

inside LASER

Autumn 2009

An internal publication keeping the team informed, involved and updated.



From the Editor

Change comes in many forms – and isn't as dramatic as we imagine. Being South African requires flexibility and adaptability.

Even a slight change of attitude can have a huge impact on one's life. The motivational platitudes one hears repeated so often are done so for a reason – they work. By changing your outlook on life, you can change the life experience. As Henri Matisse once said, "There are always flowers for those who want to see them."

"Change your attitude, change your life".

This issue of *inside Laser* will give you insights into the progress of some of the exciting initiatives taking place throughout the Group.

Enjoy the read!

Feroza Petersen
Communications and Marketing

In this issue

Message from the Centre

Laser remains steady during global economic change

Fine Wine Express with Dawn Wing

GAC Laser on the move

2010 FIFA World Cup

Laser proud supporters

Corporate Social Responsibility

The Laser Group

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LASER

Message from the Centre

In this segment the Group CEO shares some of Laser's highlights.

As always, it is with great pleasure that we have another opportunity to share with you some of Laser's highlights over the last quarter and our thoughts about the prospects for the months ahead.



The much publicised global economic slowdown

In the last Message from the Centre, we referred to the influence that the global economic slowdown has had on the South African economy. We are swamped with news headlines on this subject. At the risk of stating the obvious and as a direct impact of this slowdown, it is a fact that business confidence is at a 10 year low, and the level of uncertainty that prevails amongst analysts, economists, business leaders, and all South Africans is arguably more radical than it has been in many, many years.

It goes without saying that this environment is a difficult one to operate a business in – both from a day to day perspective as well as from the perspective of planning for the short and medium term future. However it is worth emphasising here that the current environment calls for:

- Resilience on the part of all of us
- Greater focus on retention of business
- Greater discipline in attending to customer relationships and management
- More rigorous cash flow management
- Greater focus on operational efficiencies

We should also ensure that whatever we do better positions the company for the next economic upturn, which will inevitably happen.

Looking back at 2008 – the highlights

Although last year was a much more challenging trading year, the Group had many notable achievements – many of which were featured in previous issues of *inside Laser*.

An overriding highlight for us has been the manner in which our leadership has been strengthened in all business units. This, together with the ongoing focus placed on the business imperatives of operating quality and efficiencies, business retention and development and communication.

Fresh ideas – we're working together

Laser's business units are working closer to enable them to tackle the challenges ahead with confidence, transparency and trust. By working together and with a positive frame of mind, it is possible to enable our culture of success to thrive.

There have been a number of fresh ideas and fresh entrepreneurial thinking across most of our business units, notably amongst others, Dawn Wing's introduction of 'Fine Wine Express'. However, we still need to develop a better capacity for innovation, responding more readily to the needs of employees and other stakeholders and more particularly, our customers.

South Africa's 'beacon of hope'

This leads me to one of the 'beacons of hope' for all South Africans, the 2010 FIFA World Cup South Africa. Project 2010 as we refer to it at Laser remains an important project for us both from an internal and external (commercial) point of view. It is critical that the momentum of our approach to FIFA 2010 continues if we are to differentiate ourselves as a South African organisation overtly and proudly behind the event.

Internally, we hope to reach each and every member of Laser through the Proud Supporters campaign which both introduces the enormity and possibilities of the event and which will influence all 2009 and 2010 training and corporate social responsibility initiatives.

Achieving our ambitions through flexibility

We will achieve our goals through remaining determined, resilient and flexible. While a key objective is to grow our business and to improve our relative market position, we will continue to seek growth opportunities in each of our businesses.

Regards

Philip Hayes

APPLY NOW TO BE A VOLUNTEER

- your opportunity to be intimately involved with the world's greatest football event.

South Africa and the rest of the world are waiting patiently for the 2010 FIFA World Cup to begin in June 2010.

Ticket sales are progressing rapidly, and businesses are scurrying about making sure that they are set to benefit from the greatest soccer spectacle on earth. You can also be involved, and not just as a spectator...

Applications to be a volunteer for the 2010 FIFA World Cup will be opened in July 2009, will be open to all and the application form will only be available online at www.FIFA.com/southafrica2010 <http://www.fifa.com/southafrica2010>.

In order to be considered as a volunteer for the 2010 FIFA World Cup™, applicants:

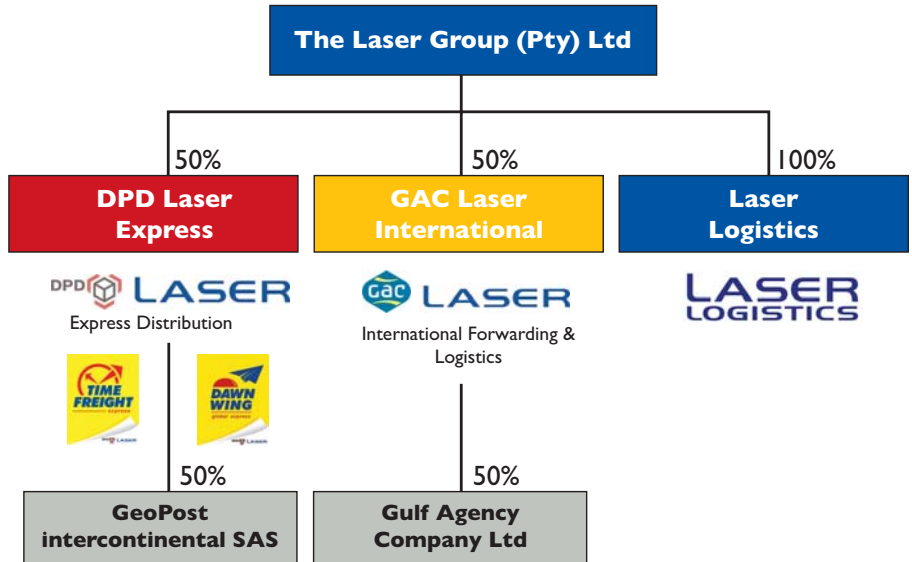
- a) Must be 18 years of age or older before or by 1 March 2010;
- b) Must be able to speak in English;
- c) Must be available to attend an interview;
- d) Must be available to attend the prescribed training; and
- e) Must have a valid South African Identity Document; or
- f) Must have a valid Passport and Permit to serve as a volunteer in South Africa from Department of Home Affairs.

The 2010 FIFA World Cup will be hosted in the following 2010 Host Cities:

- a) Cape Town (Green Point Stadium)
- b) Durban (Moses Mabhida Stadium)
- c) Johannesburg (Ellis Park and Soccer City)
- d) Mangaung / Bloemfontein (Free State Stadium)
- e) Nelson Mandela Bay / Port Elizabeth (Port Elizabeth Stadium)
- f) Nelspruit (Mbombela Stadium)
- g) Polokwane (Peter Mokaba Stadium)
- h) Rustenburg (Royal Bafokeng Stadium)
- i) Tshwane / Pretoria (Loftus Versveld Stadium)

Information about the Volunteer Programme for the 2010 FIFA World Cup will constantly be updated via the FIFA website.

The Laser Organogram



Group Activity: Expanding Laser

In this segment, we keep you updated on recent developments within Laser.

FINE WINE EXPRESS

Dawn Wing brought good cheer to many a Cape based client when it launched its latest innovation branded "Dawn Wing Fine Wine Express" which offers an express solution for the delivery of all wine purchases.

Regional Manager for Dawn Wing's Cape region Allison Kraemer said, "We identified a need in the market, did our research and designed a breakfree solution to transporting wine."

Superior quality packaging includes a styrofoam insert which was designed to support the glass bottle, protect it against breakages and exposure to the sun. The outer container is made of a double corrugated, recyclable carton with easy to carry handles. A combination of all these qualities and with Dawn Wing's efficient service, ensures that the goods reach its destination with the utmost care.

CEO of Dawn Wing, Mike Fanucchi says, "We'll ensure that any expectations are exceeded. We promise."

The product was launched in the Cape and will be rolled out to the rest of the country during 2009. With partners DPD Laser, customers are able to send wine locally or most everywhere else in the world.

Solid and dependable service, fail safe reliability, competitive pricing and exceptional personal investment in our clients are basic service offerings at Dawn Wing. 🌐

Mobile tracking technology Online sets new standards

Advances in mobile tracking technology has enabled Dawn Wing to cope with the substantial growth in the movement of parcels. Dawn Wing is experiencing an increase in business-to-consumer (B to C) deliveries, where a company enlists the services of a courier as part of that company's supply chain.

Dawn Wing's logistics system makes use of hand-held GPRSMTT devices that communicate through South Africa's cellular phone network. The use of these devices has already led to an increase in Dawn Wing's productivity.

The Logistics system was developed and adapted to Dawn Wing's requirements by a logistics software solutions provider. The system allows Dawn Wing to handle an increase in parcel volume and enables the company to provide a constantly updated information service to its clients in real time, making fetching and delivering internet orders much faster and easier.

The system received the gold award at the Logistics Achievers Awards last year. 🌐

DAWN WING
bringing global solutions to the Cape market

DAWN WING
global express

DAWN WING
Fine Wine
EXPRESS

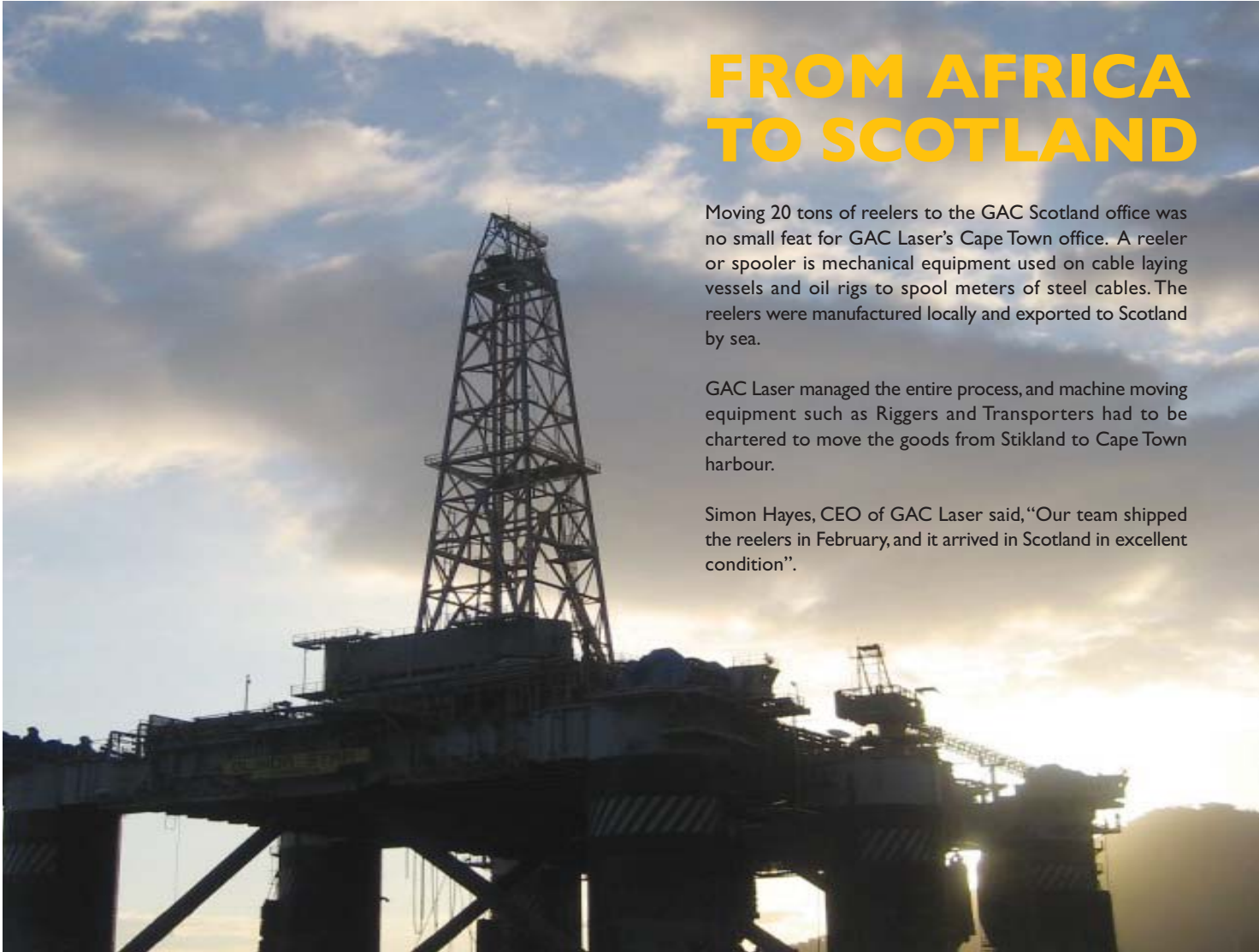
0861 223 224
www.dawnwing.co.za

DPD LASER

for all your fine wine distribution needs

021 380 5900

In this segment we keep you updated on recent developments experienced at Laser.



FROM AFRICA TO SCOTLAND

Moving 20 tons of reelers to the GAC Scotland office was no small feat for GAC Laser's Cape Town office. A reeler or spooler is mechanical equipment used on cable laying vessels and oil rigs to spool meters of steel cables. The reelers were manufactured locally and exported to Scotland by sea.

GAC Laser managed the entire process, and machine moving equipment such as Riggers and Transporters had to be chartered to move the goods from Stikland to Cape Town harbour.

Simon Hayes, CEO of GAC Laser said, "Our team shipped the reelers in February, and it arrived in Scotland in excellent condition".

Inbound And On Wheels

GAC Laser in Johannesburg have teamed up with Emotion Cycling's Greg van den Heuvel to import, warehouse and distribute their full range of CERVELO Racing Bicycles and VULCAN Mountain Bikes.

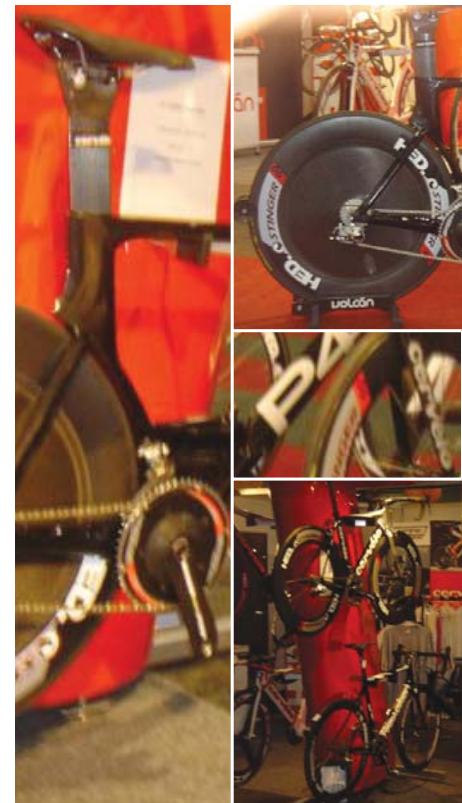
Pictured alongside is the P4 range, of which two were brought in and raced in the recent Highveld Stereo 94.7 cycle race through and around Johannesburg.

These bicycles will be ridden by the CERVELO

test team in the pro series in Europe in 2009.

The current 2008 models were ridden by team CSC and the TOUR DE FRANCE was won on a CERVELO Road bike. The value of these bikes is in excess of R 110 000.

CERVELO is known for having the most aerodynamic TT bicycles in the world, and we take great pride in the fact that GAC Laser was entrusted to distribute them. 🌐



KZN's PICK & PACK FOR 2010



As of February 2009, GAC Laser, now based at Riverhorse Valley Nandi Drive in Durban launched a new service which includes a Pick & Pack operation geared for sporting merchandise, partly intended for the Confederations Cup and the Soccer World Cup 2010. 🌐

CONFED COUNTDOWN

less than 60 days to go!



Festival of Champions

The 2009 FIFA Confederations Cup takes place in South Africa from 14 to 28 June 2009. The draw has been made, and tickets have gone on sale, for FIFA's 'Festival of Champions' – a dress rehearsal for the 2010 FIFA World Cup.

Played in the World Cup host country a year before football's premier event, the Confederations Cup has become a serious test of the host country's World Cup readiness – and a major sporting event in its own right, bringing together regional champions from all corners of the globe.

Confederations Cup – the contenders

The current World Cup champions, the new host country, and the winners of each of the

six FIFA Confederations Championships. In 2009, the participating teams will be African champs Egypt, Asian champs Iraq, European champs Spain, Oceanian champs New Zealand, South American champs Brazil, Concacaf champs USA, 2006 World Cup winners Italy, and 2010 hosts South Africa.

The draw for the tournament took place on 22 November 2008, splitting the eight teams into two groups and setting up some classic clashes. Host South Africa, who was seeded on Group A, will open the competition against Iraq at Ellis Park in Johannesburg on 14 June, immediately following the opening ceremony.

One of the matches expected to set the tournament alight is the meeting between Italy and previous World Cup winners Brazil. It will be the first time that Italy and Spain play competitive matches on African soil – and the first time that New Zealand play any

kind of soccer match in Africa – while the Brazilians will be making only their second visit in 10 years.

Is it a serious tournament?

Make no mistake. It may have had humble beginnings but it has become one of FIFA's most important events, as can be seen from the prize money at stake – US\$17.6 million in total, of which the winner will take home US\$3.75 million. With a cumulative television audience of more than 9 billion people in more than 140 countries, the FIFA Confederations Cup is not only a FIFA World Cup dress rehearsal, but a major international sports competition. ⚽



Bafana Bafana

Since winning the African Nations Cup in 1996, it seems that Bafana Bafana have been on a slow but steady downward spiral, apart from a few encouraging successes. However, there are fans hoping that South Africa has turned the corner under coach Joel Santana.

Santana looks, for the most part, to have identified South Africa's best players, and the national team is playing a more rounded and effective game, with the long-time problem of lack of goal-scoring no longer dogging the side.

Blackburn Rover's striker Benni McCarthy as well as the emergence of Thandi Royal Zulu marksman Bernard Parker have both helped to improve the sides goal. Bafana Bafana's emerging star, however, is Teko Modise (pictured left). Not only is he capable of pulling the strings in the middle of the park, but he is also a goal scorer; his ability to score from distance, often with blistering shots, make him a man to keep an eye on. He has the talent to make a big mark on the game. ⚽

In this segment we share exciting information about Africa's preparation for 2010 FIFA World Cup South Africa.

Kopanya

Introducing an African football

The 2009 Fifa Confederations Cup will feature a tailor-made ball, called "Kopanya", which Adidas has designed specifically for the event, and which reflects and pays tribute to tournament hosts South Africa. The ball made its first appearance in the Nelson Mandela Challenge match between South Africa and Cameroon in Rustenburg in November last year.

"Kopanya" means "join together" in Sesotho the home language of about five-million South Africans. Kopanya's eye-catching design was inspired by the artwork of the Ndebele people of southern Africa.

It won't be the first time that Ndebele artwork will be seen on the international sporting stage; the yacht of Team Sholoza, South Africa's American Cup challenger, features a design inspired by Ndebele and Zulu artwork.

The complex shapes and black contours, traditional Ndebele elements, have been fused with the colourful vibrancy that typifies modern Ndebele artists. A silver sheen provides a futuristic touch.



Media Snippets...

Special "event visas" for soccer fans

SA's Department of Home Affairs is to issue special "event visas" for soccer fans coming to the 2009 Confederations Cup and 2010 Fifa World Cup, enabling fans to use dedicated counters at major airports around the world for pre-clearance before they arrive in the country.



Investing in South African airports

R19 bn is being spent by Airports Company of South Africa on infrastructure development on its 10 airports until 2012. R1.5 bn is allocated to upgrading the Cape Town International airport, whilst R3.9 bn is allocated to upgrading the OR Tambo International airport.



Broadcasting

20 000 journalists, 300 broadcasters and 1 000 photographers will be descending on South Africa, to showcase our country to a cumulative audience in excess of 26 billion, watching the 64 matches of the 2010 FIFA World Cup.



Safer South Africa

FIFA, the LOC and local government agreed – 41 000 officers are to be deployed specifically for the event, and courts will be available 24 hours, 7 days a week, international agencies will be assisting locals to gather intelligence and focus on border security at ports of entry.

DPD Laser attends Women's Tribune



This photograph of Phyllis Mothiba of Dawn Wing and Sabine Rosellini of La Poste was taken in Essaouira, Morocco.

The international Women's Tribune Conference took place during March this year in Essaouira in Morocco. One of the key sponsors, La Poste, invited DPD Laser along and Phyllis Mothiba, Quality Assuror at Dawn Wing in Johannesburg was selected to represent DPD Laser. The main objectives of the event was to create a forum where women, especially Mediterranean, African and Arabic women, could discuss social issues affecting their lives, and also discuss the role of women in politics, education and economics.

Phyllis reports on her experiences at the Women's Tribune.

"My experience at the Women's Tribune was very informative. Having never travelled out of my country and speaking to women from other nations I found my trip very educating."

The scope or extent of the issues that women face may differ, but after networking with phenomenal delegates at the Tribute, I realized that all women deal with the same issues, the same challenges. Delegates at the Women's Tribune agreed that being a woman today means participating fully in all matters, be they influencing political decisions, making economic choices, and playing a vital role in society - women have a major task to perform in assisting and transforming the societies within which they live.

The challenge of modernity versus tradition was debated, and various discussions took place around the restrictions (often seen as acceptable) placed on women as a result of traditions and religion. Can the modern ways of Europe or

America be adapted in Africa? If so, to what extent? Though not unexpected, a joint conclusion was reached. Whilst we can't sweep each issue with the same broom, each country needs to analyse its own challenges and generate suitable solutions. For example, a solution for Egypt may not work for South Africa.

The one thing all the women in the Tribune agreed to was the need for equal rights and equal opportunities. Whilst we acknowledge and accept that our cultures and traditions influence who we are and what we are, it should not limit us from being the best that we can be.

"We need to be the best that we can be"

The way to do this is to fight against illiteracy in our girl children and challenge our working force. Some countries still marry their girl children at the tender age of 13; and in fact, living testament, Mbaye Bileoma Mariè ftou was there to share her experience with us. Mbaye, a writer from Senegal shared her life story of how her parents wanted to marry her off when she was 13. She refused and therefore was seen as the insurgent in her village. She stressed that we need to be liberated - women are much more than wives. They are educators, providers and carriers of life.

A key issue affecting women is politics. How do we encourage women to participate more actively in politics? More importantly, how do we get them interested in politics and make them realise that they have the ability to participate. South African women, in my opinion, are streaks ahead

of other countries, as we are already role players in Parliament.

And innate to any woman, any mother was the issue of health and health systems. Debates continued on what was considered acceptable health care, what the costs of basic health care should be and whether or not a basic need such as health care should come at a cost.

Several other questions were put on the table and ideas shared. Representatives from various countries shared their policies and practices, all extremely interesting.

Lastly, empowerment of women though entrepreneurship and micro credit was discussed. How to empower women to start small businesses and teach them to be self-sufficient. Showing them they can assist in growing the economies of their countries.

And in conclusion, there was a great deal to learn and I can't put it all in writing, but what touched me the most was that these phenomenal women, most of them in prestige positions, took their time to come to this Tribune in order to assist those who have been less fortunate. Their realising that they can make a difference in other women's lives, however busy they are, inspired me. Their successes are not about them, but about helping others. And that's what I've taken from this experience.

This proves that women are better leaders. Having said that, there were a few great men who also attended the Tribune. And they too, are great leaders. 🌐



In this segment, we share snippets of media coverage and events that took place across the Group.

A Tee-mendous result at annual charity golf day

Laser celebrated its 5th year of raising funds for charity with its Charity Golf Day, and most recent beneficiaries include the Sunflower Fund, Little Angels, Woodside Sanctuary, Peter Pan foundation, Victoria Hospital, Abraham Kriel & Maria Kloppers fund, N.O.A.H. and SA Autism.

With a 'Proud Supporter' theme this year, Laser's divisions pulled out all the stops to promote their business units.

strengthen relationships with our clients, and of course, to raise much needed funds for the underprivileged."

CEO Philip Hayes said, "The day presented an excellent opportunity for us to network and



To compete and be successful on a global playing field requires experience, precision and focus.

Wherever you go: GAC Laser meets your goals

GAC Laser's dedicated team of professionals and experts will ensure accessibility and responsibility in delivering a complete logistics solution for 2010 and beyond. We're on the ball, and all our customers (local and international) are assured of service excellence. Whether it's in clearing and forwarding, value-added warehousing, 24/7 customer support, distribution delivery updates, cargo movement, or emergency support, GAC Laser is there for your company.

Cape Town 021 528 3700 Durban 031 533 0000 Johannesburg 011 974 9297

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GAC Laser is a joint venture between The Laser Group and the Gulf Agency Company (GAC).

Partner Activity

In this segment inside Laser features partner developments on the global front.

Laser's international partners are themselves substantial global logistics businesses. Laser partnered with GeoPost Intercontinental SAS (a subsidiary of La Poste, the French Post Office) in its Express Distribution business and with Gulf Agency Company Ltd (GAC) in its International Forwarding business.



DPD Laser Express Logistics is a company jointly owned and controlled by Laser and GeoPost Intercontinental SAS, a wholly owned subsidiary of GeoPost, a parcel distributor specialist made up of the Express subsidiaries of the La Poste Group. GeoPost, through its operating subsidiaries, is the second largest express operator in Europe. Branded DPD, GeoPost aspires to be the world's 5th largest integrator.

GEOPOST AWARDS 2008



Pictured with the GeoPost award recipients are Michael Fuller, Chairman of The Laser Group (second left) and Mike Fanucchi, Dawn Wing CEO (far right).

Present at the GeoPost awards ceremony held during January this year, Paul-Marie Chavanne, Chief Executive Officer of GeoPost S.A. presented awards in recognition of the achievements of subsidiaries in 2008 in their local markets and their contribution to both GeoPost's sustainable growth and position in the global express parcels industry.

OTHER GEOPOST AWARDS RECEIVED

DPD Belgium NV won a Gazelle for being one of the fastest growing companies.

Chronopost was awarded for best innovation provider logistics e-commerce.

DPD Lietuva was prized for the best parcel delivery service.

DPD Russia was awarded Best Freight forwarding Logistics Company and leader of Russia's Logistics Services Market and also won the Company of the Year 2008 National Award.

DPD Polska received several awards last year, amongst those the Ethical award, Most Effective TSL enterprise, and the Mobile 2008 prize.

DPD UK won the top industry award for environmental improvement at a Chartered Institute of Logistics and Transport industry event. They also received the UK's top industry award for business-to-business marketing.

DPD Germany won the EVA Event Bronze Award, in recognition of the successful conception, organisation and implementation by DPD of the To the Congress by Express promotion campaign. 🌐



GAC Laser International Logistics is a company jointly owned and controlled by Laser and Gulf Agency Limited (GAC). GAC was established in 1956, and is the largest independent shipping, marine and logistics provider in the world, with more than 300 offices covering 1 000 locations worldwide.

Some recent developments at GAC include:

GAC Corporate academy (GCA) boasts a record 71 courses held, 1 400 people trained, 250+ new employees taking the Introduction to the GAC World course, 75+ graduating in Customer Relationship Management, 60+ graduating from Logistics in the GAC World; GCA awarded the Best Client Company to GAC Qatar and Moly George (GAC Qatar) was voted the Best GCA Liaison Officer.

Global reach at GAC expands with a new logistics office in Warsaw and a new GNA partner in Mexico.

GAC is now operational in Maputo, Mozambique.

GAC opened a business development office in Lille, France.

When Lebanese popstar Mika put on a show for 15 000 fans in Beirut's Martyr's Square, it was GAC that helped bring the travelling music circus to town. 🌐



Right: The GAC team pictured at the GAC meeting held in Dubai.

In this segment, we highlight the Group's corporate social responsibility initiatives.

Laser's Corporate Social Responsibility (CSR) focus is on the upliftment of children. Entrenching a CSR culture of social upliftment that produces meaningful change and simultaneously inspires a culture of social responsibility and awareness amongst Laser employees, are all vital to our CSR programme.

SHARING THE HAPPINESS

The Warehouse, an organisation which Laser Logistics assists with delivery on a regular basis, distributed just under R100 000 worth of goods to 594 children in 338 families at 9 different locations. The goods included food parcels, hygiene packs and individual gifts that had been donated, collated, wrapped and packaged by over 150 hours of volunteer time.

Other charities receiving gifts, donated over the festive season by Laser employees in their personal capacity included Nkosi's Haven, The Welbedacht Prayer Centre Welfare Society, the Upliftment foundation (together with the Kfm Christmas drive), the Eindhoven Soccer Club, Grandmothers Against Poverty and AIDS (GAPA), Victoria Hospital and the Solstice Foundation.



A HAIR RAISING EXPERIENCE AT DAWN WING

"Shave or spray in solidarity with a cancer survivor" was the theme of this year's CANSA Shavathon which raised funds for CANSA's prevention programmes and patient care services.

CANSA Shavathon is one of South Africa's best-loved events in support of a worthy cause.

A proud sponsor, along with Nedbank, SABC2, Wahl Clippers and Newsclip Media Monitoring, Dawn Wing shaved

and sprayed on Friday, 6 March, in support of CANSA and in solidarity with a cancer survivor.

HR manager at Dawn Wing, Anthia Laros said, "Dawn Wing participates annually, and this year we received a whopping 87% support nationally. It was a humbling sight to see the team join hands in support of the project, and see the Dawn Wingers sprayed all colours of the rainbow!"



Caught on camera having loads of fun.

In this segment we share some topical industry news with you.

DURBAN'S NEW AIRPORT TAKES SHAPE

The Skyline to the north of the South African city of Durban is being changed with the construction work on the city's new **La Mercy International airport** now a very visible landmark.

Work is stepping up to deliver the project in time for 2010 FIFA World Cup in South Africa between 11 June and 11 July, with Durban being one of the host cities.

Sean van der Valk, project manager at Airports Company South Africa (ACSA), commented: "We are on track with the milestones that we have set ourselves, specifically with the construction of the tower, cargo and terminal building."

Work on the aircraft aprons around the cargo building started in January and all concreting on the cargo terminal should be completed by the end of March. An ACSA statement noted that the installation of the ULD racks in the cargo building has already started and the delivery of powered motor decks is imminent.

When construction of the new gateway is finished, ACSA plans a transition of all operations from the current airport site. Many airlines will be stepping up their service levels into South Africa in time for the FIFA soccer competition.

An early mover is Dubai-based Emirates Airline, which will inaugurate A330-200 services from Dubai to Durban on 1 October. The aircraft will be able to carry up to 14 tonnes of bellyhold cargo.

This article appeared in Air Cargo Week, 2 March 2009

Surviving & Thriving in Hard Times

Economic Downturn recession, slump - terms that send chills down the spine of even the most robust of business leaders. In boardrooms across the world planning is underway for hard times ahead.

There is great temptation to cocoon when things get difficult - cutting back on risk and innovation, curtailing spending, and generally pulling back, hoping to come out unscathed.

Yet it is exactly these old reflexes that kick in during an uncertain economic outlook which have to be rethought. The mindset that says "this is not the time to invest in new products" argues DPI founder Michel Robert in his book *Strategic Product Innovation*. Examining why

companies that were powerhouses in their respective territories, yet ended up with their supremacy disintegrating - together with their stock prices - Robert concludes that companies that disappeared did so by killing product innovation, and stagnating to death.

Recession can actually be good for a well-managed company.

For a start, says Robert, in down markets, "Customers/consumers need more reasons to buy and are more receptive to new-to-the-market products since these are distinctive and differentiated and attract notice."

So in tough times, when competitors are hiding their heads in the sand, companies that concentrate product innovation resources on new-to-the-

market products can breed competitive supremacy and create new revenue streams. This is the time to reconnect with customers, and figure out how to add value to their experience or business. Solidifying relationships with your customers now means that they'll remember you when times get better.

Along with customers, look after your employees. Recognising the warning signs of declining motivation and overall morale can allow managers to respond quickly with intervention strategies aimed at boosting declining productivity. By coaching employees to provide exceptional service, a business can keep valuable customers and ride out the down turn.

And lastly, don't panic. Entrepreneurs and author Robert Ashton note: "Slowdown does not mean stop. Providing you can weather a storm, you'll be fine. Don't talk recession up; it might never happen."