



RONA VERNON FIRST TO ADOPT NEW RONA BUILDING CENTRE STORE MODEL IN B.C.

An investment of more than \$2.5 million to remodel the store

Boucherville, QC – April 3, 2018 – Lowe's Canada, one of Canada's leading home improvement company, has set out to make RONA the #1 banner in the building centre market (small to medium stores, also known as "proximity stores") in the country. This segment currently accounts for close to half of Canada's home improvement market. RONA's Vernon store, located at 2201, 58th Avenue, is the first in British Columbia to undergo a major transformation, thanks to an investment of more than \$2.5 million. By the end of 2018, over 10 stores will have made the leap to the new RONA building centre store model.

"As we clearly stated on many occasions, Lowe's Canada is committed to RONA and the building centre model as one of its pillars of growth," said Patrick Lapointe, Divisional Vice-President, RONA Operations. "Our new RONA store prototype was developed with three goals in mind: better meet current needs and trends in renovation, establish ourselves as our customers' go-to destination for "projects", and enhance our offering for contractors and pros, who account for a larger portion of building centres' client base than it is the case for big box stores."

A transformation visible when setting foot into the store, to better meet the needs of today's consumers

Overall, the new RONA store model is designed to better reflect new property trends open floor plans, brighter rooms, and outside spaces designed to become natural extensions of the interior. These trends are reflected both in the store layout and strategic placement of some departments, as well as in the product selection. The result is a brighter, less compartmentalized store, with racking entirely redesigned and not as tall, except on the perimeter of the store, which allows customers to have a 360-degree view of the store and thereby find the section they are looking for at a glance. In addition, seasonal products have been moved up near the entrance so the shopping experience is renewed on a regular basis, and household appliances now have a prime location near the kitchen project section.

RONA, the destination for projects

The new building centre model is also designed to make RONA the go-to destination for turnkey renovation projects, whether it is remodeling a kitchen or bathroom, repairing a roof, or replacing doors and windows. This means that RONA offers not only the products required for home improvement projects, including products on special orders, but also a full range of services to guide and support customers throughout their project. These include design consulting, 3D renderings, as well as installation services. The store layout, incidentally, strategically puts all these services near the appliance section and other products for kitchen remodeling projects. Eventually, all RONA building centres will feature a kitchen section, which will be bigger or smaller depending on the size of the store.

More services for contractors and pros

The new RONA store model is designed to provide contractors and other home improvement professionals with an enhanced selection of services. These include a reserved parking area, a dedicated entrance and service desk, extended business hours to fit contractors' schedules, a special fleet of trucks for construction-site deliveries, a minimum 15,000-square-foot drive-through lumberyard, and charge-account services to speed up and simplify purchasing.





From left to right,

- Dale Girard, Regional operations manager, RONA
- Patrick Lapointe Vice President, Operations, RONA
- Clint Dickinson, General Manager, RONA Vernon
- Ian Foltinek, Market Director, RONA

About RONA

Created in 1939, RONA is a banner of Lowe's Canada, one of Canada's leading home improvement company. Spanning the entire country, its vast network of more than 430 stores includes both corporate stores and independent affiliated dealers. Known for its large in-store and online product selection as well as for its installation services, RONA also provides expert support and advice to its retail and pro customers for their building and renovation projects. For more information, visit <u>rona.ca</u> or follow us on <u>Twitter</u>, <u>Facebook</u>, and <u>Instagram</u>.

About Lowe's Canada

Lowe's Companies, Inc. (NYSE: LOW) is a FORTUNE[®] 50 home improvement company serving more than 18 million customers a week in the United States, Canada and Mexico. With fiscal year 2017 sales of \$68.6 billion, Lowe's and its related businesses operate or service more than 2,390 home improvement and hardware stores and employ over 310,000 people. Based in Boucherville, Quebec, Lowe's Canadian business, together with its wholly owned subsidiary, RONA inc., operates or services more than 630 corporate and independent affiliate dealer stores in a number of complementary formats under different banners. These include Lowe's, RONA, Réno-Dépôt, Dick's Lumber, Contractor First, and Ace. In Canada, the companies have more than 28,000 employees, in addition to nearly 5,000 employees in the stores of RONA's independent affiliate dealers. For more information, visit Lowes.ca.

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