



North & East Ontario

2009

ANNUAL REPORT



**2009**

**CAA NORTH & EAST ONTARIO**  
**The Year in Review**



CAANEO MADE HISTORY THIS YEAR,  
RANKING NUMBER ONE OUT OF SIXTY  
AUTO CLUBS IN NORTH AMERICA FOR  
MEMBER SATISFACTION.



## Message from the Chair and President

**We are delighted to report** that CAA North & East Ontario (CAANEO) experienced another year of exceptional growth, increasing both our Membership and income in a year marked by economic uncertainty.

Last year was a very special year for the Club, as it officially ushered in the beginning of our new three-year Strategic Plan. The Club has already successfully implemented many initiatives that will directly contribute to achieving our ultimate goals and objectives for 2011. Nothing highlights this better than the proud accomplishment of our Automotive Services team. This past year they made CAANEO history by ranking **number one out of sixty auto clubs** in North America for Member Satisfaction. This achievement clearly conveys the message that we are dedicated to not only meeting, but exceeding our Members' expectations.

Additionally, the Club developed a partnership with the NHL's Ottawa Senators, giving CAA Members exclusive access to unique offers and discounts. We also continued to **expand our advocacy initiatives** related to distracted driving, infrastructure, aging and driving, and climate change by conducting additional sponsored Reduce Impaired Driving Everywhere (R.I.D.E.) programs and senior Shifting Gears seminars throughout our region. We also increased both the profile and Member participation in our annual Worst Roads campaign, garnering almost 10,000 votes, the most in the campaign's seven year history. Finally, CAANEO underlined our commitment to more environmentally responsible business practices by purchasing a new Ford Escape Hybrid as our corporate vehicle.

Although many Canadians adopted a more frugal approach to their spending habits in order to mitigate the adverse effects of a waning economy throughout 2009, CAANEO was able to successfully withstand the

economic challenges. We not only **increased our Membership** to 257,031 by the end of our fiscal year, but also increased our net income to \$1,190,936, as compared to \$426,801 in 2008, which is a testament to our Club's clear focus and exceptional staff.

Ultimately, these accomplishments, partnerships and events reiterate the Club's **clear focus and vision** of delivering unparalleled "concierge" service to our Members. CAANEO will not rest on our laurels; rather we will continue to make a conscientious effort towards expanding our brand and enhancing the overall benefits for current and future Members. From our incomparable Emergency Roadside Services (ERS), to our exclusive Member savings and rewards, to our phenomenal Travel and partner discounts, it has never been a better, more exciting time to be part of CAA North & East Ontario.

Finally, we would be remiss if we didn't thank the Board of Directors for their **unwavering support and leadership** over the past year. Additionally, we would like to reiterate our sincere appreciation to the management and staff for their continuous efforts, hard work and dedication that directly contributes and ensures that our Club remains Canada's premier automobile association. We are both extremely pleased to have been part of the Club's successes over this past year, and we remain confident that the Club is poised to be even more successful in 2010.

Respectfully submitted,

Brent Wilson  
Chair, Board of Directors

Timothy Georgeoff  
President & CEO

# What's New?

## CAA North & East Ontario Cruises to Top Spot in North America

In the summer of 2009, our Automotive Services team made CAANEO history! For the first time ever, Automotive Services were ranked number one out of sixty CAA/AAA Clubs in North America for Member Satisfaction.

The rankings are compiled based on monthly Member Satisfaction

surveys completed by CAA and AAA's 55 million Members across North America. CAA & AAA Members are asked to rate their satisfaction with the level of service they have received from their respective CAA or AAA Club.



## Driving to a Greener Future

Recognizing the importance of promoting stronger, more visible green initiatives throughout our Club and across our territory, CAANEO purchased a new 2009 Ford Escape Hybrid last spring.

The vehicle will help promote greener alternatives, especially when coupled with our Great Battery Roundup, Eco-Driving mini-site and ongoing lobbying efforts. Additionally, CAANEO takes every opportunity possible to educate both our Members and motorists in general regarding fuel-efficiency tips and is proud of CAA National's partnership with Pollution Probe to present a primer on automobile fuel efficiency and emissions.

By challenging and changing our personal behaviours as well as those of industry and governments, we can make a difference. CAANEO values the importance of being environmentally responsible, and encourages all Canadian motorists to do their utmost to adopt greener lifestyles today.



COMPARED TO THE FOUR-CYLINDER MODEL, THE HYBRID IS 35% MORE FUEL EFFICIENT FOR CITY DRIVING\*

\*Source: CanadianDriver.com

# What have we done to help our Members?

- ▶ We continued to grow, surpassing the 257,000 mark in September 2009.
- ▶ Our focus on exceptional service has paid off! CAA North & East Ontario was **ranked #1** out of 60 CAA/AAA Clubs in North America for Member Satisfaction.
- ▶ Understanding that great customer service starts from within, CAA North & East Ontario launched internal customer service surveys for all employees.
- ▶ In order to tailor our offers and discounts directly to our Members, we conducted extensive market research as well as a Member Needs & Wants Survey, in order to find out the benefits our Members want with their CAA Membership.
- ▶ Our website, [www.caaneo.ca](http://www.caaneo.ca), ranked #8 in North America for Member Satisfaction in the CAA/AAA Web Survey.
- ▶ CAA Travel Stores across North & East Ontario hosted numerous consumer information nights, on topics ranging from river cruises to Trek Holidays.
- ▶ Year 1 of our exciting partnership with the **Ottawa Senators** was a **huge success**, with Members loving the discounted ticket prices as well as the chance to win great prize packages.
- ▶ All our travel counsellors wrote and passed the TICO (Travel Industry Council of Ontario) certification exam.
- ▶ Understanding that 2009 was a challenging economic year for our Members and their families, CAANEO adapted by offering a **Monthly Payment Plan (MPP)** for Memberships.
- ▶ We **expanded our fleet** and increased the number of Battery Assist shifts, in order to serve our Members more efficiently.
- ▶ Our website saw an **increase in visitors of 40%** over last year, a reflection of our increasing efforts to communicate the benefits of Membership to our Members through every available channel.
- ▶ 2009 also saw the launch of the Canadian Savings Guide, a powerful new online tool that gives our Members a comprehensive overview of national, regional and local **Show Your Card and Save®** partners.
- ▶ Best Western has named CAANEO the winner in the category of 'Market Share Mover' having **improved our market share** in Best Western sales by 10%.
- ▶ CAA North & East Ontario's Travel team increased Disney Parks standalone tickets sales by 82% in Fiscal 2009.
- ▶ Our Travel Team partnered with West Jet Vacations to offer our Members great vacation packages to destinations all over North America. In 2009, our West Jet Vacation sales **increased 478%** over 2008 sales.



# CAANEEO at a Glance

Number of CAANEEO Members: **257,031**

Number of New Members: **42,208**

Total CAA & AAA Members in North America: Over **55 Million**

Number of CAANEEO Insurance Policies (Home & Auto): **11,665**

Percentage of Member Households that Purchase Insurance through CAANEEO: **5.5%**

Number of Road Service Calls Attended to Inside CAANEEO's Territory: **118,000**

CAANEEO Approved Auto Repair Service Facilities: **70**

Visits to [www.caaneo.ca](http://www.caaneo.ca) : **544,451**

Subscribers to CAANEEO's Monthly Online Newsletter: **48,359**

TourBooks® Distributed: **58,875**

TripTiks® Distributed: **31,408**

Maps Distributed: **122,330**

CAANEEO Travel Stores: **9**

Show Your Card & Save Partners: **62 (28 National, 34 Local)**

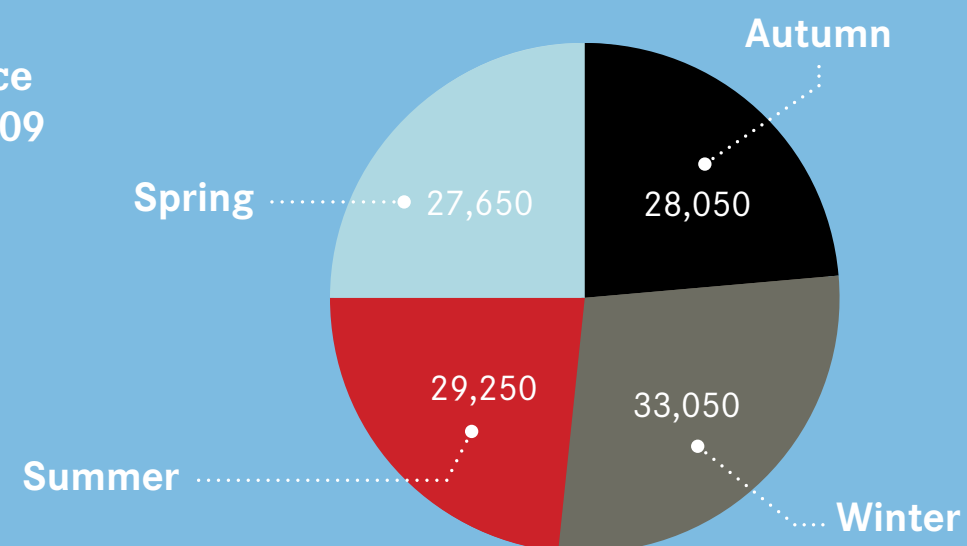
Number of Certified Travel Consultants: **38**

CAA Dollars Earned by Members: **\$558,468**

CAA Dollars Redeemed by Members: **\$574,834**

Cruise and Tour Passengers Booked Through CAANEEO Travel: **6551**

## Automotive Service Calls Received, 2009



## Auditor's Report

### To the Members of CAA North & East Ontario:

We have audited the consolidated statement of financial position of CAA North & East Ontario as at September 30, 2009 and the consolidated statements of operations, Members' equity and cash flows for the year then ended. These consolidated financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the organization as at September 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

### BOURIS, WILSON LLP

Chartered Accountants, Licensed Public Accountants.

Ottawa, Ontario.

November 19, 2009.

## Summary Financial Statement

INCOME STATEMENT	2009	2008
Total Operating Revenues	23,654,300	22,734,038
Total Operating Expenses	22,762,345	21,731,589
Income from Operations	891,955	1,002,449
Other Gains/Losses	345,359	(563,667)
Income before Income Taxes	1,237,314	438,782
Income Taxes	45,378	11,981
Net Income	1,191,936	426,801

### BALANCE SHEET

Total Assets	19,748,237	19,383,640
Capital Assets	8,944,729	9,461,494
Short-Term Investments (Book Value)	5,913,866	5,826,249
Short-Term Investments (Market Value)	6,178,297	5,910,889
Unearned Membership Fees	8,574,002	7,820,040
Members' Equity	6,132,351	4,940,415

### MEMBERSHIP

Total Members	257,031	253,152
Primary Members	173,643	172,037
Associate Members	83,388	81,115
Twelve Month Renewal Rate	85.4%	89.3%
Twelve Month Growth Rate	1.53%	5.22%

[www.caaneo.ca](http://www.caaneo.ca)

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**our locations**