

Rona Inc

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Rona snatches Metro's Robert Sawyer as new chief

Rona (TSE:RON)(TSE:RON.PR.A), the largest Canadian distributor and retailer of hardware, home renovation and gardening products, says it has snagged Metro's (TSE:MRU) Robert Sawyer as its new president and CEO.

Sawyer, whose new position is effective in April, is taking the job at Rona after spending 33 years at grocery chain Metro, most recently as COO.

He specializes in retail operations and distribution to dealers operating under different banners.

Acting CEO for Rona, Dominique Boies, will remain the company's executive VP and CFO, the company said.

"It became increasingly clear to us that to ensure a successful transformation, we needed to hire a specialist in retail and distribution operations," said executive chairman of Rona in a statement, Robert Chevrier.

"So I am very pleased to announce today the appointment of Robert Sawyer. He will play a key role in simplifying and optimizing the Rona business model, particularly with respect to merchandising, pricing strategy, supply chain, service to consumers and service to Rona dealers."

The chairman said that Sawyer has the "operational and turnaround expertise" needed to put Rona back on the path to profitable growth. Shares of Rona rose more than 4.3 percent early Tuesday, to \$11.02.

Last month, the home improvement retailer said its fourth quarter results "fell short of expectations" on a dip in same-store sales and increased competition, and said it is laying off 200 managers across Canada in an effort to restructure the business.

The plan includes the reduction of about 15 per cent of its full-time positions at administrative offices across Canada, which it expects will result in a restructuring charge of \$25 million.

Comparable sales across the Rona network in the latest period that ended in December were up 2.9 per cent, or just 0.2 per cent when excluding the extra week in the quarter.

Metro said in its own statement Tuesday that it regrets Sawyer's decision to leave the company, and that a succession plan is being implemented, with the heads of the Quebec and Ontario divisions now to report to the CEO. The position of COO will not be filled, it added.

Market Cap: \$0.00

Share Information

Code: RON

Listing: TSX

Sector: Retail

Website: www.rona.ca

Company Synopsis:

RONA is the largest Canadian distributor and retailer of hardware, renovation and gardening products. RONA operates a network of close to 700 corporate, franchise and affiliate stores of various sizes and formats.

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