



## Proshred Security Sells U.S. Operations to Franchise Management Company Heron Capital Corporation

**TORONTO, ON October 19, 2004.....**Franchise management company, Heron Capital Corporation, announced today that it has purchased the U.S. operations of Proshred Security International, a mobile document shredding service that entered the U.S. in 2003 after building itself into the largest service of its kind in Canada. The new owners plan to expand the company's U.S. presence from eight locations to more than 60 major metropolitan markets over the next several years, while also launching an international franchising initiative.

Heron Capital is headed by executives with long experience in both franchising and the shredding business. Company president John Prittie served as Vice President of Franchising and Development for a competitive mobile shredding company for five years and has also been involved with on-site diesel refueling, video, restaurant, and supermarket franchises. Executive Vice President Tim Tibbs also served as Vice President of Operations of the same competitive shredding company and has also held senior management roles with Mini-Tankers and Firestone Tire and Automotive Centers.

"Shredding is a growth industry driven recently by changes in privacy legislation, and Proshred has both the track record and the sophisticated logistics systems to become a major player in the U.S.," Prittie said. "The major competitors are either corporately owned or moving in that direction, and the fact that Proshred operates under a franchising model with local owner/operators is a strong differentiator that guarantees the key ingredient for success: total security coupled with exceptional customer service."

"John Prittie and Tim Tibbs are experts in franchise systems and operations in general, and shredding in particular, so they are ideally suited to take over our U.S. business," said Ron Campbell, president of Proshred Security International. "The structure and process that they will introduce through Heron Capital will significantly benefit our existing U.S. franchisees as well as all new operators they bring on board."

The acquisition completes Campbell's divestiture of Proshred Security International to pursue other business interests. Campbell sold Proshred's 350-city Canadian operations to Iron Mountain Incorporated in July as part of Iron Mountain's strategic expansion of the shredding component of its comprehensive records management offerings in Canada.

Proshred was founded in Toronto in 1986 as the first company to perform document destruction from mobile shredding trucks. The company is the only door-to-door shredding service to have earned ISO 9000 registration, indicating its compliance with the rigorous quality standards of the International Organization for Standardization.

Proshred currently has U.S. offices in Atlanta, Denver, Albany, Syracuse, Miami, Tampa, Milwaukee, and Springfield, Massachusetts. Most of the offices cover multiple metropolitan areas or states. At least six new U.S. offices are expected to open in the next two years. All locations will retain the Proshred brand.



## ABOUT HERON CAPITAL CORPORATION

Heron Capital is a franchise management company, founded in 1997. Shareholders include The Heron Group of Companies, business associates of the Heron Group as well as Heron Capital's President and CEO John Prittie. The Company's mandate is to develop and manage a number of truck and service related franchise businesses. The principals have successfully managed a number of franchise organizations in Canada focused on both business-to-business and business-to-consumer markets within Canada and the United States.

## ABOUT THE HERON GROUP OF COMPANIES

The Heron Group's businesses include franchise and real estate companies. Since 1979, the real estate companies have been responsible for over 10,000 residential units in the Greater Toronto Area and developed three million square feet of commercial and retail space. The Group's member companies include Heron Capital Corporation, Heathwood Homes, Heron Homes, Herity Corporation, Heron Consolidated Inc, Simerra Property Management Services, Equity Development Group, Herity Reality LLC, Heron Building Corporation and The Heron Group Limited.

The corporation is owned and managed by a compact, cohesive team of professionals - engineers, accountants, sales and business executives - who combine strict, operational discipline with entrepreneurial flair and spirit. Over the years, the many prestige communities designed and built by The Heron Group have earned the company an enduring reputation for quality, value and absolute integrity.