

IRA'S MUSINGS

Thoughts on "Retirement" from Ira's speech at the Annual General Meeting on November 4, 2009

In the last month I have received many e-mails about my alleged retirement plans. For the record I received no letters, one card and no phone calls. A close relative wanted to know whether I was getting a new non-business e-mail address. An old friend wanted to have lunch right away since I probably wouldn't be coming downtown very often. I could be all wrong, but these points of view do not reflect what I think is going to happen in terms of my business career. If somebody actually asks me what is going to change, I say "very little". Let me give you a bit of history.

Gerry and I made the decision to go into business about 26 years ago. He claims that until we actually had revenues, which took another 8 months, we weren't really in business, but I tell him he is all wet. Very quickly after we raised \$26 million, I advised Gerry that we should hire Kiki Delaney to co-manage with me. I knew her to be a woman of great integrity and wisdom and thought that she could take over from me when the time came. Gerry was probably a bit astonished, as I was only around 40 years of age and we had just opened up, but nevertheless, we did hire Kiki a year or so later and she was a terrific partner until she opened her own firm about 6 years later.

This time around it wasn't just me who wished to hire a senior investment person to replace Kiki. We had a lot of problems finding the right person until Bill Webb came along 14 years ago and began picking up more and more of the administrative responsibilities of our investment group about 5 years ago. Long before any formal announcements were made, I delegated most things to Bill and in the last 3 years, almost everything. All I have been doing in recent years is managing some of our assets, sometimes very successfully, and sometimes with significant opportunities for improvement. Lately I have been working very closely with Christine Tan and we are doing quite well, thank you.

If all goes as planned, I will continue to co-manage some money with Christine. I will meet with the odd client and generally be around just as I have been for years. I have written several times that the transition from Gerry and I to Jeremy and Bill was going to be the smoothest one in history. I sincerely believe this statement. Our company has 9 security analysts who follow us. All of them believe it. We have many, many clients. They believe it. It turns out that it is actually true.

There are some unknowns. I am not worried about giving up my office, since I haven't had one in 15 years. Our compensation program has been decided. For the record, I would like to publicly thank Herb Solway, Chairman of the Compensation Committee for his wisdom in solving most of the contentious issues. Herb may be a friend of Gerry and myself, but he acted on behalf of the shareholders in a most judicious manner, while always retaining his sense of humour.

There are questions. Where will I sit at next year's annual meeting? Will I get to speak? Sure these are issues, but they are pretty minor. I could also worry about what I will eat at the annual meeting for lunch next year as well.

Finally I would publicly like to thank my old friend and partner Gerry Sheff for the diplomatic way he has handled all the issues. As you know Gerry is remaining as CEO for up to another year. While I have been relaxing most of the time, Gerry has been working very, very hard. He is a good man.

Finally I want to say a few words about the future. Having David Rosenberg around as a full-time colleague has been very beneficial to our firm and myself. When asked to talk about the economy, I have the luxury of blaming Rosenberg if I am wrong. A firm like ours has only one important asset – its people. We are blessed with high quality, dedicated people throughout the whole firm. All in all, life is pretty good.