity reduction, etc.)</li> </ul>	 <p><b>POLYCOR</b></p>
<p>3 Brand building</p>	<ul style="list-style-type: none"> <li>Discounted or free products for COVID impacted consumers</li> <li>Regular ad substitution with COVID-sensitive messages</li> <li>Business expertise use for hospitals and medical workers</li> </ul>	      
<p>4 Employee development</p>	<ul style="list-style-type: none"> <li>Online training courses</li> <li>Externship opportunities</li> </ul>	 <p>UDACITY</p>

# Where should you start?

How existential is the current threat to the business? How much time do you have? Do you have the right leaders in place?

Are you talking to your most important customers? Do you know what you have to do to keep their business during the crisis? How badly are they hurting? How can you help them?

Have you shifted your effort online? If online was not a big focus before, do you have the right people to do it now, or do you need help?

How compressible is your cost base? How quickly could you see the impact of cost reduction? How much of your top line do you need to retain to get through the crisis?

Do you have a war chest for potential acquisitions? What is your level of confidence to invest in the future? What would you need to get there?