

LOOKING AHEAD “ATTRACTING AND RETAINING EMPLOYEES” INTENSIFIES AS A MAJOR PRIORITY FOR CEOs

Majority Of Canadian CEOs (86%) Agree That Their Business Has What It Takes To Compete In The Global Marketplace



Public Release Date: January 26th, 2004 at 6:00 a.m. (EST)

Ipsos-Reid is Canada's market intelligence leader and the country's leading provider of public opinion research. With operations in eight cities, Ipsos-Reid employs more than 300 researcher professionals and support staff in Canada. The company has the biggest network of telephone call centres in Canada, as well as the largest pre-recruited household and on-line panels. Ipsos-Reid's

Canadian marketing research and public affairs practices are staffed with seasoned research consultants with extensive industry-specific backgrounds, offering the premier suite of research vehicles in Canada – including the Ipsos Trend Report, the leading source of public opinion in the country – all of which provide clients with actionable and relevant information. Ipsos-Reid is an Ipsos company, a leading global survey-based market research group. To learn more, visit

www.ipsos.ca

For copies of other news releases, please visit

<http://www.ipsos-na.com/news/>

© Ipsos-Reid

*Washington • New York • Minneapolis • San Francisco
Vancouver • Edmonton • Calgary • Winnipeg • Toronto • Ottawa • Montreal*

LOOKING AHEAD “ATTRACTING AND RETAINING EMPLOYEES” INTENSIFIES AS A MAJOR PRIORITY FOR CEOs

Majority Of Canadian CEOs (86%) Agree That Their Business Has What It Takes To Compete In The Global Marketplace

Toronto, ONTARIO - Looking ahead the priorities of Canada's CEOs have transformed quite a bit since last year, with a higher percentage of CEOs now pointing to “attracting and retaining high calibre employees” (+10) and “expanding into new products or services” (+9) as major priorities for their company, while fewer point to “increasing short-term profitability” (-2) and “ensuring trust from shareholders” (-6) as major priorities.

A strong majority of Canadian CEOs (86%) agree with the statement that “my business has what it takes to compete in the global marketplace”. Only 11% disagree with this point of view

And a majority of Canadian CEOs (63%) agree with the statement that “it is more important for my company to solidify in its current market than to expand into new markets”. This is down slightly (-8) from the 71% of CEOs who agreed with this statement in 2003.

These are the findings from the Tenth Annual Canada's Most Respected Corporations Survey sponsored by KPMG and conducted by Ipsos-Reid. The survey was conducted between September and November, 2004. The survey involved interviews of 263 of the leading CEOs in Canada.

So, What Are The Upcoming Priorities For CEOs?

When asked to prioritize a series of issues that many companies may face as a major priority, a moderate priority, a minor priority, or no priority at all, we can identify some salient trends in Canada's business community.

Major Priorities For Their Company

When it look at the intensity of priorities for CEOs in 2004, we see that many more CEOs in 2004 than in 2003 are making the following a “major priority” for their company:

- “Attracting and retaining high calibre employees” (+10);
- “Expanding into new product or services” a major priority for their company (+9);
- “Risk Management” (+5); and
- “Expanding into new markets either inside or outside Canada” (+4).

And fewer CEOs in 2004 than in 2003 are making the following a “major priority” for their company:

- “Increasing short-term profitability” (-2); and
- “Ensuring trust from shareholders” (-6).

“Major” Priorities In 2004 Compared To 2003

Priority	% Who Say Major Priority 2004	% Who Say Major Priority 2003	Change From Year To Year
Attracting and retaining high caliber employees	68	58	+10
Expanding into new product or services	27	18	+9
Risk management	41	36	+5
Expanding into new markets either inside or outside Canada	28	24	+4
Customer loyalty growth	64	61	+3
Transparency and public reporting	38	36	+2
Ensuring the long-term financial health of the company	82	81	+1
Growth through merger and acquisition	19	19	0
Corporate governance	37	37	0
Increasing productivity and performance improvement	64	65	-1
Increasing short-term profitability	30	32	-2
Ensuring trust from shareholders	48	54	-6

Overall Major And Minor Priorities For Their Company

When looking at which priorities are either major or minor for CEOs in compared to last year, we see that more in 2004 than in 2003 are making the following a priority for their company:

- “Expanding into new product or services” (+6);
- “Attracting and retaining high calibre employees (+4);
- “Increasing productivity and performance improvement” (+3); and
- “Risk management” (+3).

And fewer are making the following a priority for their company in 2004 than did in 2003:

- “Increasing short-term profitability” (-9);
- “Ensuring trust from shareholders” (-7); and
- “Growth through merger and acquisition” (-3).

Major/Minor (Aggregate) Priorities In 2004 Compared To 2003

Priority	% Who Say Priority In 2004	% Who Say Priority In 2003	Change From Year To Year
Expanding into new product or services	61	55	+6
Attracting and retaining high calibre employees	93	89	+4
Increasing productivity and performance improvement	94	91	+3
Risk management	80	77	+ 3
Ensuring the long-term financial health of the company	97	95	+ 2
Customer loyalty growth	85	84	+1
Expanding into new markets either inside or outside Canada	60	61	-1
Transparency and public reporting	68	69	-1
Corporate governance	76	78	-2
Growth through merger and acquisition	50	53	-3
Ensuring trust from shareholders	75	82	-7
Increasing short-term profitability	63	72	-9

Strong Majority Of CEOs (86%) Are Bullish About Competing In The Global Marketplace...

A strong majority of Canadian CEOs (86%) agree with the statement that “my business has what it takes to compete in the global marketplace” (40% “strongly agree”, 46% “somewhat agree”). Only 11% disagree with this point of view (9% “somewhat disagree”, 2% “strongly disagree”), and 3% “don’t know” if their company can compete.

CEOs Will Be Slightly Less Aggressive This Year...

A majority of Canadian CEOs (63%) agree with the statement that “it is more important for my company to solidify in its current market than to expand into new markets” (33% “strongly agree”, 29% “somewhat agree”). This is down slightly (-8 points) from the 71% of CEOs who agreed with this statement in 2003.

Meanwhile, one-third of CEOs (36%) disagree with this statement (9% “strongly disagree”, 28% “somewhat disagree”), and the remaining 1% “don’t know”.

-30-

For more information on this news release, please contact:

***John Wright
Senior Vice President
Ipsos-Reid Public Affairs
(416) 324-2900***

For full tabular results, please visit our website at www.ipsos.ca. News Releases are available at: <http://www.ipsos-na.com/news/>