business environment is changing rapidly and if a subsidiary is unable to adapt to the reality of 1994, versus 1984, you could be looking at a situation where you're no longer viable as an operation. We've managed to maintain our profitability but that's not to say we are not constantly looking to exploit our key competencies and secure our position within the Genlyte family."

On Quebec-based subsidiaries winning world and North American manufacturing mandates, Mr. Avrum Drazin, Chairman of the Board for The Genlyte Group adds, "There are three primary factors which management must give due diligence. Firstly, there must be a need for the subsidiary within the Canadian marketplace upon which it can build through to a North American mandate. Secondly, you must be able to look at your organization very differently than you did five years ago. In other words, you must be able to re-engineer your organization to become as cost-effective as possible. If your costs are out of line, you're not going to survive in Canada or anyplace else. This is an especially important concern for subsidiaries of American corporations. Thirdly, it is very important to attain the backing of all your employees, both union and non-union. In Montreal, we've been very fortunate to have a group of employees and directors who understand that our future is based on bringing the cost of our products in line with world markets. The union has been very cooperative and we've worked very closely with them in many areas to ensure that we are effectively accomplishing that goal."