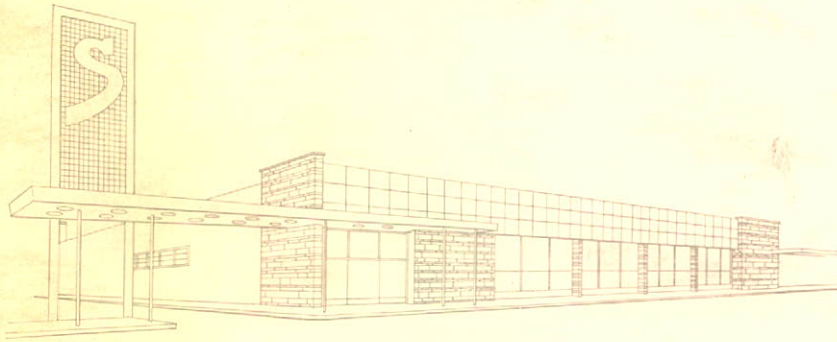


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# STEINBERG'S LIMITED ANNUAL REPORT

1959



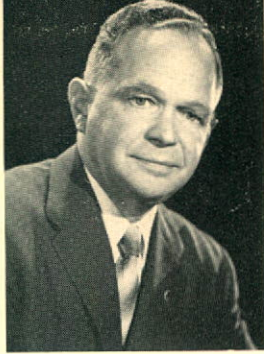
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**STEINBERG'S LIMITED ANNUAL REPORT**

FOR THE FISCAL YEAR ENDED JULY 25TH 1959



One of the largest and most modern of Steinberg's stores in Ontario, located in Toronto's Parkway Plaza shopping centre.



#### OFFICERS

SAM STEINBERG,  
PRESIDENT

NATHAN STEINBERG,  
EXECUTIVE VICE-PRESIDENT

MAX STEINBERG,  
VICE-PRESIDENT AND TREASURER

JACK GENSER,  
VICE-PRESIDENT AND GENERAL MANAGER,  
ONTARIO DIVISION

WILLIAM SHERMAN,  
VICE-PRESIDENT, OPERATIONS

JAMES N. DOYLE,  
GENERAL COUNSEL AND SECRETARY

#### DIRECTORS

SAM STEINBERG

NATHAN STEINBERG

MAX STEINBERG

JACK STEINBERG

MORRIS STEINBERG

SAM COHEN

JACK GENSER

LAZARUS PHILLIPS, O.B.E., Q.C.

#### SUBSIDIARY COMPANIES

OTTAWA FRUIT SUPPLY LIMITED

ALLIED FOOD MARKETS LIMITED

T.N.T. PREMIUMS LIMITED

#### TRANSFER AGENT

MONTREAL TRUST COMPANY  
MONTREAL AND TORONTO

#### REGISTRAR

ROYAL TRUST COMPANY  
MONTREAL AND TORONTO

#### AUDITORS

MCDONALD, CURRIE & CO.,  
MONTREAL

#### HEAD OFFICE

5400 HOCHELAGA STREET,  
MONTREAL, QUEBEC

#### ONTARIO DIVISION

75 REXDALE BOULEVARD,  
REXDALE, ONTARIO

## REPORT TO THE SHAREHOLDERS

On behalf of the Directors I am pleased to present the Annual Report of your Company and its subsidiaries for the fiscal year ended July 25, 1959—the most eventful period, so far, in the Company's 42-year history.

The past year was one of significant expansion, in terms of the Company's capital, the facilities built and placed in operation, the major entry into new Ontario markets, the volume of Company sales and the increased amount of profit earned.

Consolidated sales for the year under review reached a high of \$178,261,413, an increase of 18.11% over the previous year's total of \$150,925,637.

Consolidated net profits, after allowing for all charges including depreciation and income taxes, rose by 13.27% to \$3,392,785. Net profit per dollar of sales amounts to 1.9 cents. After preferred dividends of \$261,619, the net profit per Common and Class "A" share outstanding was \$1.13. Allowing for the intervening change in the Company's share capital referred to below, the net profit figure for last year was \$1.09 per share. → 356

Consolidated working capital remained strong, amounting to \$11,293,343, an increase of \$2,302,067 over the previous year.

At July 25, 1959 current assets were 1.74 times the current liabilities.

Following appropriate action by the Directors and Shareholders, Supplementary Letters Patent were issued to the Company in December 1958. Share capital was reconstituted in order that equity in the form of \$1.00 par value Class "A" shares might be offered to the public. The proceeds of the Class "A" shares subsequently sold by the Company increased the Shareholders' equity by \$3,018,557. In recognition of loyal service, employees of the Company were given an opportunity to purchase Class "A" shares below the issue price and a number of senior employees were granted limited stock options.

During the same month the Company purchased from members of the Steinberg family, 49% of the share capital of Ivanhoe Corp., a company engaged principally in acquiring real properties in connection with the expansion of Steinberg's operations, and in the related development and management of shopping centres. This purchase is particularly significant in view of the increasing importance of shopping centres and the need for adequate means of financing their construction.

Because of the introduction of premium stamps by competitors, "Pinky" stamps were made available in our Quebec stores early in 1959.

## Report to the Shareholders

A basic policy adopted by your Directors has been that the Company should endeavour to grow with Canada, to contribute to the development of new communities, and to do business wherever it can profitably provide better service to meet the increasing needs of Canadian consumers.

In pursuance of this policy the Company opened eight new stores in Quebec during the year, built a new 300,000 square-foot Grocery Distribution Centre in Montreal and embarked upon a three-phase program of expansion in Ontario.

During the early months of 1959 a number of desirable properties were purchased by or on behalf of Steinberg's in the Toronto area, and space was leased in several planned shopping centres, including the new Thorncliffe Park Development.

Complete ownership of Ottawa Fruit Supply Limited, a grocery and produce wholesaler operating in the Ottawa area, was acquired in May 1959. It has excellent warehousing facilities to service Steinberg's present Ottawa stores and to handle anticipated expansion in Eastern Ontario. Steinberg's also purchased Allied Food Markets Limited which operates two food stores in Ottawa under its own name.

In June 1959, under an agreement made with The Grand Union Company and Carroll's Limited, your Company, by purchase of properties and by assumption of obligations under leases, took over complete control and operation of the entire chain of Grand Union stores in Ontario, plus related office and warehousing properties and equipment. This involved 38 operating stores having an annual sales volume of \$30,000,000, four stores under construction, a new head office and warehouse building at Rexdale, Ontario and a number of other properties throughout the province. Your Company is now actively providing healthy competition in this new market, with operations directed from Rexdale, headquarters of a newly-formed Ontario Division.

This consolidated report includes the operating results of the new subsidiaries and of the former Grand Union stores only from the dates of their acquisition.

Throughout the past year dividends totalling \$816,019 were paid to shareholders. Regular quarterly dividends aggregating \$5.25 per share were again paid on the outstanding 5¼% Preferred shares and two dividends of 10 cents each per share were paid, in March and in June 1959, to holders of the new Common and Class "A" shares. As of July 25, 1959 your Company had 5,132 Shareholders, 734 being owners of Preferred shares, and the remainder owners of Common and Class "A" shares.

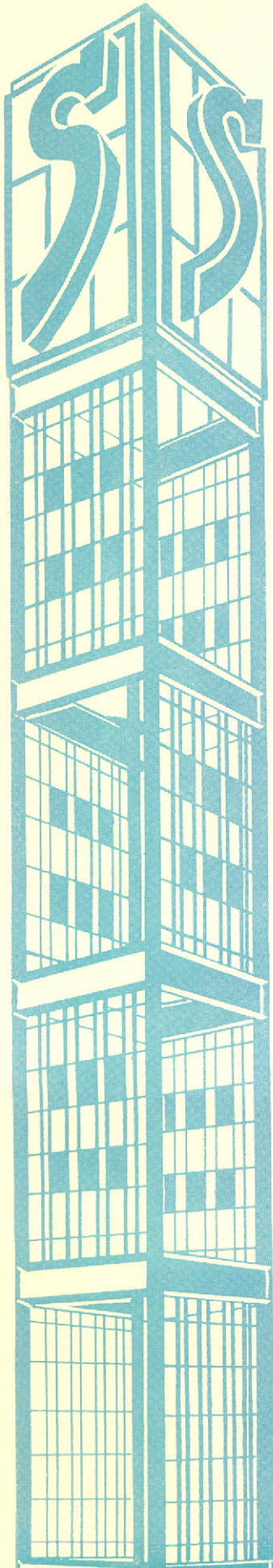
At the last annual meeting of Shareholders in October 1958, Mr. Lazarus Phillips, O.B.E., Q.C., was elected a Director of your Company, since which time the Board has benefited greatly from his active participation and experienced counsel.

It is a pleasure also to welcome to Steinberg's the 818 new employees who joined our staff during the year. To all Steinberg's employees, who by their ability and industry have contributed greatly to your Company's success, the Board expresses its sincere appreciation.

October 30th, 1959.



*President.*



## HIGHLIGHTS | the year in review

- Consolidated sales of \$178,261,413, representing an increase of \$27,335,776, or 18.11 per cent over the sales for the previous year.
- Consolidated net profit for the year rose by \$397,575 to \$3,392,785, the highest in the Company's history.
- Steinberg's Class "A" shares offered to the public for the first time.
- Acquisition of 38 Grand Union stores in Ontario, with annual sales of \$30,000,000, plus distribution facilities and administrative offices.
- The purchase of Ottawa Fruit Supply Limited, a grocery and produce wholesaler, with modern warehousing facilities.
- Construction of a \$3,000,000 Grocery Distribution Centre in Montreal, one of the largest of its kind in the British Commonwealth.
- Eight new supermarkets opened during the year. The new Rockland store in the Town of Mount Royal, Quebec presents the ultimate in Canadian supermarket merchandising and design.

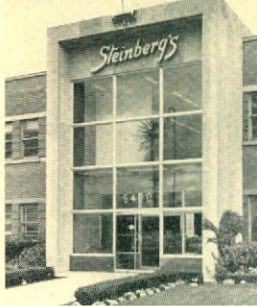
STEINBERG'S LIMITED AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET AS AT

ASSETS

	July 25, 1959	July 26, 1958
<b>CURRENT ASSETS</b>		
Cash.....	\$ 337,631	\$ 17,521
Short term investments—at cost.....	8,931,485	7,793,072
Notes receivable.....	—	300,000
Properties to be sold under lease-back agreements (Note 1).....	1,544,678	—
Amounts recoverable—projects under construction.....	1,930,196	755,203
Accounts receivable—trade.....	1,019,604	418,736
—other.....	408,405	1,150,801
Inventories—valued at the lower of cost or market.....	12,037,282	7,500,118
Prepaid expenses.....	423,143	237,813
	<u>26,632,424</u>	<u>18,173,264</u>
<b>INVESTMENTS AND OTHER ASSETS</b>		
Investments in and advances to associated companies—		
Investments—at cost.....	10,692,400	3,892,400
Advances.....	10,243,592	6,710,157
Loans receivable.....	276,553	37,833
Mortgages receivable.....	781,316	830,284
Deposits and sundry investments.....	118,692	74,539
	<u>22,112,553</u>	<u>11,545,213</u>
<b>FIXED ASSETS—at cost</b>		
Land.....	3,677,116	2,372,518
Buildings.....	2,268,817	2,943,897
Equipment and fixtures.....	18,385,489	13,397,695
Automotive equipment.....	1,384,591	1,256,100
	<u>25,716,013</u>	<u>19,970,210</u>
Accumulated depreciation.....	10,013,130	9,224,544
	<u>15,702,883</u>	<u>10,745,666</u>
Leaseholds and leasehold improvements—at cost		
less amounts written off.....	2,979,746	413,931
	<u>18,682,629</u>	<u>11,159,597</u>
<b>INTANGIBLE</b>		
Unamortized discount on debentures.....	117,335	132,199
	<u>117,335</u>	<u>132,199</u>
	<u><u>\$67,544,941</u></u>	<u><u>\$41,010,273</u></u>

Approved on behalf of the board:  
SAM STEINBERG, Director  
MAX STEINBERG, Director



**COMPANIES**

**JULY 25, 1959 (with comparative figures as at July 26, 1958)**

**LIABILITIES**

	<u>July 25, 1959</u>	<u>July 26, 1958</u>
<b>CURRENT LIABILITIES</b>		
Bank loan—secured . . . . .	\$ 1,102,000	\$ 740,000
Accounts payable and accrued liabilities . . . . .	12,532,509	6,872,023
Dividend payable on preferred shares . . . . .	65,630	66,000
Income taxes payable . . . . .	1,638,942	1,503,965
	<u>15,339,081</u>	<u>9,181,988</u>
<b>OTHER LIABILITIES</b>		
Notes payable—due in equal amounts on June 13, 1960 and 1961 . . . . .	6,230,000	—
Loans from shareholders . . . . .	756,908	771,909
Mortgage loans—5½-7% due on varying dates to August 1967 . . . . .	829,480	146,912
	<u>7,816,388</u>	<u>918,821</u>
<b>FUNDED DEBT</b>		
5¼% sinking fund debentures (annual sinking fund \$300,000)—		
due December 1, 1972 . . . . .	5,000,000	5,000,000
due October 1, 1973 . . . . .	2,500,000	2,500,000
	<u>7,500,000</u>	<u>7,500,000</u>
Less: Redeemed . . . . .	1,733,000	1,447,500
	<u>5,767,000</u>	<u>6,052,500</u>
<b>SHAREHOLDERS' EQUITY</b>		
<b>CAPITAL STOCK (Note 2)</b>		
Authorized—		
100,000 cumulative redeemable preferred shares		
of the par value of \$100 each		
2,250,000 Class "A" shares of the par value of \$1 each—non-voting		
1,750,000 common shares of the par value of \$1 each		
68,000 2½% deferred shares of the par value of \$100 each—non-voting		
Issued and fully paid—		
49,720 5¼% cumulative redeemable preferred shares—Series "A" . . .	4,972,000	5,000,000
1,275,471 Class "A" shares . . . . .	1,275,471	—
1,500,000 common shares . . . . .	1,500,000	100,000
68,000 2½% deferred shares . . . . .	6,800,000	—
	<u>14,547,471</u>	<u>5,100,000</u>
<b>CONTRIBUTED SURPLUS</b>		
Representing amount received as subscription price		
of shares over the par value thereof . . . . .	1,899,086	88,000
	<u>22,175,915</u>	<u>19,668,964</u>
<b>RETAINED EARNINGS</b> . . . . .	<u>38,622,472</u>	<u>24,856,964</u>
	<u>\$67,544,941</u>	<u>\$41,010,273</u>

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# STEINBERG'S LIMITED AND SUBSIDIARY COMPANIES

## CONSOLIDATED STATEMENT OF EARNINGS

Year Ended July 25, 1959 (with comparative figures for the year ended July 26, 1958)

	July 25, <u>1959</u>	July 26, <u>1958</u>
<b>SALES</b> .....	\$178,261,413	\$150,925,637
	<u>                    </u>	<u>                    </u>
<b>PROFIT FROM OPERATIONS</b>		
before the undermentioned items .....	8,605,603	7,605,225
<b>Add:</b>		
Income from investments and loans .....	795,697	833,898
Miscellaneous income .....	52,273	100,472
	<u>                    </u>	<u>                    </u>
	9,453,573	8,539,595
	<u>                    </u>	<u>                    </u>
<b>Deduct:</b>		
Provision for depreciation .....	1,955,924	1,769,144
Payments under lease-purchase agreements .....	418,630	420,630
Interest on debentures and amortization of discount .....	322,123	342,420
Interest on mortgage and other loans .....	151,177	42,001
Contribution to employees' profit sharing pension fund .....	457,235	406,077
	<u>                    </u>	<u>                    </u>
	3,305,089	2,980,272
	<u>                    </u>	<u>                    </u>
<b>PROFIT BEFORE PROVISION FOR TAXES ON INCOME</b> .....	6,148,484	5,559,323
<b>PROVISION FOR TAXES ON INCOME (Note 4)</b> .....	2,755,699	2,564,113
	<u>                    </u>	<u>                    </u>
<b>NET PROFIT FOR THE YEAR</b> .....	\$ 3,392,785	\$ 2,995,210
	<u>                    </u>	<u>                    </u>



## CONSOLIDATED STATEMENT OF RETAINED EARNINGS

Year Ended July 25, 1959

BALANCE AT BEGINNING OF YEAR..... \$ 19,668,964

**Add:**

Net profit for the year..... 3,392,785

23,061,749

**Deduct:**

Dividends on preferred shares..... 261,619

*240 →* Dividends on Class "A" and common shares..... 554,400

Financing costs..... 68,253

Loss on disposal of land and buildings..... 1,562

885,834

BALANCE AT END OF YEAR..... \$ 22,175,915

# STEINBERG'S LIMITED AND SUBSIDIARY COMPANIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. On July 30, 1959 these properties were sold, under a lease-back agreement, to Steinberg's Properties Limited for \$5,340,000 payable in cash and shares of that company.
2. (a) On December 1, 1958, 550,000 authorized common shares without nominal or par value were changed, sub-divided and increased into 2,250,000 Class "A" shares and 1,750,000 common shares, both of the par value of \$1 each. In addition, the authorized capital was increased by 68,000 2½% deferred shares of the par value of \$100 each.  
(b) During the year, 1,271,900 Class "A" shares were issued for cash and 3,571 Class "A" shares and 68,000 deferred shares for assets acquired.  
(c) The company has reserved 516,100 unissued Class "A" shares as follows: a maximum of 408,000 shares to satisfy the conversion privilege, exercisable after December 1, 1963, attaching to the 2½% deferred shares, 28,100 shares to satisfy options granted to certain employees, and a maximum of 80,000 shares to satisfy subscription rights of eligible persons to purchase shares under the Employees' Stock Purchase Plan 1958.
3. The financial statements include the operations of Ottawa Fruit Supply Limited, Allied Food Markets Limited, and the company's Ontario Division from their respective dates of acquisition.
4. The capital cost allowances of \$2,637,028 which it is intended to claim for income tax purposes are \$681,104 in excess of depreciation recorded in the company's accounts and this has decreased the company's current income tax provision for the year by approximately \$350,000. Accumulated depreciation claimed for income tax purposes to July 25, 1959 but not provided in the accounts amounts to \$1,178,040.
5. The aggregate minimum rentals, exclusive of additional amounts based on percentage of sales, taxes, insurance and other occupancy charges, under long-term leases (extending beyond five years from the balance sheet date) in effect at July 25, 1959 for each of the periods shown, are as follows:

1960-64 . . . . .	\$ 16,418,592
1965-69 . . . . .	15,502,286
1970-74 . . . . .	13,504,270
1975-79 . . . . .	9,170,775
1980-84 . . . . .	3,802,507
After 1984 . . . . .	854,516
Total minimum rental liability . . . . .	<u>\$ 59,252,946</u>
6. The company has a contingent liability to another corporation, in connection with the purchase of certain assets, which liability cannot exceed \$562,500.

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of Steinberg's Limited and its wholly owned subsidiary companies as at July 25, 1959 and the consolidated statements of earnings and retained earnings for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and consolidated statements of earnings and retained earnings, when read in conjunction with the notes appended thereto, are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies as at July 25, 1959 and the combined results of their operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the companies.

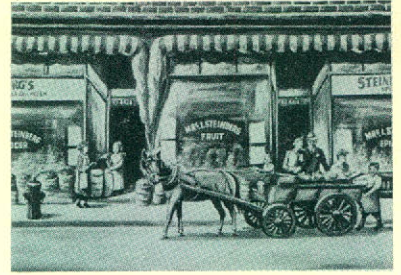
MONTREAL, QUE.  
OCTOBER 19, 1959

McDONALD, CURRIE & CO.,  
CHARTERED ACCOUNTANTS

**FIVE-YEAR COMPARISON  
OF FINANCIAL AND OPERATING STATISTICS**

	1959	1958	1957	1956	1955
Sales . . . . .	\$178,261,413	\$150,925,637	\$132,431,428	\$120,019,663	\$101,753,994
Net Profit for the Year . . . . .	\$ 3,392,785	\$ 2,995,210	\$ 2,397,023	\$ 2,009,252	\$ 1,783,697
Net Profit per Dollar of Sales (in cents)	1.90¢	1.98¢	1.81¢	1.67¢	1.75¢
Number of Stores . . . . .	108	62	53	48	44
Inventories . . . . .	\$ 12,037,282	\$ 7,500,118	\$ 6,675,454	\$ 5,547,019	\$ 5,205,926
Salaries & Wages . . . . .	\$ 16,606,877	\$ 14,424,935	\$ 12,289,836	\$ 10,419,808	\$ 9,044,962
Working Capital . . . . .	\$ 11,293,343	\$ 8,991,276	\$ 5,808,002	\$ 8,278,011	\$ 255,484
Total Assets . . . . .	\$ 67,544,941	\$ 41,010,273	\$ 37,228,425	\$ 33,028,682	\$ 27,558,043
Shareholders' Equity	\$ 38,622,472	\$ 24,856,964	\$ 20,932,338	\$ 17,929,540	\$ 10,924,113





The original Steinberg's store opened in Montreal in 1917.

## STEINBERG'S BUILDS FOR TODAY AND TOMORROW

During the past 25 years a revolution has taken place in food retailing. Perhaps the most significant change has been the progressive development of the supermarket as the modern medium for distributing food to the public. In addition, the shopping habits of literally millions of people have been altered as a result of the location of supermarkets in convenient, spacious shopping centres offering a wide variety of consumer services.

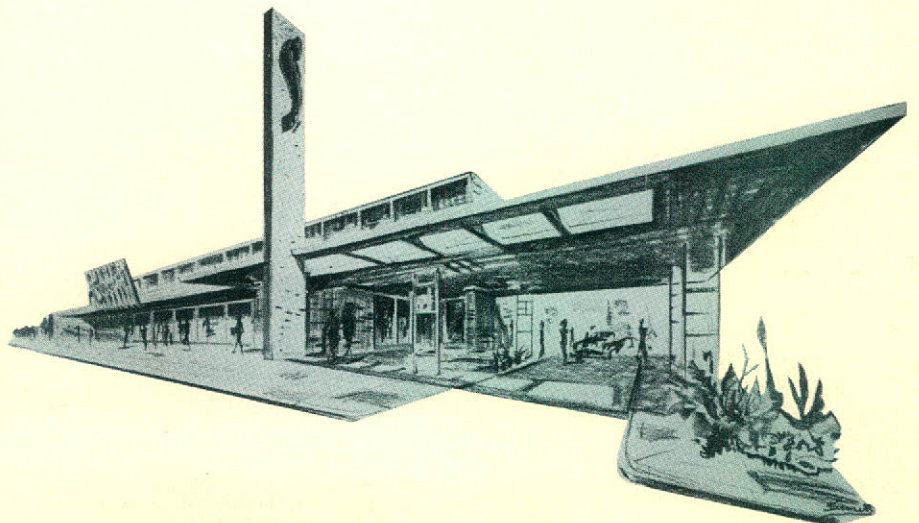
Steinberg's Limited has played an important role in this transformation, with a program of supermarket development which by July 1959—42 years after the founding of the first Steinberg's store in Montreal—comprised no less than 108 up-to-date supermarkets strategically located throughout Quebec, New Brunswick and Ontario. Many of these are located in shopping centres.

### STEADY GROWTH

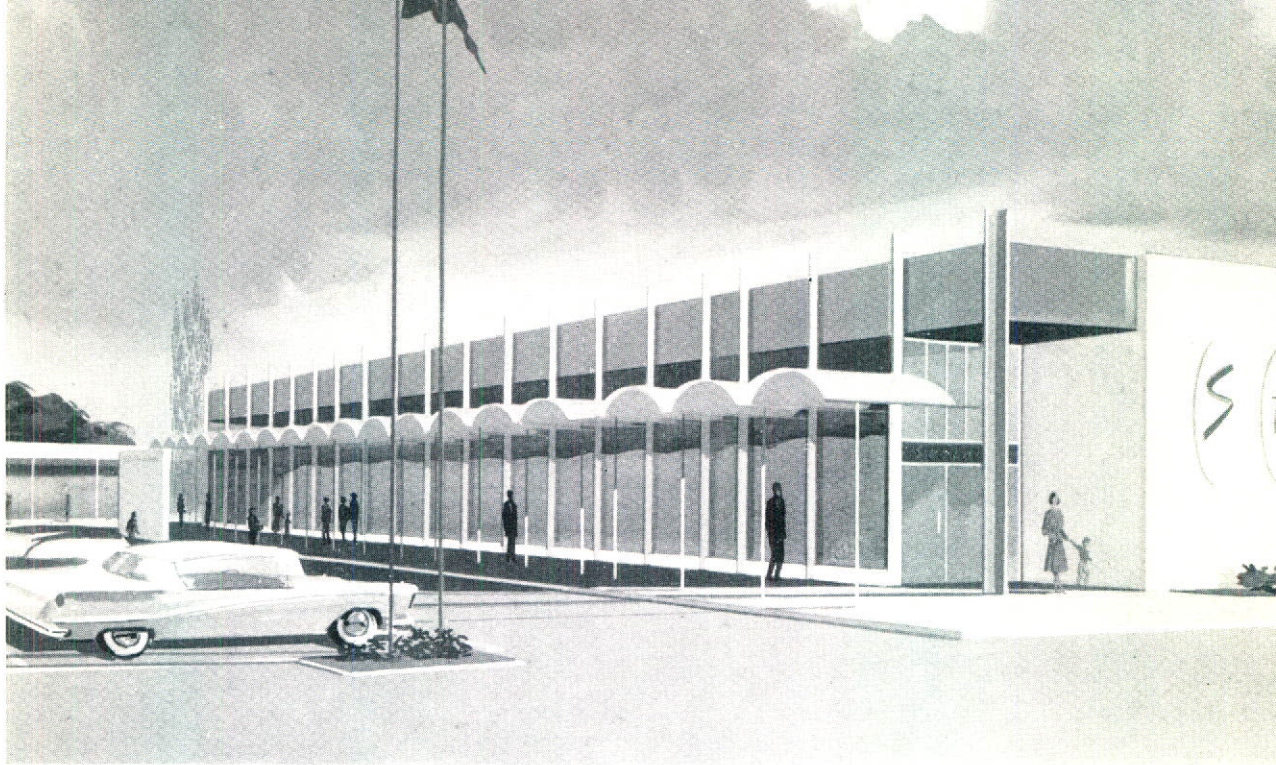
Over the years the Company's policy of steady growth has been reflected in increased market coverage and sales volume. The years between 1950 and 1958 typify this growth.

In 1950 there were 28 stores located in the Province of Quebec, recording an annual sales volume of approximately \$45,000,000. By 1956, 48 Steinberg's supermarkets (including two in Ottawa, Ontario) had attained an annual sales volume of more than \$120,000,000.

The year 1958 was marked by the Company's first expansion into the Atlantic Provinces, with the opening of a store at Oromocto, New Brunswick, to serve the needs of the families of Canadian Army personnel stationed at nearby Camp Gagetown. Sixty-two stores were by then registering an annual sales volume of almost \$151,000,000.



◀ The shopping centre has become an integral part in the planning for future industrial and residential development.



Rockland, the newest member of the Steinberg's family of supermarkets, located in the Rockland Shopping Centre in suburban Town of Mount Royal, Quebec.

#### *A MAJOR STEP FORWARD*

The year 1959 stands out as the most progressive year in the Company's history, highlighted by its full-scale expansion into the Ontario market.

It had been increasingly evident in recent years that the Company's natural growth would ultimately call for a major expansion beyond the boundaries of Quebec. The opportunity to enter the Ontario market with ready-made organizations established upon foundations of experienced, trained personnel and modern physical facilities, led to the Company's decision to purchase the extensive Canadian interests of two food distribution and retailing firms—The Grand Union Company and Ottawa Fruit Supply Limited.

#### *THE GRAND UNION INTERESTS*

The transfer of Grand Union's Canadian interests to Steinberg's in June of this year marked the departure of this substantial international organization from the food retailing scene in Canada.

In acquiring 38 Grand Union supermarkets, nearly all of which are located in the highly populated Central and Southwestern Ontario area, together with administrative offices, and warehousing facilities capable of handling a greatly increased volume, Steinberg's was able to



The produce department of the new Rockland store is typical of Steinberg's interior store design, emphasizing spacious product display, shopping ease and comfort.



make an immediate, organized entry into the Ontario market which might otherwise have taken three to five years to achieve.

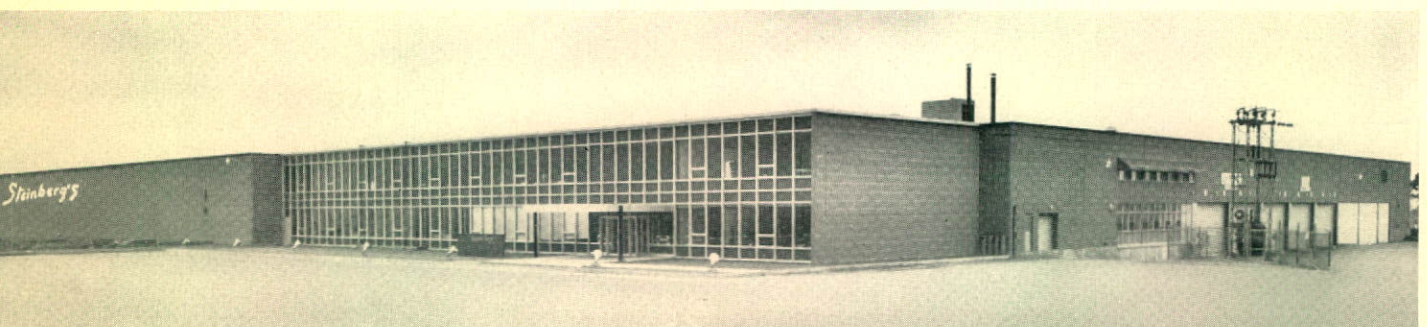
These stores are being altered as quickly as possible to display the familiar "Steinberg's" identification.

The establishment of the Ontario Division, a completely self-contained operating unit of the Company, followed closely after this development. The new division is facilitating the rapid implementation of Steinberg's merchandising policies and procedures and is providing the organizational structure upon which future expansion throughout the Province will be based.

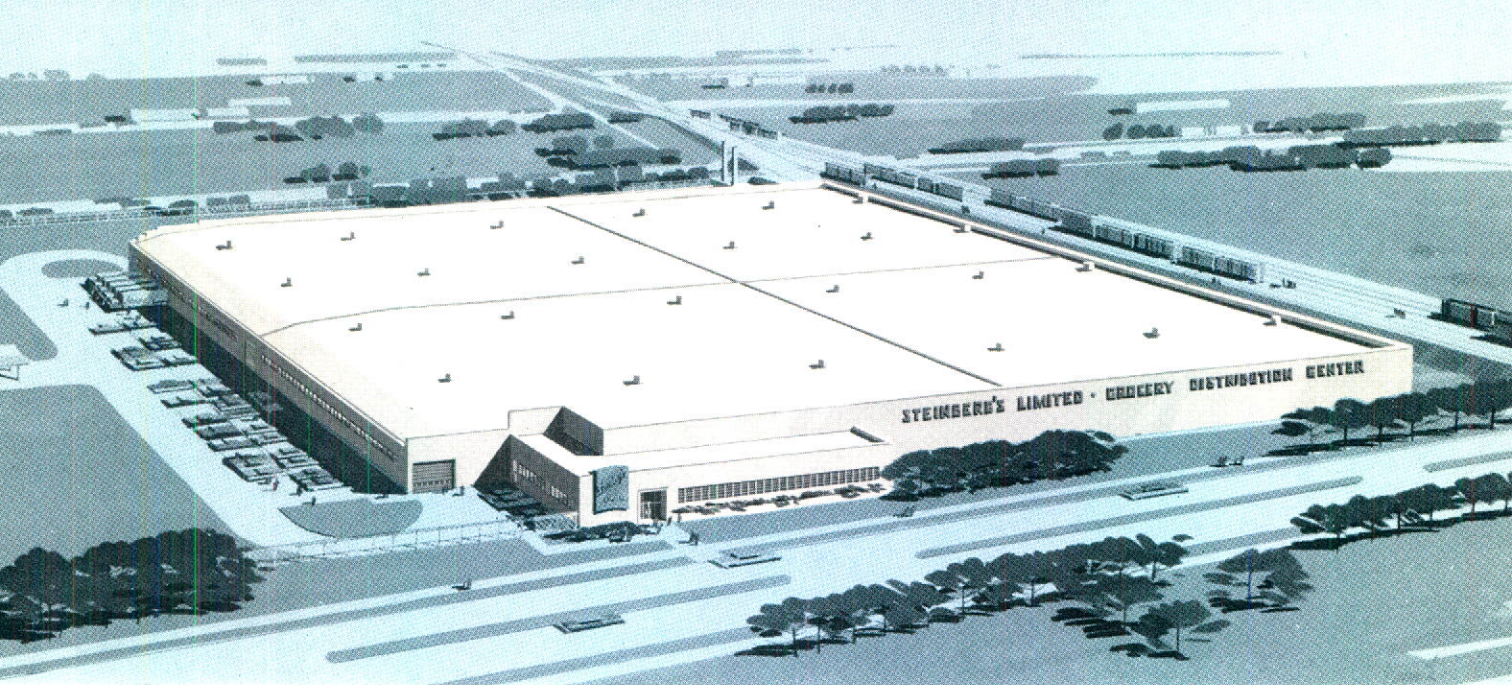
#### *OTTAWA FRUIT SUPPLY LIMITED*

Ottawa Fruit Supply Limited with its 45,000 square feet of up-to-date, well-equipped warehousing and distribution facilities, represents a logical acquisition to further our expansion plans for Ottawa and Eastern Ontario. For the present, this new subsidiary will service Steinberg's existing Ottawa supermarkets, and will continue to supply the grocery and produce requirements of Allied Food Markets Limited and a number of independent retailers.

These noteworthy advances, coupled with the opening of eight new Steinberg's supermarkets in Quebec, have contributed to the attainment of a record sales volume of \$178,261,413 during the fiscal year, and have accelerated the Company's planned physical and volume growth.



Ontario Division administrative offices and warehouse, located at Rexdale in suburban Toronto.



The new 300,000 square-foot Grocery Distribution Centre in Montreal, among the largest of its kind in the British Commonwealth.

#### *WAREHOUSING, PROCESSING AND DISTRIBUTION*

Increased efficiency and lower distribution costs have played and will continue to play an important part in fulfilling Steinberg's declared policy of providing the customer with a varied selection of top quality merchandise at the lowest possible price.

To keep pace with accelerated store expansion, and with an eye to future development, extensive additions to the Company's warehousing and distribution facilities were made in 1959.

Of major importance in this expansion program was the construction of a new 300,000 square-foot Grocery Distribution Centre adjacent to existing facilities in Montreal. Valued at \$3,000,000, it is reputed to be among the largest and most modern of its kind in the British Commonwealth. Its completion makes it possible to expand and improve the Company's already large processing facilities.

Augmented by recent acquisitions in Toronto and Ottawa, Steinberg's warehousing and distribution facilities were increased by approximately 500,000 square feet in 1959. These now total more than 850,000 square feet of functional area, laid out and equipped for maximum efficiency in materials handling.





Automatic Cookie Machine mixes, bakes, cooks and packages up to 250 dozen cookies per hour.



Canada Choice Red Brand beef is carefully aged and shipped under controlled temperature to ensure uniformity and freshness.



Canada First Grade Creamery butter is automatically cut and packaged under the strictest controlled conditions, at the rate of 50 lbs. per minute.

Efficient materials handling and warehousing techniques were employed in the handling of more than 600,000 tons of merchandise in 1959, most of which was purchased from Canadian growers and manufacturers.



## THE STORES

Steinberg's supermarkets are designed, located, built and operated to give full effect to the consumer's desire for lower costs, greater shopping ease, cleanliness and variety; and the personality of each store is closely related to that of the community which it serves.

Outstanding advances in supermarket design and merchandising techniques are represented in the Company's new Rockland store located in the Town of Mount Royal, Quebec.

Rockland's modern, functional design and colourful, pleasing decor set the stage for unprecedented shopping comfort and convenience—with a wide range of merchandise attractively displayed in more than 70 identified departments.

Among the new technical features is the electronic control of front window drapes which open and close automatically according to the intensity of the sun.

Establishment within this one store of an unusual number of large specialty departments—Bake Shoppe, Bar-B-Q, Seafoods, Delicatessen, Health and Beauty Aids and Household Needs—is an innovation in supermarket merchandising which has met with enthusiastic customer response.

## OUR EMPLOYEES

In a great measure, the achievements of this year, and of previous years must be attributed to the Company's 8,000 full and part-time employees.

Insistence upon a high standard of personnel selection, supported by continuing performance evaluation, job training and liberal employee benefits, ensures the availability of capable personnel resources to meet the needs of our physical expansion.

HOUSEHOLD NEEDS—A broad range of everyday needs for the home: utensils, dishes, glassware, soft goods, stationery and toys.

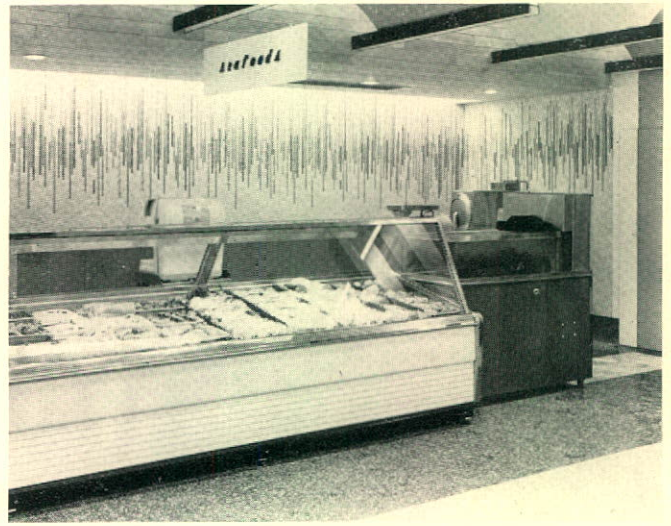




**BAKE SHOPPE**—A wide selection of fresh baked goods, including pies baked daily on the premises.



**BAR-B-Q**—Tender, young chickens awaiting customer selection.

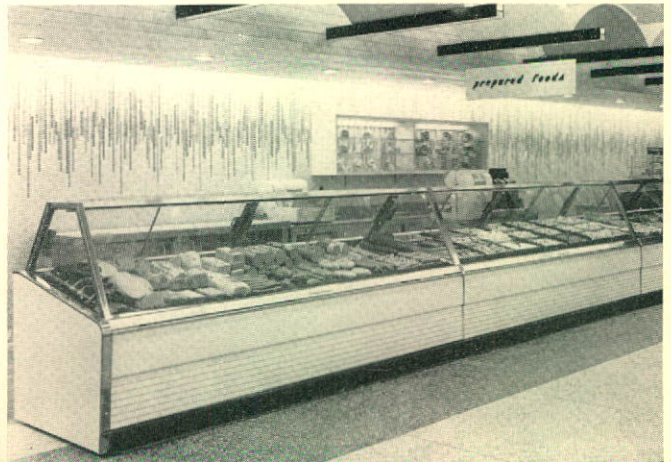


**SEAFOODS**—A variety of fresh seafood, including live lobster cooked to order on the spot.

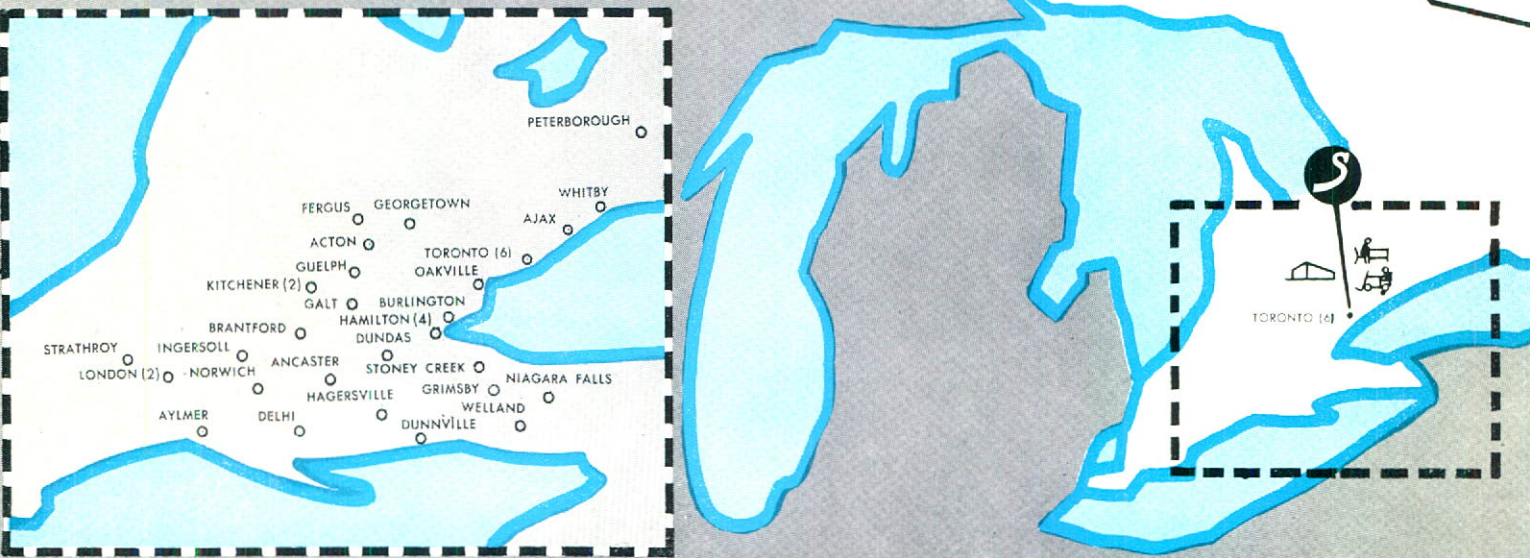
**HEALTH AND BEAUTY AIDS**—A wide selection of toiletries, cosmetics and bathroom supplies.



**PREPARED FOODS**—A service delicatessen, offering a variety of meats, salads and appetizers.



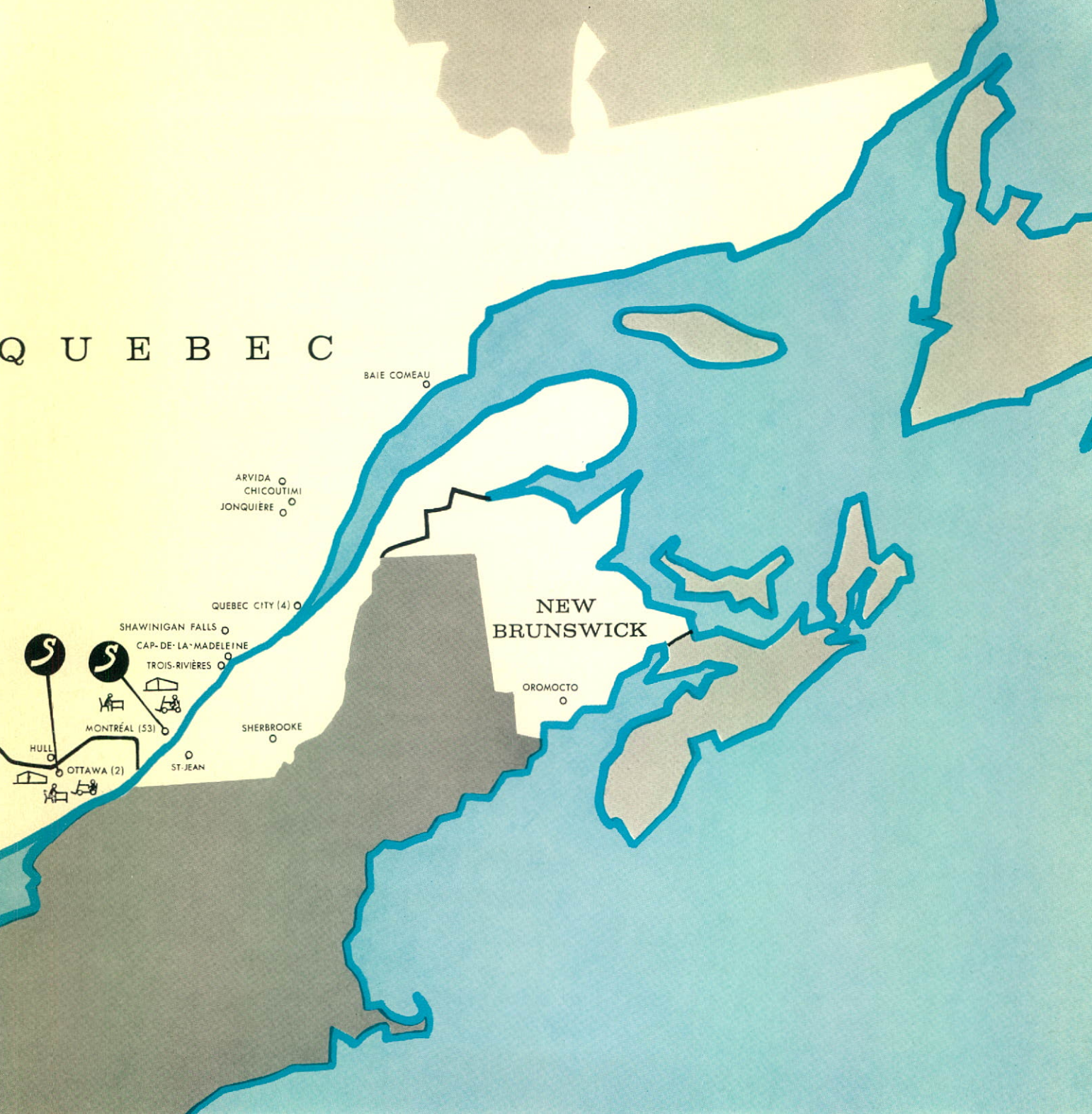
# ONTARIO



## MARKET COVERAGE

A geographical illustration of the marketing areas serviced by the 108 Steinberg's supermarkets in Quebec, Ontario and New Brunswick. Seven of these supermarkets are located in buildings owned by the Company, 43 are occupied under lease agreements which give Steinberg's the right, on compliance with certain conditions, to acquire the properties at stated future dates, and 58 are occupied under other lease agreements.

Q U E B E C



BAIE COMEAU

ARVIDA  
CHICOUTIMI  
JONQUIÈRE

QUEBEC CITY (4)

SHAWINIGAN FALLS

CAP-DE-LA-MADELEINE

TROIS-RIVIÈRES

MONTRÉAL (53)

SHERBROOKE

NEW  
BRUNSWICK

OROMOCTO

ST-JEAN

HULL

OTTAWA (2)



GREATER  
MONTREAL

- 53 stores
- 2 distribution centres
- Head Office



GREATER  
OTTAWA

- 2 stores
- 1 distribution centre
- Ottawa area  
administrative offices



GREATER  
TORONTO

- 6 stores
- 1 distribution centre
- Ontario Division  
administrative offices

SYMBOLS



STORES



WAREHOUSES



OFFICES

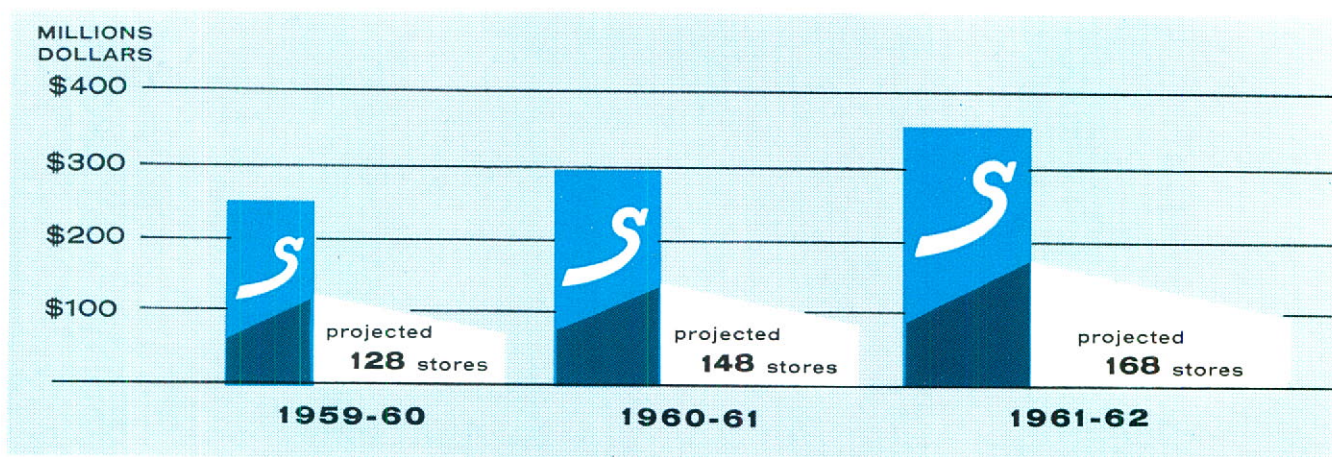
## A LOOK AT THE FUTURE

During the coming year more than \$10,000,000 will be invested in support of Steinberg's continuing program of planned store growth, its expansion of distribution and processing facilities in both Toronto and Ottawa, and in the overall improvement of the Company's services to its customers.

Present plans call for a net increase of 60 supermarkets over the next three fiscal years, after disposal of a number of the smaller, newly-acquired stores.

In anticipation of a vigorous, expanding Canadian economy, and after consideration of all known related factors, the Company looks forward to a sales volume of approximately \$250,000,000 in its 1959-60 fiscal year, \$300,000,000 for 1960-61 and \$350,000,000 for the year 1961-62.

PROJECTED STORES AND SALES — ENTIRE COMPANY 1959-1962



## WE BELIEVE...

*That we must always conduct our business in the public interest by providing the best possible service in the most courteous manner.*

*That it is our duty to the buying public to make available quality merchandise at the lowest price consistent with fair competitive practice.*

*That we have a responsibility to the communities in which we do business, and that this responsibility entails active work for their welfare and that of our nation.*

*That we must continually develop a sound employee organization as the foundation of efficient operation and future progress.*

*That our business should operate at a reasonable profit so that we not only can pay interest and dividends to our investors, but so that we can attract new investors as we grow.*



STEINBERG'S LIMITED



STEINBERG'S LIMITED • MONTREAL, CANADA