

Full-Service Industrial Safety Services and Equipment



Glenn Roberts
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CEOCFO: What is the idea behind Pivotal Safety? What is your approach?

Mr. Roberts: The idea behind Pivotal Safety was to focus on the safety side of the business without distraction. I was previously with a large health, safety, and environment company where we provided medical services, safety services, and well control /fire shower services. We were good at what we did but certainly not the best at each service offering. At Pivotal, the executive team collectively decided that our goal was to streamline our approach, focus, and do a better job on a more precise segment of the business. A testament to our service offering is that we continue to work for past customers and continue to strengthen our business and professional relationships with them. In the service industry, we often say that sales can get you the first job but it is the responsibility of operations to execute and secure subsequent work...we get that!

CEOCFO: What do you understand fundamentally about safety that perhaps other companies might not recognize is key?

Mr. Roberts: We have a mantra that we live by; it is "Delivering the Difference". To everyone at Pivotal Safety "Delivering the Difference" means that we are committed to doing the best job possible, on every job, for every client, every time – period. It's that simple!

When we are on location, we make sure that we listen to the customers' needs and execute flawlessly. We are dealing with people's lives and must act accordingly; our people are trained professionals and are well qualified to perform the job they are on site to do. Our people are empowered to shut a job down at any time if they have any concerns for the safety of the workers.

We make sure that if a job comes in that we do not feel we have the right people or the right equipment, we will decline the job. The tendency in the industry is to accept the job and then scramble to execute; experience has taught me that this can potentially be a recipe for disaster.

CEOCFO: How do you help identify what a customer might need as opposed to what they think they need?

Mr. Roberts: The field experience of our employees enables them to work with our customers to determine what the jobsite requirements are, how to best approach the job, and how to deal with any potential issues that may arise. It is paramount for our people to establish a level of trust with the customer before the job begins and leave them with the feeling that everything from a safety perspective is in check, and they can direct their attention toward other aspects of the job.

CEOCFO: What is a common engagement for you and something more outside the box?

Mr. Roberts: We are primarily an industrial safety company working in plants and facilities for our clients. Our people work in this environment on a daily basis overseeing the welfare and safety of the workers on location. We work with them to ensure they are safely following the rules and guidelines of the facility. More outside the box for us is when we oversee the safety of a plant during a shut down or turnaround. This means the plant operator is shutting the plant down for repairs and maintenance. Time is critical! They want to bring it down, do what they need to do and get it back up as quickly as possible because time is money. We perform basic functions such as hole-watch, where workers will enter a vessel and we will monitor people going in and out, as well as monitoring the air quality inside the vessel. We also provide rescue people onsite so that if someone were to go down or get hurt, we will get him or her out of harm's way to safety. We provide supervision on site that will oversee all workers and make sure they are performing their tasks safely. At times, we might have anywhere from ten to fifty people on site, on larger projects there could be as many as 200 safety personnel on location.

CEOCFO: *What is your geographic range?*

Mr. Roberts: We currently work in western Canada, primarily in Alberta, with upcoming work in both Saskatchewan and BC. One of our clients has asked us if we would consider going to the United States, as exciting as it sounds, we will continue to develop our footprint here in Canada and leave the US opportunity for another day.

CEOCFO: *How are you able to maintain a large enough staff and have them trained and ready to go?*

Mr. Roberts: Our core strength is our people. We treat our employees very well; we listen to them and work with them. We support their continuing education to help keep them current and productive. We have a profit sharing plan; annually we share a percentage of our profit with each employee. We take pride in hiring the right people. It is our employees' passion, attitude, and dedication to excellence that sets us apart from other safety providers. We are very aware of the costs of losing good people and the costs associated with training new hires and bringing them up to speed. Maintaining our culture is critical; we are careful to screen all new employees to ensure they have what is required to exist and excel in our company.

CEOCFO: *What is the government regulatory atmosphere and are there best practices industry wise?*

Mr. Roberts: Bill C-45 passed in 2004 to protect the safety and well being of workers, providing new rules for attributing criminal liability to organizations, corporations, their representatives and those who direct the work of others. My feeling is that safety regulation and compliance in western Canada is at an exceptional level with OH&S oversight. Canada has been long been a world leader in technology and innovation, safety is no different. We have some of the highest standards and best practices in the world and we are leading the way for other countries to help protect their workers.

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CEOCFO: *How is business?*

Mr. Roberts: Business is certainly interesting given the current market resulting from the recent oil price collapse. We are staying very busy with increased activity over last year at this time. We are looking forward to the next 12 months and are very confident in our ability to expand and grow our business in 2015. We have experienced some pricing pressure from our customers; they are working with us, and appreciate the value added service that we have brought to their operation. It is very nice to have great partners who support our business.

CEOCFO: *What is the competitive landscape? Are there many companies with as much depth as Pivotal Safety?*

Mr. Roberts: It is competitive out there, so the ability to differentiate yourself is paramount. There are many competitors in the space, ranging from one or two man operations to large providers offering a vast scope of services. Some of the providers choose to operate in smaller geographic areas and concentrate on local customers carving out a niche as opposed to the larger players that will have multiple locations from which they operate.

Pivotal Safety, started with a single location in Bonnyville, Alberta where management knew and understood the market. Previous relations with the customer base helped initially establish the company and rapid growth ensued. We currently have three locations and we are looking to establish two additional locations that will allow us to service our growing customer list. I believe our depth is in our experienced and dedicated people at all levels and their commitment to the business. It would be difficult to think of any safety provider that is capable of delivering the service that Pivotal Safety does day in and day out.

CEOCFO: *Are you considering acquisitions and if so, what is the timing?*

Mr. Roberts: To date our growth has been organic but the thought of an acquisition is certainly a possibility. An acquisition would have to be strategic to introduce Pivotal to either a new market or possibly a new product offering. We have a couple of companies on our radar screen that we believe would be a great fit for Pivotal and would benefit to our company and our customers. We are probably a year away from execution however, we will continue to evaluate our potential targets with a critical eye to ensure they would fit into our culture and would not compromise our current operations.

CEOCFO: *Why choose Pivotal Safety?*

Mr. Roberts: We provide a safety solution to our customers that is unparalleled in the industry. You can trust us to provide the best safety service possible and to ensure that everybody goes home safely at the end of the day. We are safety professionals and we take our work very seriously.