

IN PROFILE

Logisti-Solve Inc.: A World Class Logistics Provider

Peter Reaume loves a challenge.

As president and founder of Logisti-Solve Inc., an Etobicoke, based third party logistics and warehousing provider, Reaume knows his clients need their products delivered on time, every time.

This is especially true for the sectors in which his company specializes: retail, consumer health care and entertainment. Logisti-Solve's supply chain management and warehousing services cover Canada coast-to-coast and include every step required, from the manufacturer's inception to the retailer's shelf.

The tasks are diverse: picking up product from the manufacturer, clearing customs, off-loading containers, specialized packing for specific retailers (packing Listerine with a smaller, new sample of another product or cross-promoting by inserting a coupon into the packing) and of course, transportation.

So when Reaume received a cell phone call at 10 o'clock on a Thursday night while he was rollerblading along Mississauga's Credit River shoreline, he sprang into action. His client, Technicolor Inc., needed millions of DVD copies of the Monsters Inc. movie transported from the manufacturer, packaged and then shipped out to retailer Wal-Mart by its upcoming release date.

Friday morning, Reaume met with the client. By Saturday, he had leased a 60,000 square foot facility nearby his offices. Sunday saw the facility fully commissioned, along with 4 supervisors and 45 staff, all in readiness for receiving raw product Monday morning. Five weeks and 24 hr. a day continuous shifts later, eager customers thronged the retailer on the movie's release date. Reaume and his company had come through on time again.

Reaume, 35, has been an entrepreneur most of his life. He sold golf balls at the tender age of 6 and founded an organic lawn care company before environmentalism was in vogue. He financed his education - he attended Sir Wilfred Laurier University- by organizing March Break student trips to hotspot sun destinations such as Daytona Beach. After completing his education, he honed his logistics skills working in the consumer packaged goods sector.

Entrepreneurship, for Reaume, means a targeted, disciplined approach to client services and growth strategy. He calls himself a "conservative entrepreneur who likes to take calculated risks and maintain a focused growth strategy."

According to Reaume, "You've got to set yourself a market. For us, Canada is a big enough market without venturing, at present, south of the border. Effectively, we could double our size domestically within the next 24 months. The key is to expand by extending the number of services we provide to our clients."

Logisti-Solve Snapshot

- Third party logistics, supply chain management and warehousing company
- Founded December 1999 by Peter Reaume, headquartered Etobicoke, Ontario
- 253 employees
- First year revenues of \$7 million
- Current annual sales \$31 million, growth rate of 35 per cent annually
- Goal: Eventually to joint-venture with a freight forwarder directly from China to reduce the number of hand-offs in the supply chain



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Currently, Logisti-Solve operates 500,000 square feet of facilities, concentrated in Calgary, Toronto and Moncton. The company also manages a cartage fleet to provide manufacturers and their clients with transportation during off hours.

The company's most immediate expansion plans lean toward securing a presence in Vancouver, "so we can take product directly off ships". Reaume's somewhat farther-reaching goal, over the next several years, is to consider joint-venturing with a freight forwarder directly from Asia. "Our intent is to reduce the number of hand-offs in the supply chain. That way, we can control the flow of the process, while our customers gain greater visibility."

He also plans to continue concentrating his company's focus on hard goods. "I believe in going after tasks in which you will succeed. That's why we are not expanding into perishable goods, since it's not a market that's familiar to me."

Still, Reaume actively looks for outside advice in building his business. He seeks out input from professionals, such as lawyers and accountants, and also relies heavily on "The Executive Committee", (<http://www.tec-canada.com>), a group of CEOs and fellow entrepreneurs who meet regularly to discuss business issues and challenges.

"You've got to get unbiased advice," says Reaume. "Your staff may not give it to you, since they are looking at issues from the inside point of view. If you are a public company, your shareholders may or may not be able to give it to you. But it is absolutely integral. Otherwise, as an entrepreneur, your ego could get in the way and consequently, you could make bad decisions. He adds, on reflection: "Your clients can offer good suggestions, too."

As with most entrepreneurs, Reaume says he was 'chained to his desk' the first four years. He has developed a good team. He can now enjoy a little more leisure time with his wife Christie, who is studying to become a certified interior designer and their new puppy Mayan, a golden retriever.

He is also strengthening Logisti-Solve's role in community and charitable endeavours.

Drawing on its resources and expertise, Logisti-Solve provides logistics and warehousing support on an annual basis at no charge to the Multiple Sclerosis Society of Canada. All Logisti-Solve staff are provided, if they wish, with t-shirts bearing the arm patch "Proud Supporter of the MS Society of Canada" and recently, the company's Team Extreme biked 195 kilometre to raise \$15,000 for the Society.

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