

# **ANNUAL REPORT**

**To the People who  
work in the ...**

**1980**

**ALCO GROUP**



# TAKING A LOOK AT OURSELVES

During the year under review we have experienced numerous changes within our group and I would like to review some of these changes and to give you an overall picture of our planned future operations.

The tight trading conditions of the past few years, coupled with excessive competition, called for a critical review of our procedures and management structure with a view to introducing improvements and economies. In the latter part of 1979 a management re-organization was instituted, resulting in the streamlining of our total operation to fit into four clearly defined divisions. A chart of the new management structure is included in this report.

A major portion of our Melville property, excluding the area containing the Retail Store, Warehouse and Administration building, has been sold to a developer with possession in January 1981.

In June this year we purchased two acres of land adjacent to our WASCO Cannington property and this has served the dual purpose of providing an area for the construction of transportable housing and an access way to and from William Street, as an alternative to the busy Albany Highway access. The transportable housing display has been re-located at Cannington fronting Albany Highway. Timber Production also has been re-located at Cannington and in addition to maintaining supplies for housing construction, this section will supply the timber and pre-cut pack requirements of the retail branches.

Our field of activities in the coming year will be concentrated mainly in the following four areas:

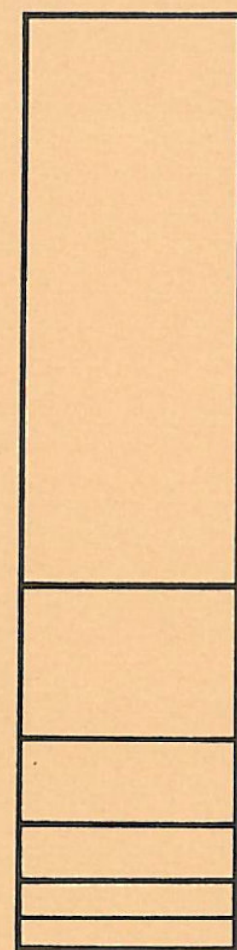
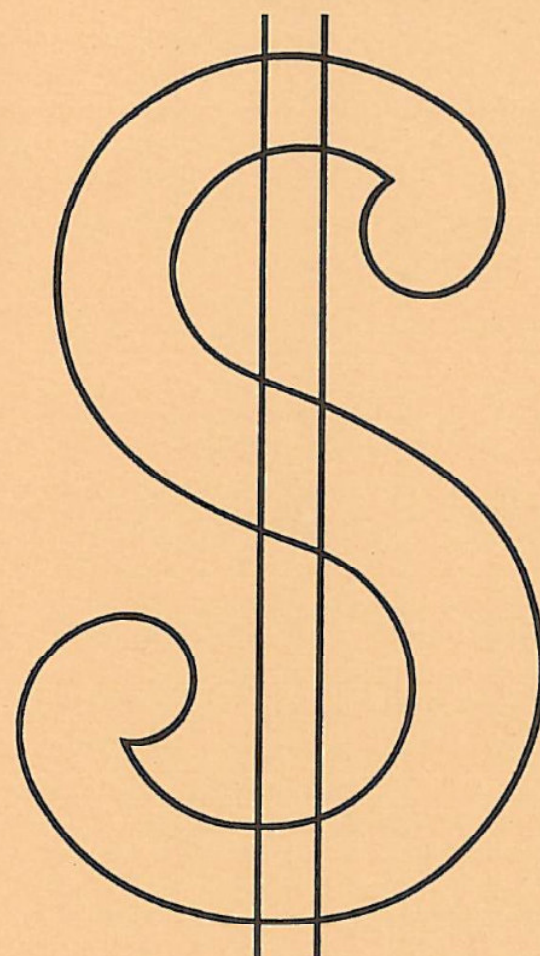
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|------------------------|--|
| <b>ALCO RETAILING</b>  | An improved marketing and merchandising programme is being introduced throughout our stores, which, since the acquisition in August this year of Bunnings/Sims' Wanneroo store, now number six.                                    |
| <b>WASCO RETAILING</b> | We plan to continue and expand our present successful marketing strategy throughout all outlets. After the scheduled opening of our new Spearwood store on November 1st, this division will then be operating from four locations. |
| <b>HOUSING</b>         | A stronger marketing-orientated approach is being developed for this division. This will be greatly facilitated as a result of the Administration and Construction sections having been combined in one centre at Cannington.      |
| <b>DEMOLITION</b>      | The acquisition of more sophisticated equipment coupled with the introduction of improved techniques and professional supervision, will enable us to maintain our leadership in this field.  |

On the strength of our new management structure and revised marketing strategy, I believe we can look forward to the future with confidence. I should like, on behalf of the Board of Directors, to convey to you our sincere thanks and appreciation for your past support and co-operation.

**MURRAY DAY,**  
Managing Director



## HOW WE SPENT THE SALES DOLLAR



## THE COST OF RUNNING OUR BUSINESS

3.8 cents to pay for goods and services.

8.8 cents went to employees in salaries, wages, superannuation and other benefits.

1.4 cents to overheads (such as depreciation, insurance, power, postage, telephones, stationery, advertising, etc.)

.1 cents to Federal, State and Local Governments in taxes.

.5 cents to shareholders as a dividend on their investment in the company.

.4 cents retained for future development and expansion.

## WHERE THE PROFITS WENT

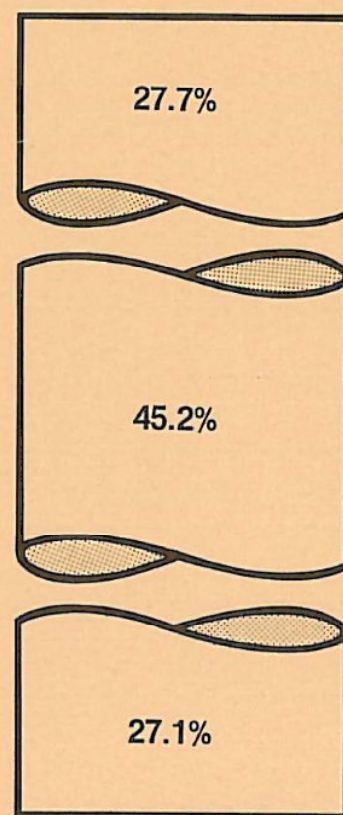
### BACK TO THE GROUP

For the purchase of equipment improvements and extensions to buildings, and expansion.

WAS PAID TO THE FEDERAL AND STATE GOVERNMENTS IN THE FORM OF TAX.

### AS A DIVIDEND TO OUR SHAREHOLDERS

Our shareholders received 27.5% of the profits which amounted to 1.5% of sales revenue as depicted above. The dividend paid to them for the year under review was 10% return on the money they have invested in the company.





# THE GROUP'S WHO'S WHO

Employing over 175 people, the ALCO Group of Companies is administered by:

The Holding Company Board, through the Managing Director;

Four Divisional Managers; and

The Management Team, comprising the four Divisional Managers and 14 Department/Branch Managers

## MANAGEMENT TEAM

MURRAY DAY Managing Director and Chairman

### DIVISIONAL MANAGERS

JOE BOROS	Finance & Administration
PETER A. DAVIS	W.A. Salvage Co.
KEVIN D. LANGLANDS	ALCO Retail
BERNIE J. LYDIATE	Housing

## BOARD OF DIRECTORS

Colin E. Day (Chairman)  
Murray Day (Managing Director)  
John A. Cullity  
Ian R. Diffen  
Ray J. Emmet  
Richard W. LeMessurier  
Ray G. Lloyd  
Norman G. Moore  
Ross A. Rumble  
Gordon J. Trewin

### MANAGERS

Peter Brnovich	Warehouse Manager
Mike Colman	Supply Manager
Tom Commins	Housing Production Manager
Peterjohn Davis	Manager, WASCO Perth
John Day	Asst/Div. Manager, WASCO
Errol Field	Area Manager, Northern Stores
John Freeman	Manager, ALCO Bunbury
David Fry	Manager, ALCO Cannington
Syd Harman	Manager, WASCO Cannington
Frank Hewitt	Purchasing/Pricing Manager
Derek Hopkins	Demolition Engineer
Roy Lipscombe	Sales Manager, Housing Division
Peter Macgregor	Demolition Supervisor, WASCO
Steve Masnyk	Manager, WASCO Balcatta
Don Rogers	Senior Accountant/Office Manager
Bill Woodroff	Manager, ALCO Melville

## MANAGEMENT STRUCTURE

