



Going Once...

Dave Ritchie receives Distinguished Entrepreneur of the Year Award

Dave Ritchie (centre), Chairman of the Board of Ritchie Bros. Industrial Auctioneers, still loves to be part of the excitement of auction day.

If Dave Ritchie had his way, he'd be on a Ritchie Bros. auction site every day of the year. With a gleam in his eye and a spring in his step, at 69 Ritchie still has all of the entrepreneurial spirit that gave him the vision to transform his family's Kelowna-based used furniture store into a global leader in industrial auctioneers.

Ritchie is Chairman of the Board for Ritchie Bros. Auctioneers (RBA), a company he founded in 1958 along with his two older brothers. He is also the recipient of the 2005 Distinguished Entrepreneur of the Year Award. The award, presented annually by the UVic Business Board of Advisors, recognizes an inspirational entrepreneur who has had a significant and positive impact on the global community through their business leadership.

On-site the day prior to a recent auction in Chemainus, B.C., Ritchie is clearly in his element. He checks that the equipment to be sold is optimally positioned, confirms details for the big day, and greets potential customers with a smile and handshake. Hundreds of pieces of industrial equipment—mostly from the forest industry—are being lined up precisely. The RBA team has been working on this event for more than three months, and in 24 hours it will all be over. But for now, Ritchie is focussed on ensuring that the event runs smoothly and that everyone goes away happy. As Brian Glenn, Area Manager for RBA, puts it, "Dave is a freak for detail. He misses nothing."

Born in Kelowna on March 2, 1936, he is the youngest of five siblings—three boys and two girls. Early on, Ritchie showed a great flair for business. He recalls early ventures selling whatever he could to make pocket money: lemonade, Christmas trees; he even sold one woman the grapes out of her own garden! His father's used furniture store was endlessly fascinating. "I

couldn't wait to get to that store after school and on weekends to see what we'd bought that day and what we'd sold."

In 1955, as soon as he graduated high school, Ritchie went straight to work for his dad at the store. Three years later, he and his two brothers took over the store and established Ritchie Brothers Galleries. The first company auction was a last-ditch attempt to save the business. With a two thousand dollar payment due, the brothers decided to auction off their inventory to pay the bank. The auction made \$2200 in one day, and set the company on a new course. Ritchie Bros. Auctioneers was born.

While the brothers all had distinct and—for the most part—complementary business styles, Ritchie quickly emerged as



the most ambitious of the three. From the start he had grand visions of expanding the company throughout North America, and possibly internationally. He convinced his brothers to adopt a game plan for growth, and in 1963 Ritchie set out for Vancouver. The intention was that his brothers would establish themselves—and the company in Toronto and Calgary soon thereafter, but ultimately neither elder brother chose to move away from his hometown of Kelowna.

The youngest Ritchie, however, kept his eye on expansion. The company conducted its first industrial auction in 1963 in Radium Hot Springs, B.C., selling more than \$600,000 of construction equipment and never turning back to furniture. Steady growth

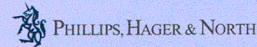
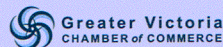
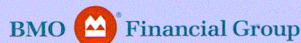


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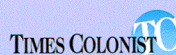
Distinguished Entrepreneur of the Year Award Event

Wednesday May 25, 2005 Victoria Conference Centre

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ensued, as RBA expanded first through North America in the 1960s and 1970s, and then into Europe in the 1980s, and Mexico, the Middle East, Australia, Southeast Asia in the 1990s. The new millennium saw further expansion into South America, Africa, India and mainland China.

Over a decade ago, Ritchie began to envision another type of growth. He advocated the use of technology to allow bidders around the world to participate. Early attempts had varying degrees of success, but his vision was accurate; today RBA broadcasts most of its auctions online, allowing for live Internet bidding, creating a truly global auction experience.

Today, RBA is the largest auction company of its kind in the world, with 110 offices in 25 countries and 30 auction sites. The company conducts more than 140 auctions each year, specializing in industrial equipment for the construction, mining, material handling, forest, marine, petroleum and agricultural industries. Ritchie Bros. Auctioneers is publicly traded on the NYSE and the TSE (under the ticker symbol 'RBA'), has gross auction sales of U.S. \$1.79 million annually, and boasts more than 400,000 active customers.

According to Ritchie, RBA's recipe for success from day one has been in the way they treat people. "We not only instilled honesty and integrity, we put our money where our mouth is." Their cornerstone business ethic is to offer only unreserved auctions. That means that sellers are not able to place minimum prices on their items, nor can they bid on their own equipment. This method allows buyers to participate on a fair footing where each piece sells to the highest bidder.

Although he stepped down as CEO of the company last year, Ritchie remains active in the business, attending as many auctions as he can. He still has the heart of a true entrepreneur, with sights set on the relatively untapped markets of China and India for future expansion. This, and continued streamlining of the use of the Internet for online bidding are the drivers of his entrepreneurial spirit these days.

After 40 years in the business, Ritchie's own approach is still hands-on when it comes to customer service. "People still want a handshake, a smile. You want to shake their hand and thank them for taking the time to come down. And they become your silent salesmen, because they like you."

Back on-site in Chemainus, excitement is building for the auction. Ritchie is looking forward to seeing customers he sold to 40 years ago. Asked what he'll focus on during the auction, his reply is simple: "Having fun," he says. "It's never been a job for me. I'm just having fun." **bc**



David Ritchie (left) accepting award from event chair Peter Gustavson.

Words to Inspire

Accepting his award at the Distinguished Entrepreneur of the Year Award gala dinner on May 25, David Ritchie was jovial and relaxed. Seemingly as at home addressing 500 of Victoria's most influential business people as he is on an auction site, Ritchie gave a presentation that was entertaining and inspiring.

Ritchie regaled a clearly appreciative crowd – he received a standing ovation before he even began – with tales of Ritchie Bros. Auctioneer's spectacular ascent in the auctioneering business, and many of the challenges they faced along the way. His message of integrity and perseverance was reinforced throughout his remarks. He spoke of learning to do business in foreign cultures, of being arrested five times while trying to get into the U.S. market, and of early trials when introducing internet technology.

Ritchie also shared a three-pronged recipe for success that applies to any type of business, but is the cornerstone of RBA's approach. His advice? Never give up; never compromise your integrity; and think big, as you are only limited by your own visions.

According to business faculty dean Ali Dastmalchian, Ritchie is a natural choice for the award because of the impact the company has had on the global community as well as the entrepreneurial spirit and commitment to service.

The sold out event kicked off with a private function for event sponsors followed by a champagne reception and a gourmet meal prepared by the Fairmont Empress. The evening closed with a special auction of three spectacular gifts donated by David Black and Peter Gustavson, David Ritchie and the Fairmont Hotels & Resorts. Thanks to the expert auctioneering support of Don McEachern and his RBA team, \$32,200 was raised to support MBA and bachelor of commerce students attending UVic Business. **bc**