

Cando Rail Services

More than a Name. It's a Mission

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The rationalization of Canada's rail industry nearly 100 years after its birth is where Cando Rail Services' ambitious and innovative story begins.

Established in 1978 by local entrepreneurs Gord Peters and Rick Hammond, Cando Rail Services (then Cando Contracting) operated with the sole function of salvaging and demolishing the many railway lines across Western Canada that had been abandoned by the downsizing activities of the Canadian Pacific and Canadian National railways. Through the late 1970's and through all of the 1980's, Cando enjoyed upwards of 80% of the market for railway line abandonment services across Western Canada, cashing in on the salvage of railway materials for sale all across North America. Its firm grasp on the niche market also led to Cando developing some of the leading protocols for how to tear up railway track, many of which other companies in the North American market later adopted.

Knowing that the railway line demolition business wouldn't last forever, the company began diversifying in the 1990's into other areas of railway service work, including the construction and maintenance of railway track. Cando Rail Services' main office has always been located in Brandon, MB, and today the company functions as a full rail service business, offering Engineering & Track Services, Industrial Rail Switching Operations, Terminal & Transload Services, Mechanical Services, Short Line Railway Operation, and Railcar Storage.

This full range of services has provided Cando a competitive advantage over other companies in the market and is widely regarded as the top railway service provider in Canada, bringing in approximately \$75 million in sales annually. From railway switching to track design, construction, operation, and finance, Cando can provide it all as part of a single site service contract. In Cando, the industry and the railway sector can count on an unflinching commitment to safe, high-value, cost-effective and innovative solutions.

With clients in the railway, oil and gas, refinery, fuel distribution, automotive, agricultural, mining & forestry, and intermodal industries across Canada and the United States, Cando currently has more than 20 remote work sites spanning the country, from southern Ontario to all the way west to Kamloops, as well as one American location in Kentucky. Cando also owns or operates three short line railways in Canada: two in southern Ontario and one in central Manitoba.

One of its largest emerging sectors of work lies in the area of "First Mile-Last Mile" industrial rail services, which involves the set-up and the loading of cars right in the railyard of, for example, a mine, a steel mill, or an automotive plant. Major industrial switching markets include refineries in Regina, SK., and Edmonton, AB., automotive plants clustered in southern Ontario, and the emerging markets of potash mines in Saskatchewan. In fact, this piece of the business alone can see Cando's on-site employees touching more than 1,000 rail cars each and every day!



Quick Facts

- Established in 1978 as a railway abandonment salvage and demolition company. Cando now has several distinct areas of service: Engineering & Track Services, Industrial Rail Switching and Material Handling, Terminal & Transload Services, Mechanical Services, Short Line Railway Operation, and Railcar Storage
- Based in Brandon, MB., Cando has 20-plus other industrial locations in Canada and the United States
- Cando services clients in the railway, oil and gas, refinery, fuel distribution, automotive, agricultural, mining & forestry, and intermodal industries
- Total staff complement of approximately 450 employees, with approximately 100 of those employees based in southwestern Manitoba
- Employee-owned stock incentive program allows employees ownership in the company

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Cando Rail Services currently employs in the range of 450 individuals, a number that can climb as high as 500 during periods of peak activity. Skilled employees range from rail line labourers, locomotive engineers, welders, and truck drivers, to corporate office staff in the areas of marketing, safety, accounting, information technology, payroll, human resources and senior management. Doling out a payroll of approximately \$25 million in 2015, Cando's recruiting and marketing team has worked hard to become a destination for "best in class" employees – thanks in no small part to its stock incentive program.

Started in 1996, Cando's unique employee ownership package has resulted in the company's current ownership involvement of more than 200 people. Its stock incentive program is offered to all employees, which matches share purchases up to a certain level and is structured as a 1 share=1 vote corporate governance model. As a result, when Cando employees from coast to coast are asked the question, "Who owns Cando Rail Services?", they can truly respond by saying, "We do!" With the success and growth of this program, Cando's internal motto, "Cando is more than a job. Think career. Think ownership," has truly galvanized staff commitment and involvement.

Cando's philanthropic philosophy is also very evident in every community in which it is located, with the company now on the cusp of rolling out a community granting program targeted at handing out between 1% and 1.5% of its pre-tax profits every year. Taking that extra step to engage its employees, Cando has also asked its employees to rank the causes and local charities and community initiatives they hold dearest. In addition, employee donations or fundraising campaigns are often matched by the company.

And in spite of the fact that virtually none of its rail service work is conducted in Brandon, Cando and its ownership remain fiercely loyal to its home base, a community which continues to offer an attractive work-life balance to entice and retain staff. Remaining in Brandon has become part of the company story and culture and will continue to be at the core of its future corporate succession planning, all of which can be summed up perfectly by its simple slogan, "Cando is more than a name. It's our mission."



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