

Business Edge

News Magazine

ONTARIO

AUGUST 22, 2008 - Vol. 4, No. 17

Building Wealth
Through Real Estate
REDEV Properties
See Page 13

ALPINE HOMES
Celebrate Rustic Elegance
See Page 5

Businesses cashing in on rising athletic stars

Companies scoring with sports sponsorships

By Monte Stewart
Business Edge

Corporate sponsorship of young, relatively unknown Canadian athletes is on the rise, but there is still much room for improvement, say agents, players, parents and business leaders.

The 2008 Summer Olympics in Beijing and pro tennis and golf seasons are putting the spotlight on sports sponsorships.

Deals with young up-and-comers give companies a chance to market their firms at a lower price and get associated with a name that can strike it rich with millions of customers in the future.

"It's us taking a chance on them and them taking a chance on us," says Geoff Tait, co-founder of Toronto-based Quagmire Golf.

Quagmire, a golf-clothing manufacturer, got lucky when Chez Reavie, a 26-year-old rookie from Arizona, posted his first PGA Tour victory at last month's Canadian Open at Glen Abbey in Oakville, near the firm's Mississauga headquarters.

Reavie sported Quagmire's line in front of thousands of fans on the course and viewers on CBS Television.

See SPORTS

Page 3

Ontario ISSN 1710-7857



PM40045817

NEWSSTAND \$2

Growth spurt



Brennan O'Connor, Business Edge

Tackling the child-care challenge

Kids & Company CEO and president Victoria Sopik had a special reason to start her child-care business six years ago. As a mother of eight, the Ontario entrepreneur wanted to offer her expertise to businesses and other organizations across Canada. Sopik talks about how her growing company is on the move in **20 Questions** on **Page 8**.

Polybagging Services
Print Management
Bindery Services
Pic-n-pac Services
Canadian & US Mail
Digital Colour Copies

"Innovative Outsourcing Solutions"
Satisfaction Guaranteed

**CMS**
Complete Mailing Service

Data Processing
Data Entry
Personalization
Mail Preparation
Lettershop Services
Fulfillment Services

8 Dohme Avenue Toronto ON M4B 1Y8 ph : 416-755-7761 fax: 416-755-8231 toll free : 1-888-683-2501 email: info@completomailing.com

Business Edge

**PUBLISHED EVERY
SECOND WEEK
BY BUSINESS EDGE INC.**

NATIONAL OFFICE
Suite 500
525 11th Ave. S.W.
Calgary T2R 0C9
1.866.216.3343
Fax 403.264.4439

ADVERTISING INQUIRIES
1.866.216.3343, ext. 25
ads@businessedge.ca

PUBLISHER
Rob Driscoll

EDITOR-IN-CHIEF
Terry Inigo-Jones

HEAD OF RESEARCH
Alexis D. Smolensk

CIRCULATION MANAGER
Alexis D. Smolensk

SUBSCRIBE ONLINE
www.businessedge.ca

NEWS TIPS: news@businessedge.ca

Articles may not be reproduced, rewritten, distributed, disseminated, transmitted, displayed, published or broadcast, directly or indirectly, in any medium without the prior written permission of *Business Edge*.

CANADA POST PM 40045817
Return undeliverable Canadian addressed mail to:
Suite 500,
525 - 11th Ave. S.W.
Calgary, Alberta,
T2R 0C9
subscriptions@businessedge.ca

Index

• 20 QUESTIONS

Personal experiences as a parent of eight helped drive Kids & Company CEO and president Victoria Sopik to make child care her career and the entrepreneur is turning it into a success.

Page 8

• FINANCIAL EDGE

Qwest Investment Fund Management Ltd. executive vice-president Jennifer Stevenson keeps her focus on the growth and valuation of oil and natural gas companies.

Page 12

• STREET LIFE

Energy Savings Income Fund came through for energy customers in Western Canada and hopes they will remember who helped out when it comes time to sign new contracts.

Page 14

• EDGE@WORK

Businesses such as Purolator and WestJet have learned that the big business of corporate fundraising can pay off big time for the companies involved.

Page 18

• OPINIONS

Canadian premiers have announced a breakthrough in labour mobility, but the reality is that some provinces have created bureaucratic roadblocks, says columnist D'Arcy Jenish.

Page 20

• TECHNOLOGY EDGE

Cybercrime investigators have a tough but crucial job as two Canadian-specific studies show that IT security breaches cost publicly traded Canadian companies more than \$600,000 annually, says columnist Tom Keenan.

Page 22

Cargojet to expand Hamilton hangar

The Canadian Press

Canadian freight transporter Cargojet Income Fund (TSX:CJT.UN) says it is expanding its aircraft maintenance hangar at John C. Munro Airport in Hamilton to accommodate new Boeing aircraft the company is acquiring.

Construction is underway and will include a new hangar as well as shops, offices and parts warehouse and other infrastructure.

The new hangar will accommodate

Boeing 767-200 and Boeing 757-200 extended range jets and will provide parking for up to three widebody and narrowbody aircraft.

Cargojet reported its second-quarter loss widened slightly to \$1.51 million from \$1.47 million a year ago.

The air cargo services provider has been squeezed by lower customer demand as a result of a slowing economy in the United States and Canada. Cargojet is Canada's biggest provider of time-sensitive overnight air cargo services.

100 tips

for growing your business

Wardell Professional Development

25 Don't pass the buck. When things don't go as planned, great leaders take responsibility for their own actions (or inactions). Do this consistently, and teach your people to do the same. Once everyone starts taking personal responsibility for their work, your productivity will climb dramatically.

24 Start working towards "open-book management". When you share your company's financials with your employees, you encourage them to behave more like owners. Many entrepreneurs worry their employees will think the company makes too much money, but most employees actually overestimate the company's bottom line before they are exposed to it. It's not an easy step for most entrepreneurs to take, but those that do typically find the benefits are worth the risk.

23 Do the tough stuff first. One of the simplest, yet most effective strategies for dealing with procrastination is to cross the tough stuff off your to-do list first. Teach yourself to do this and then train your employees to do the same. If you can stay committed to the process, you'll build an incredibly powerful corporate culture.

22 Develop a company knowledgebase. In every business, new ideas are generated daily. Some are great, and some are not, but most are lost forever. To fix this, develop a company knowledgebase where good ideas can be stored for future use. This can be as simple as a folder on a computer or as fancy as a company wiki. Over time, this will become one of the most valuable tools you've got.

21 Take a break. Business should be fun. But life should still be about more than just business. Take a holiday and recharge your batteries. You'll come back stronger than ever.

to be continued...

"Like an athlete, raw talent doesn't always ensure success. Wardell offers a comprehensive approach - like a practical MBA, designed to coach the business owner and insure optimal business performance."

Brian Bentham, CEO, 1-800-007 JUNKS

"Wardell worked with our growing business side by side, giving us control of our growth process. Thanks to Wardell, our business is now at a point where it runs itself."

Kim Web Loong, President, Kin's Farm Market



To measurably increase the value of your business call now, toll free:
1-888-4-WARDELL (1-888-492-7335) or,
email info@wardell.biz to receive a free audio CD on sustainable business growth.

www.wardell.biz

SPORTS from Page 1

Young athletes keen for chance at sponsorship glory

Taking bonuses into account, Quagmire pays Reavie \$10,000 per year in a two-year deal. Quagmire also received millions of dollars worth of media exposure that it could not otherwise afford in its advertising budget.

"It's been great," says Tait. "The phone's been ringing off the hook. A few stores have put in some orders."

Quagmire, which distributes through stores such as Nevada Bob's, was hoping the success it achieved with Reavie would convince Golf Town president and CEO Stephen Bebis to put the clothing in the chain's stores. Bebis has expressed interest and Quagmire is hoping Reavie's triumph will enable it to market globally.

"It just shows anything can happen," says Tait. "There's always room for the underdog."

But some underdogs are still waiting for their chance at sponsorship glory.

Vancouver's Catherine Marino, whose daughter Rebecca, 17, is among the world's top 55 junior women's tennis players, says she has not noticed a major increase in sponsorships of young athletes.

Rebecca's main sponsor is Marino General Contracting, her dad Joe's firm. So far, although she has received lots of media coverage, she has only a modest deal with Yonex for complimentary racquets and clothing.

Marino's parents cover most of her annual expenses of about \$100,000 per year, enabling her to travel to major events such as Wimbledon and the French Open, where she has competed in the junior segments. This summer, she is transitioning out of the junior ranks and plans to compete in pro events, but she has retained her amateur status to remain eligible for a scholarship from Georgia Tech, which she may defer for a year.

Any prize or sponsorship money would be held in trust to preserve the scholarship.

"We haven't really made enough money and nobody's sponsored us, so we haven't really been faced with that dilemma," says Catherine Marino.

No agents have called either.

"I call her my manager," says Rebecca, sitting next to her mom after a recent doubles match at the Odlum Brown tournament at West Vancouver's Hollyburn Country Club.

Marino was eliminated in the quarter-finals of both the singles and doubles segments at the VanOpen. In singles, she dropped a quarter-final match to eventual champion Urzula Radwanska of Poland.

Vasek Pospisil, 18, of Vancouver, who has ranked among the world's top three junior men's tennis players, used his father Milos as his agent up until the week of the Odlum Brown tournament, when he signed with U.S.-based sports marketing agency Blue Entertainment Sports Television



Photo courtesy of Quagmire Golf

Quagmire Golf co-founder Geoff Tait, left, Canadian Open winner Chez Reavie and Bobby Pasternak savour Reavie's PGA Tour event title.

(BEST) for what is believed to be a three-year deal. (Pospisil and partner Adriano Biasella of Italy were eliminated in first-round doubles action.)

Pospisil's new agent, BEST's Sam Duvall, says sponsorships of young prospects allow firms to grow with the athlete.

Corporate hospitality with a future star provides a big benefit to companies, he says, as well as the satisfaction of having aided a young player's development. "Those are my main selling points when I'm trying to sell a younger player, somebody that's not top 50 or top 20 (in world rankings)," he adds.

Duvall, who also represents young tennis player Peter Polansky of Thornhill says it's difficult for unheralded youngsters to get "off-court" sponsor-

ship deals until they become big names.

But they are likely safer bets compared to some stars, whose legal problems – both civil and criminal – have cost firms millions in endorsements that went wrong.

For example, after former Atlanta Falcons quarterback Michael Vick received a 23-month sentence for operating a dogfighting ring, Nike and Reebok suspended sales of his shoe and apparel brands.

Several other companies, including the Royal Bank of Canada, also sought creditor protection after Vick filed for bankruptcy. Some of the actions were based on alleged breaches of sponsorship contracts.

However, not everybody is motivated by money.

"I'm really not looking for a huge financial reward on my end," says Sam Boguslavsky, president and CEO of Calgary-based Sable Developments Inc., whose company Sable Resorts has sponsored Pospisil for about five years. "I am of a different mindset – as long as he needs the help and we're capable of providing it, he's got it."

Following the Odlum Brown event, Pospisil was slated to sign autographs during a promotional event for a Sable development at Mara Lake near Sicamous, B.C.

Boguslavsky says Pospisil fits his own and his company's ideals of a healthy lifestyle, but his support has more to do with a personal relationship than corporate image.

He says many other companies are quietly supporting young athletes as well as charities, but firms have a responsibility to do more.

Milos Pospisil says obtaining sponsorships has been much tougher than expected.

"(Companies) are hesitating to support young athletes, because they just don't know what will happen," he says. "We didn't really promote too much. Maybe that was a mistake."

However, some big-name U.S. companies are still taking flyers on largely unproven Canadian youngsters.

James Love, 25, of Calgary, who competes on both the Canadian and Nationwide golf tours, has sponsorship deals with U.S.-based golf-equipment supplier Titleist Foot Joy and British clothing company Sub Seventy – but no Canuck firms.

"They're pretty much investing in me, thinking that I'm going to make it to the PGA Tour one day," he says.

See EXPENSES

Page 5

Having your investments head south is a good thing.

Arizona Acquisition Fund

A limited opportunity from CBI Group.


30%

FIXED RATE BOND
IRRESP-ELIGIBLE (FIVE-YEAR TERM)

60%

OF NET PROFIT
DISTRIBUTED TO INVESTORS

A strong Canadian dollar combined with low home prices in the U.S. make this your opportunity to realize better returns through a professionally managed real estate fund.




CBI Group's Arizona Acquisition Fund will acquire approximately 175 single-family homes in the highly desirable Phoenix, Arizona area. These homes will be rented and managed, and eventually resold.

To find out more about participating in CBI Group's Arizona Acquisition Fund, contact a member of our team, or see our website for upcoming information sessions in your area.

1-866-900-3698

CBIArizona.com

All investments are subject to an offering memorandum.



THE NEW FACE OF CANADA

Offices: Vancouver Edmonton Red Deer Calgary Lethbridge Regina Toronto

Housing market struggles with slowdown

Starts fall as price growth rate declines in most Canadian regions

By David Hatton
Business Edge

Canada's housing market has started to cool, with government data released earlier this month showing housing starts falling 14 per cent this summer and prices rising at their slowest level in more than six years.

The decrease in housing starts marked only the fourth time in 5½ years that monthly numbers have come in below 200,000 units and the sharpest decline since last December, according to the Canada Mortgage and Housing Corp. (CMHC).

New-home construction dropped to a seasonally adjusted 186,500 units in July compared with 215,900 in June. Most analysts were expecting about 210,000.

One CMHC analyst says people shouldn't read too much into the lower numbers.

"After a strong first half of the year, the volatile multiple (unit) segment is now readjusting itself," Brent Weimer, a senior economist with the CMHC's market analysis centre, says in a news release. "This brings activity since the start of the year closer in line with our 2008 forecast of more than 200,000 housing starts (average per month) for the seventh consecutive year."

Most of the lower activity in the multi-family dwelling sector was in Toronto, where construction cranes have dominated the skyline for years. Unadjusted housing starts showed 498 units were started in July, a drop of 30.7 per cent from the 719 reported during the same month in 2007.

"You have to be careful looking at those kinds of numbers, though," says Jason Mercer, CMHC's senior market analyst covering the Greater Toronto Area (GTA).

"The construction timing of large-

scale high-rise projects has to be taken into account. You can have buildings that are 200 or 300 units that suddenly start construction during a month and it can seriously affect the numbers.

"Another factor is the time lag. Construction is usually about a year or two behind sales because most banks want to see a good majority of the project sold before they will finance construction."

Mercer says it's more important to look at the change in year-to-date housing starts. For the GTA, the 15,832 multiple family-unit starts for the first seven months of this year are about 57.1 per cent higher than the same time period last year.

Jane Renwick, president of Urbanation, a Toronto consulting firm that tracks the local condominium industry, says there isn't that much need for alarm. "I definitely wouldn't panic. During the second quarter of 2008 we had 20 buildings completed in the Greater Toronto Area, which adds up to 3,360 units. During the first half of this year there were about 30 buildings, or 4,500 units, which is good.

"We're still seeing a healthy supply-to-demand, with MLS listings showing the average number of days on the market about 30 days. That's incredible in a market like Toronto that you can put your unit on the market and sell it within a month," she says.

"Prices are still trending upwards, while your average rents are staying the same. For investors, you have to look at what your tolerance is for negative equity. As an investor, I would hold right now."

Renwick says people who are buying a condominium to live in should look at a different set of criteria. "It depends on the reputation of the builder, what amenities are important

to you, what kind of an area it is," she says. "If it's a good deal for you, go for it."

But the day the CMHC data became public, Statistics Canada released information of its own showing new-home prices increased at their slowest pace in more than six years in June. Contractors' selling prices were up 3.5 per cent between June 2007 and June 2008. That's down from the 4.1 per cent year-over-year national increase recorded in May.

It's also the slowest growth rate recorded since March 2002, when year-over-year price increases inched up 3.4 per cent.

Year-over-year prices were still up 16.3 per cent in Saskatoon compared with June 2007, and 0.1 per cent in Calgary and 1.6 per cent in Edmonton, according to Statistics Canada.

"That's caused by migration patterns," says Richard Corriveau, a regional CMHC economist based in Alberta. "People who moved to Alberta to get jobs found it was tougher than they thought, or had difficulty getting housing and are moving back home. The largest culprit for the decline in Alberta is migrants. Another factor is the abundance of

listings. You have excess supply right now in some cases. We are predicting it will be stronger towards 2009."

Corriveau says Manitoba and Saskatchewan should be stable through the rest of this year, while Alberta continues to be volatile.

Year-over-year price changes in some British Columbia municipalities were mixed. Vancouver was up 1.8 per cent, while Victoria remained steady at 0.4 per cent.

Chris Erb, president of the Canadian Homebuilders Association of B.C. and owner of a Nanaimo-based construction company, says speculators are partly to blame.

"You had people who saw there was money to be made in the construction industry and they got into the business as fast as they could. Now, there is a bit of excess inventory and they are starting to panic," he says.

"It's not all doom and gloom like you read in the media sometimes, but things aren't fantastic right now either. It depends on where you are."

Erb said markets traditionally go in cycles and this will eventually work itself out.

(David Hatton can be contacted at hatton@businessedge.ca)

Dream deal for Sleep Country?

The Canadian Press

Two Canadian investment firms have offered to buy national mattress retailer Sleep Country Canada (TSX:Z.UN) in a friendly deal valued at \$356 million.

Sleep Country, which has a high profile across the country through its national ads that feature president Christine Magee, owns Canada's largest chain of mattress stores. The chain includes 27 stores in Quebec under the name Dormez-vous Sleep Centres. It also has 46 stores in Arizona under the Sleep America banner as well as its 133 Sleep Country Canada stores.

Birch Hill Equity Partners Management Inc. and Westerkirk Capital Inc., both based in Toronto, have offered

\$22 for each unit of the income trust that owns Sleep Country. The transaction is valued at \$356 million.

Sleep Country's board supports the bid but it requires approval from unitholders.

Sleep Country president Magee, who has been the spokesperson for radio and television ads for years, has agreed to remain with the firm - as has chief executive Stephen Gunn.

Magee and Gunn issued a statement saying: "We are proud of the team that has been built over the last 14 years and are excited to be leading them into the next phase of the company's growth and development supported by a great set of financial partners."

In its latest financial report, Sleep Country reported net earnings of \$5.8 million.

"After 10 months of working with ActionCOACH, we doubled our net profit margin!"

"I have an MBA and own a business that has been operating successfully for over 100 years."

"One thing that hadn't changed was how much time I spent in the business - and it was a lot."

"So I hired ActionCOACH to help me find ways to work less in my business and more on my business."

"I have successfully delegated a number of my duties, and after six months, we were a year ahead of our profit objective. It was one of the best business decisions I have made."



Don McGreevy
Owner, A. Guinness & Company Inc., Toronto, (ON)

Discover the proven methods thousands of business owners have already used in their companies from the World's #1 Business Coaching Firm.

Visit actioncoach.com/businessedge today to receive your FREE 1-hour business coaching session, valued at \$375*. See for yourself how the renowned ActionCOACH systems can work for you and your business.

Toll-Free: (888) 478 0790

actioncoach.com

*To be eligible, you must have a registered corporation that has been operating for at least 12 months.

EXPENSES from Page 3
Canadian Tour pros receive local support

Love, whose family pays most of his expenses, says Canadian Tour players don't get many lucrative sponsorship deals, but companies here still have a strong willingness to support young pros.

"Of all my friends that play on the Canadian Tour, I think I might be the only one that doesn't have a Canadian company on their shirt, hat, bag or the other clothes they wear," says Love.

That's probably because his agent, Peter Webb of Gaylord Sports Management, is based in Scottsdale, Ariz., he adds. Most of his buddies on the Canadian Tour have Toronto-based agents who are pushing to promote products sold north of the border.

Philip Bester, a 19-year-old rising tennis star from North Vancouver, says he is in a unique situation because he has been represented by one of the world's top agencies, IMG, since he was 12.

IMG has secured sponsorship deals for him with Nike and racquet manufacturer Wilson.

IMG's support and the sponsorship deals allow him to live and train out of the famed Bollettieri Tennis Academy in Florida and meet most of his \$150,000 in expenses.

"Everybody is fighting out there, trying to get points and rankings and money for expenses," says Bester, who lost in the opening round at Odlum Brown. "They don't have the ability to switch shoes every week when their soles have worn out."

Agent Webb says companies have to base sponsorships on their business plans and decide whether they just want to get their name out, or be associated with events such as the Olympics or other pro athletes.

"We've had some success (in Canada), but everybody's going to be a little stand-offish if you haven't even heard of the player's name," says Webb.

Small companies have a harder time, he adds, because they usually have to rely on personal relationships to secure a big name.

"The smaller companies, it depends on what they're really going after," says Webb, adding they have to consider the geographic range of their market first.

But relatively small Canadian firms, such as Quagmire and Dunning Golf, which benefited from their support for unexpected 2007 Masters champion Zach Johnson of Iowa, can still reap big gains by latching on to up-and-coming stars.

"I think Dunning and Quagmire have hit home runs," says Webb.

(Monte Stewart can be reached at monte@businessedge.ca)

Job boom goes bust with big July single-month drop

The Canadian Press

The job boom went bust in July with the loss of 55,000 jobs, the worst single-month drop since the height of the recession of the early 1990s.

Statistics Canada said the unemployment rate actually slipped to 6.1 per cent in July from 6.2 per cent in June, but only because many people left the work force.

The economy is clearly slowing, analysts said.

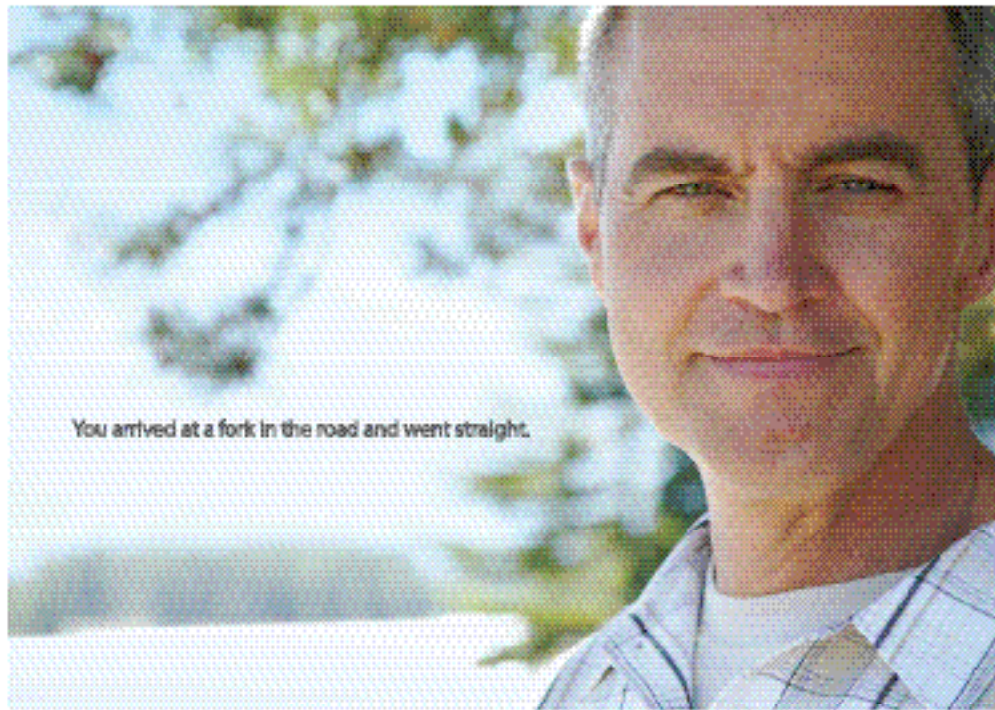
"The Canadian economy is clearly downshifting in response to the downturn in the U.S. and the past run-up in the Canadian dollar," said Michael Gregory of BMO Capital Markets.

The dismal jobs report sideswiped the Canadian dollar on currency markets, pushing the loonie down more than 1.3 cents to US93.63 cents, its lowest level in about a year.

Finance Minister Jim Flaherty said the poor jobs report "is not easy on

workers and their families, and I want them to know that I share their concern. Canada is feeling the impact of global economic factors that are beyond the control of any one individual or government.

"However, Canada's economic fundamentals remain solid. Canada's labour market has outperformed that of the U.S. Since the start of the year, while over 70,000 jobs have been created in Canada, the U.S. has lost over 463,000."



You arrived at a fork in the road and went straight.



Success is all about forging your own path.

No one deserves anything in life, you have to earn it. You are here because you've brought more to the table than the other guy. Whether it was working longer hours, having a more sound body of work, or your sheer "nose to the grindstone" determination, you've earned it. Congrats.

CELEBRATE RUSTIC ELEGANCE.



NOW SELLING

- Timberline Lodges one to four bedroom suites from \$569,900
- Trailside Chalets three bedroom homes from \$1,099,900

COMING SOON

- Chateau Residences luxury townhomes at Timberline Lodges
- Mountaineers Village Phase II condominium resort with fractional ownership opportunities
- The Ledges contemporary European inspired townhomes

Please visit our Discovery Centre
 Timberline Lodges 101 Stewart Creek Landing, Canmore, Alberta
 Toll Free: 1.888.884.3948 Phone: 403.609.6331 www.alpinahomescanada.com



ALPINE HOMES
 Celebrate Rustic Elegance

Canadian soldiers to get help from above

MDA inks deal to supply UAV surveillance system for Afghanistan use

By Monte Stewart
Business Edge

Ottawa has awarded a \$95-million unmanned aerial vehicle (UAV) surveillance system contract to a Vancouver-area company that earlier this year was barred from selling a subsidiary to U.S. interests.

The two-year contract calls for MacDonald Dettwiler and Associates Ltd. (MDA) to provide a long-endurance UAV surveillance system to the Department of National Defence (DND) for use in Afghanistan.

The system is slated to begin operations by February 2009. The agreement contains a federal government option for a third year at an additional cost of \$35 million, increasing the total value to \$130 million.

Publicly traded MDA attempted to sell its information systems division in a \$1.325-billion deal with Alliant Techsystems Inc., of Edina, Minn., but the move was blocked in May by federal Industry Minister Jim Prentice on the grounds that it was not beneficial to Canada.

Critics said the block would hamper future foreign investment in Canada, but opponents of the sale said it was a threat to Canada's sovereignty, Canadian space secrets would be in U.S. government hands and Ottawa would no longer have access to a classified satellite system that Washington intended to use to launch conventional bombs.

The drone deal is the second contract in the \$100-million range that MDA has received since the sale of assets to the U.S. firm was scuttled. MDA has also been awarded a four-year contract to help the Canadian Space Agency do sophisticated robotics work on the International Space Station.

The contract between MDA and DND comes after a panel headed by



Photo courtesy of MDA

Canadian Forces units will soon have Heron drones in their arsenal.

former Liberal deputy prime minister John Manley called for Ottawa to supply UAV support for the Canadian Forces in Afghanistan.

Under the terms of the deal, MDA will provide the technology that allows soldiers to operate an undisclosed number of Heron UAVs built and supplied by Israel Aerospace Industries (IAI) Ltd.

"We buy the aircraft from IAI and then it's our responsibility to put together the system itself," says David Hargreaves, a vice-president within MDA's information systems group.

MDA will also send 20 employees to Afghanistan. They will be responsible for UAV takeoffs and landings, training, support and maintenance, while military personnel will operate the drones during missions.

Bob Bergen, an adjunct professor in the University of Calgary's Centre for Military and Strategic Studies, says Canadian soldiers have been using French-built UAVs that can only fly for about five hours at a time.

"(The Heron) gives them the longevity they were looking for," says

Bergen. "I think the (soldiers) are going to be happy. It's a lot better than what they've got."

When it came to acquiring new equipment, he adds, UAVs were DND's first priority, followed by helicopters. When announcing the UAV contract, Defence Minister Peter McKay also announced the acquisition of six used helicopters from the U.S.

However, Bergen questions whether MDA will succeed in obtaining more contracts for domestic UAV use.

"There's lots of talk about them being useful in the Arctic patrols," says Bergen. "But the big problem with UAVs right now and operating in a civil environment is other commercial aircraft. There's not a whole lot of other commercial aircraft flying around Afghanistan. In the future, you will see more (use of UAVs) for sure – not necessarily in military operations."

MDA will also build hangars and other infrastructure required to house the system at Kandahar airfield, through private subcontractor Atco Ltd. of Calgary. MDA will also provide UAV training for its employees at

CFB Suffield, near Medicine Hat, Alta., before they head overseas.

"This is a very large service contract as opposed to a system-delivery contract," says MDA's Hargreaves.

The deal serves as an important milestone since MDA's decision to enter the UAV market four years ago, he adds. It will also allow for a longer ongoing partnership with DND and more consistent revenues.

"It's a good business deal for us," says Hargreaves. "It's highly strategic in two important areas. The first is for us to break into the UAV business... It complements what we do with satellite surveillance and other aircraft-surveillance capabilities."

The second strategic component relates to the firm's business model. MDA's systems group has historically been involved with large-scale systems delivery, he adds. The deal will bring his division in line with MDA's products group, which has traditionally followed a service model.

"What we'd like to be doing more of now is delivering these types of services, because it allows us... to work with our customers on a much longer-term, ongoing basis, and provide support to them and make them more successful," he says.

The UAV, which has a 16-metre wingspan, can fly 24 hours a day at full payload over a range of 200-250 kilometres and provide line-of-sight images in real time back to the Kandahar airfield or to soldiers in the field.

Defence Minister McKay has announced Canada will send 200 more troops to Afghanistan to help fly the UAV drones.

Hargreaves says MDA is looking to capitalize on Ottawa's long-term plans to use more UAVs in the international theatre as well as other parts of Canada.

(Monte Stewart can be reached at monte@businessedge.ca)

Rising energy prices helping flatten corporate optimism

Business Edge

Corporate optimism has been run over by rising energy prices.

Only six per cent of executives say they are more confident than a year ago, according to respondents in the CICA/RBC Business Monitor (Q2 2008) report released last week. As well, boardroom optimism about the economy has plunged to 23 per cent from 67 per cent over the past 12 months, based on the report's quarterly survey of chartered accountants in executive corporate positions across Canada.

Rising energy prices are a major factor, and the number of survey respondents indicating that higher

energy prices are of major, or moderate, importance to their company climbed significantly (53 per cent vs. 39 per cent in Q2 2007).

"A year ago, oil was selling for an average of US\$71 a barrel, gas prices at the pumps were averaging \$1.07, and the Canadian dollar was perched at 94 cents US. It's been a tumultuous 12 months and that is reflected in the drop in confidence and optimism levels of this latest report," says Shauneen Bruder, executive vice-president for RBC business and commercial banking.

"The good news for businesses in Canada is that we're experiencing rising export prices coupled with strong

domestic demand for goods and services. We also expect to see some positive effects from an improving U.S. economy by year's end."

The widespread impact of gasoline and diesel prices on companies right across Canada was evident in the fact that three in four respondents indicated their companies have had to absorb either some (49 per cent) or all (25 per cent) of rising energy costs.

However, just under four in 10 respondents in companies facing higher energy costs say they have made operational changes in response; cited most frequently were changes in building operations, shipping, logistics, vehicle usage

and general cost reductions.

"With the upward trend in energy costs, sustained energy-cost management is a key focus for all companies," said Kevin Dancey, FCA, president and CEO of the Canadian Institute of Chartered Accountants. "Well-run enterprises that both recognize the changing environment and control these expenses can achieve a competitive advantage."

The CICA/RBC Business Monitor is issued quarterly, based on a survey conducted by the Canadian Institute of Chartered Accountants. The report draws upon insights of CAs in leadership positions in privately and publicly held companies across Canada.

Motor-coach security gets a second look

Industry, drivers differ on how to respond after Greyhound incident

By Laura Severs
Business Edge

Don't expect to see airport-style security any time soon on inter-city bus lines, industry experts and officials say.

However, groups including the Greyhound Canada bus drivers' union and Transport 2000 Canada, which lobbies on a wide range of issues including safety, believe more can be done to improve passenger safety at a reasonable cost.

The calls for beefing up motor coach security follow a recent grisly slaying on a Greyhound bus, where a passenger travelling from Edmonton to Winnipeg was repeatedly stabbed and then beheaded.

"We're very shocked and saddened by what happened on one of our buses. This is truly an isolated incident and nothing could have prepared us for what occurred," says Greyhound Canada spokeswoman Abby Wambaugh.

"For 1½ years, long before this incident, we have worked with Transport Canada to determine what security measures would be most effective for inter-city bus companies like Greyhound."

Transport Canada has agreed to provide funding to Greyhound under Round 2 of the Transit-Secure contribution program, a federal program introduced in 2007 to enhance passenger rail and urban transit security.

Greyhound is set to receive \$285,000, or 75 per cent of the cost, to develop a risk assessment and security plan. It will cover the remaining \$95,000 of the \$380,000 project. The company faces a March 31, 2009 deadline to complete the risk assessment and security plan – the sunset date of the Transit-Secure program.

Transport 2000 Canada (Ontario region) president Natalie Litwin says bus companies will have to decide if the security improvements are afford-

Quotable

"This could have happened in a movie theatre. Would we be saying that every movie theatre should have metal detectors? I don't think we would."

— Brian Crow,
president and CEO of Motor Coach Canada

able. "People who use inter-city buses are often – but not always – at the lower end of the income scale and it's very important to keep that form of transportation affordable," she says.

Many believe that airport security procedures would be impractical for an inter-city bus network such as Greyhound's, given its rural nature. Major terminals account for only a fraction of the company's 600 different stops.

Adopting airplane-level security is not applicable to a transit bus, she adds, "because first of all it's unaffordable. Transit buses, whether they're inter-city or inner-city, they stop in so many places. It's not like an airplane that stops in one place. It's just not possible."

Independent businesses also contract with Greyhound at several of these stops. Some allow passengers to buy tickets and board, while others are enroute stops such as a gas station in a small town.

"No action we take is going to be 100-per-cent foolproof, but any action will minimize the chance of an occurrence like this from happening again," says Jim Higgs, president of the Calgary-based Amalgamated Transit Union (ATU) Local 1374, which represents the Greyhound drivers.

In proposals already submitted to Greyhound, the union is calling for changes to the way luggage is handled by Greyhound, including random luggage inspections and visible signage

to make the public aware of what items are prohibited on a motor coach and the consequences of bringing them on.

The union proposal would mean depositing luggage in a central area in major terminals, tagging it and having it subject to random checks. For passengers who board enroute at smaller stops along the way, all luggage, including carry-ons, would have to be placed in the luggage hold until it reaches its destination or the next major terminal. At this point, if the passenger is continuing, it would be tagged and subject to a possible random inspection.

"Random inspection of luggage is going to deter prohibited items from being brought on a bus, even if it is underneath the coach," says Higgs, who notes that the union's requests are scheduled to be discussed at a September meeting with Greyhound.

Transport 2000 Canada is also calling for increased driver-operated lighting in the back of buses, where it says incidents are more likely to happen; pamphlets detailing bus safety and security procedures to be put on buses or distributed to passengers; and to have cameras installed both as

a potential deterrent and as a record of any incident that might take place.

Toronto-based Motor Coach Canada, which represents motor coach and tour operators, says it will look at anything required in the aftermath of the Greyhound incident.

"Bus travel is safe, this horrific incident aside," says Motor Coach Canada president and CEO Brian Crow. "This could have happened in a movie theatre. Would we be saying that every movie theatre should have metal detectors? I don't think we would."

Both Greyhound and Motor Coach Canada say they will look to the federal government for funding any costs associated with new security measures.

"We get no subsidy as an industry. Any cost we bear would be passed on to the passenger," says Crow.

In the U.S., Greyhound does random baggage checks and wand-detector sweeps of passengers, which is supported by funding from the Department of Homeland Security.

On this side of the border, Greyhound says it's in discussion with Transport Canada for similar grants.

"We continue to work with Transport Canada, as Greyhound is, and seeing if there is any added benefit," says Crow. "We move over 60 million passengers a year, but the vast majority don't board at a bus terminal."

Greyhound Canada serves British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick and Nova Scotia in addition to the Yukon and Northwest Territories, with some 1,000 daily departures and 500 buses.

(Laura Severs can be reached at laura@businessedge.ca)



Cardinal Suites
Your Alternative to Hotel Accommodations

Doing business in Ottawa?
Do it in style at Cardinal Suites, Ottawa's premier supplier of furnished executive suites and furnished apartments.

Your alternative hotel accommodation
Short and long term stays

Toll free: 1 877 792 4949 In Ottawa: 613 792 4949
www.cardinalsuites.com info@cardinalsuites.com

15%+ NET R.O.I. ANNUALLY

DIVERSIFIED REAL ESTATE FUND

Investors share ownership in large, aggressively-managed commercial and residential income properties offering:

- potential to double an investment in five years or less
- stable income paid monthly
- growth of capital
- unique tax-saving benefits

To request your free Blue Book, call
1 (877) 772-8836
or visit: www.league.ca



LEAGUE
INTERNATIONAL WEALTH

20 Questions

Child care has special meaning for CEO

Kids & Company co-founder and mom answering a national demand

By Monte Stewart
Business Edge

Eight is not enough for Victoria Sopik. She has eight of her own children, aged 11-22, and helps many more in her role as president and CEO of Markham-based Kids & Company.

The firm operates onsite and off-site child-care facilities for companies and other organizations, including the University of Calgary. Employees receive guaranteed full-time, backup and emergency child-care services, as well as meal delivery and elder care for their parents.

Sopik can definitely relate to Tom Bradford, the lead character portrayed by Dick Van Patten on the 1970s and 1980s-era TV show *Eight is Enough*. Her family used to live in a large house like the one on the show.

"We just moved last year," she says. "We moved from the house that we've been living in for the last 15 years – to a much smaller house, because five of my children are either in university or they've moved out with friends. We're all in a transition phase in our house – in our life."

So is her six-year-old business, which generated about \$15 million in revenue in 2007, after she and her partner invested \$200,000 upon startup. The firm expects to become profitable this year while opening about 10 new facilities across the country.

1. What did your parents do?

"My mother is a teacher. My father passed away when I was young, so he didn't really work for very long. I had a stepfather who worked in the printing business."

2. What was your childhood dream?

"I always dreamed that I'd have lots of children. In my high school year-book, it said that I wanted to have 10 children and to be a lawyer. I switched off that once I realized that I was more of an entrepreneur than I was a lawyer."

3. What steered you toward child care?

"I needed child care for my (first) child. I had a son who was born in 1985, so I wanted to work and I didn't know what I wanted to do work-wise. I knew I wanted to have my own business. I was looking for child care and looking for a job, so it sort of evolved. I worked in real estate briefly before I had my son. That was probably going to be my entrepreneurial career for then, because that was obviously entrepreneurial. I got to do my own schedule. Once I had my son,



Brennan O'Connor, Business Edge

Kids & Company president Victoria Sopik admits she learned the hard way about the importance of location in child-care centres.

I was looking for child care so I could work and I realized that there was very little child care available. So I thought that was, maybe, a better bet. Prior to going to university, when I was 17, I founded a summer camp. It wasn't a year-round career, so it was a great business to have when I was a student. Unfortunately, I didn't make any money, so I ended up waitressing because I supported myself through university. I worked at a whole bunch of different (restaurants) . . . I met my husband working at a sushi restaurant. I was the waitress while he was the waiter – while we were teenagers."

4. Why did you start up Kids & Company?

"I really saw that there was a need for child care for working moms with young babies. We (started) a company that specialized in child care for infants and toddlers. So, when you go back to work, you don't have to look for child care."

5. How did you get the funds for Kids & Company?

"My partner is Jennifer (Nashmi). She's our (chief financial officer) and she's a (chartered accountant). We're a good mix. I'm the entrepreneur and I'm out doing sales and operations,

and she's a CA, so she's got lots to do with financing and administration in our head office. At the beginning, we got a small-business loan from the Royal Bank, and then we got one from the (Business Development Bank of Canada), and then we used our credit cards until we got to the point where we needed more funds, and then we went and looked for investors. (We started with) a couple hundred thousand. We raised millions of dollars from investors. It continued to grow, but it was over a period of years. It was actually \$13 million that we raised. They're high net-worth individuals. So it's not a venture fund or anything like that. They've invested in the company."

6. How has your business model changed?

"It's changed a lot over the years. We started out just doing backup, or emergency, child care, and then we ended up doing full-time child care. As well, we have our elder-care program. As well, we have a take-home dinner service. We have a whole bunch of different services that we expanded that, basically, allow us to provide as much as possible for our corporate clients. We want to be the best possible solution for them."

7. What mistakes have you learned from?

"We've certainly made lots of mistakes. We've been trying to grow quickly. So, when we're growing quickly, sometimes we made bad decisions about locations for our child-care centres. We thought that there would be more traffic per se and more children that would come by, so they ended up being left from the eye of parents and the public. So they've taken a slower amount of time to fill up, and that's cost us money, too. We've had to pay to run them, even though we're losing lots of money. We've certainly learned from our mistakes and hope to make those changes as we move forward."

8. How does your arrangement with companies work?

"The companies pay a membership fee. It's just like having a membership at the gym or a membership at Costco. In order to use our centres, you need to be a member. The companies have to be a member first and then the employees have to sign up."

9. How can you guarantee that parents will have child care?

"Because we don't open to the public. We only open to our clients. It's not something where people can just show up."

20 QUESTIONS from Page 8

Elder care new feature of firm's operations

"You have to phone first, so we know by the number of people that registered, how many people that phoned, the number of people that are going to come."

10. How many elder-care operations do you have?

"We're across the country. We're in all different cities. It depends on the city. Some cities have just a handful of people using them. Some cities have a lot more. Elder care is smaller (than child-care operations) in a way. We established our child-care (business) early on, so we've had a large number of years with that. Elder care is new. With our aging demographics, we're going to expect elder care to be as significant probably as child care."

11. How does your arrangement with the University of Calgary work?

"Anyone that works at the University of Calgary can have either full-time child care or backup child care. We have a number of centres in Calgary. We're going to have six centres open (by) next year (that can accommodate U of C employees' kids)."

12. How can providing day-care services for employees benefit a company's bottom line?

"They want to have our service because we help them attract and retain employees. If they don't have our service, their employees can't

use their child-care centre. They can't register and have guaranteed child care. If they're away on maternity leave, often, they can't find child care to come back to work. The cost for the company is that they have to replace that person. They have to hire a recruiter, hire a head hunter, put an ad in the paper, interview and then they have a new employee come.

Typically, if they have an employee that they love and that employee goes on maternity leave, they want the employee to come back. By being a client of ours, they can have that. Being a client is relatively affordable for most companies - \$5,000 if you're in one city and \$10,000 if you're national."

13. How does being the mother of eight children benefit your business?

"Well, I think I understand what it's like to be a working mother - that's for sure. Working mothers and fathers because, as you probably know, younger fathers these days are quite involved, as mothers have been, in terms of raising a family and putting family priorities at the top of the list when it comes to work-life balance. I truly understand what parents are going through."

14. How do you balance your business with getting your kids to all of their activities?

"My children are typical. They golf and they play hockey and all different sports. Most of the events are in the evening, which is good, and I have my BlackBerry. So I can work from sporting events with my BlackBerry - I love that - and my husband does lots of the sports."

15. What's your advice to other women executives who are trying to grow a family as well as a business or career?

"You can't always do everything that you want to do all the time. You can't always get to the events that you want to get to... You can't beat yourself up. You just have to do the best you can."

16. What's your company's biggest challenge?

"Trying to maintain the right level of growth to meet the needs of our clients. We have lots of people coming and going. The clients realize that we're providing child care for them, so we're constantly trying to ensure we have quality child-care centres available for them."

17. What are your company's growth plans?

"We're planning to open 10 more centres in the next 12 months, so we have lots going on. We're in Montreal, Ottawa, Toronto, Waterloo, southern Ontario (including Oakville), Calgary of course, and we're opening in Halifax and Vancouver and Edmonton this year."

See MARKETS

Page 10

Victoria Sopik

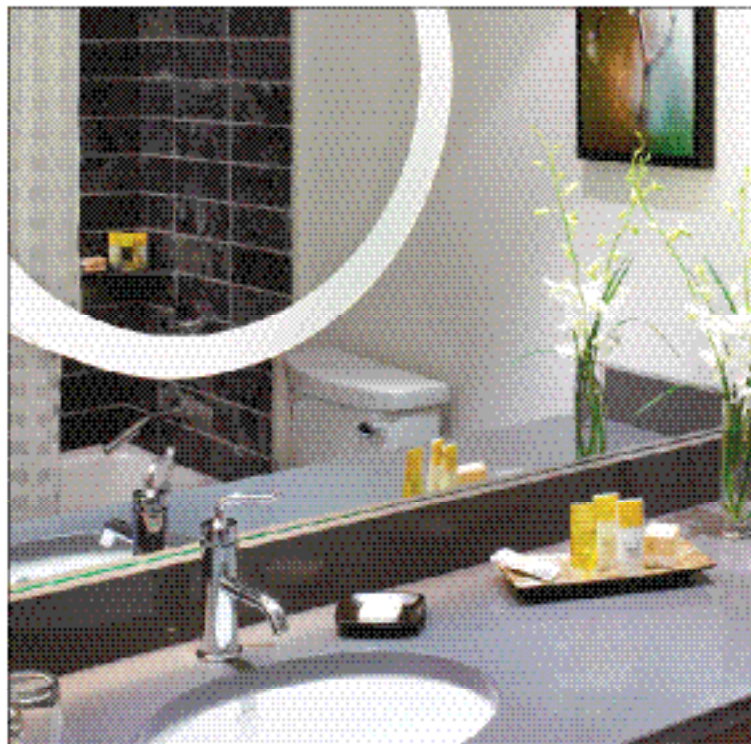
- **Title:** President/CEO, Kids & Company.
- **Born/raised/age:** Toronto, 44.
- **Education:** Sopik holds a bachelor of business administration from the University of Western Ontario.
- **Family:** Married to Jeffrey Sopik, eight children, six boys and two girls, ranging in age from 11 to 22.
- **Career:** After graduating from university, Sopik worked briefly in real estate and then founded a non-profit child-care agency in 1985 and ran it for about 15 years. In 2002, she launched Kids & Company.
- **Moonlighting:** Sopik is involved with many charities that assist women and children. She is most active with the Canadian Women's Foundation.
- **Passions:** Children, golf, tennis.



Victoria Sopik

Kids & Company

- **Brass:** Victoria Sopik, president and CEO; Jennifer Nashmi, CFO; Sue Purser, vice-president of operations.
- **Profile:** Kids & Company operates child-care centres for employees of companies and other organizations, such as the University of Calgary, at onsite and offsite facilities across Canada. The company also offers elder care and meal delivery.
- **Stats:** Kids & Company has about 20 centres across Canada, with 350 employees. The firm generated revenue of \$15 million last year.
- **Corporate Structure:** The private firm is owned by Sopik, Nashmi and other private investors.
- **Website:** www.kidsandcompany.ca
- **HQ:** 50 Minthorn Blvd., Suite 100, Markham, Ont., L3T 7X8
- **Phone:** (905) 771-1153.



WE SEE OUR GUESTS' NEEDS. CLEARLY.

FOG FREE, BACKLIT MIRRORS.
JUST PART OF OVER \$18 MILLION IN ROOM RENOVATIONS
AND INNOVATIONS AT HYATT REGENCY VANCOUVER.

At Hyatt Regency Vancouver we know it's the little things that can make a big difference when you're away on business. So when we planned our renovations we made sure all the details would be perfect. From the flat screen LCD TV's to the luxurious linens of the Hyatt Grand Bed™ you will feel truly pampered. And our generous in-room work areas with high speed internet access as well as our fully equipped Business Centre make staying connected a breeze. Feel the Hyatt Touch.® To make your next stay in Vancouver a clear success call 1 800 233 1234 or visit hyattregencyvancouver.com.



U.S. property deals woo bargain-hungry Canadians

The Canadian Press

For Canadians looking to buy a get-away-from-it-all piece of paradise down south, this is probably one of the best times to take the plunge with the Canadian dollar strong and U.S. property values tumbling, say real estate experts.

And some Boomers who are retired or about to retire are doing so even though they are concerned they might buy on the high side only to see the value of their investment sink if the U.S. economy falls into a deep recession, the experts say.

Figures from the U.S. National Association of Realtors indicate that 11 per cent of all foreign buyers of homes in the United States last year were Canadian.

In Florida, the U.S. state with the highest foreign ownership, Canadians made up nine per cent of buyers in 2007, up from 7.1 per cent in 2005.

Connie Allen, owner of Alternative Realty Corp. in Burlington, characterizes the Canadian interest in U.S. properties as "anecdotally a lot of interest is being expressed and there are some who are buying."

"Very much, though, more inquiries than sales," said Allen, whose company specializes in properties in the Sunshine State.

Tannis Dawson, a senior tax and financial expert in Winnipeg with Investors Group, (TSX:ING) Canada's largest mutual fund company, said "one of the big things that's sending them (south) is our currency."

The loonie "has been on par or

nearly on par with the U.S. dollar for some time now and that has many thinking that it has levelled off and probably isn't going any higher," she said.

As a result, for those who can afford to pay cash for a house, they are "in a good position because they know what their currency is going to be and their exchange rates," said Dawson.

Many Canadians also have concluded that "there's a limit to our second-home real estate market," said Dawson.

Properties in many resort areas such as Muskoka in Ontario, Canmore in Alberta and the mountains near Gatineau, Que., have shot up in value over the last two years.

It is more expensive to try to buy in Canada than in the U.S. when looking for the same square footage, she says.

For example, says Dawson, a prop-

erty in Canmore cost about \$400,000 a couple of years ago. Now it is \$600,000.

In the U.S. by comparison, she says, in 2002 a house cost about US\$325,000 or about C\$519,000. In 2008, a US\$325,000 home now goes for about C\$325,500.

Allen says "what we're finding is that the people we're getting inquiries from and who appear to be buying are Boomers that have retired or are about to retire."

Last winter, "there was definitely an increase in the number of Canadians buying property in Florida," says Allen.

However, so far this year, she says, the market has softened a bit. Some, she says, are hesitating about buying a property because of concern over the U.S. economy, whether it is going to continue to slow down, with housing

prices falling even lower.

"They say, 'Oh boy, we can finally buy our property after renting all these years.' Then they say, 'Well, what is happening with the economy? Is it going to go lower, are we going to buy and then lose money?'"

This is especially true with buyers who see the property as mainly an investment rather than just a holiday sort of place, says Allen.

Dawson has some tips for people wishing to buy a property in the United States.

"It is best to have the funds to pay for a U.S. property up front, especially when the currencies are at or near par" so as to take advantage of the strong Canadian dollar, she says.

If people have enough equity on their house in Canada, "they can take out a mortgage on that ... or do a line of credit or some personal debt."

MARKETS from Page 9

Economic conditions influence child-care use

18. How do you see the child-care markets in Eastern Canada versus Western Canada?

"I think it's the same. They just need good child care everywhere."

19. Do you find more moms are staying home in Eastern Canada because of the state of the economy there?

"The state of the economy is every-

where. What I've found with young families is that both parents need to work. They want to pay for the car and the mortgage and all those expenses around having young children. Both parents would like to stay home. Most find that the one-year (maternity or paternity) leave is perfect for them. They're happy to come back to work - and then they need child care."

20. What would you do if you weren't running Kids & Company?

"Because I've been an entrepreneur for 20 years, I think what I would like to do is advise (other entrepreneurs). I'm comfortable running Kids & Company for another 10 years. After that, I'll be ready for early retirement."

(Monte Stewart can be reached at monte@businessedge.ca)

More workers opt to telecommute

Business Edge

A growing number of Canadian workers are choosing to telecommute, according to a recent survey.

More than two-thirds (70 per cent) of executives polled said it is common for their companies' employees to work offsite.

Moreover, 74 per cent of managers said they expect the number of employees who work remotely to increase in the next five years.

The study was developed by staffing service OfficeTeam and conducted by an independent research firm. One hundred senior executives across Canada were surveyed.

"High fuel prices are causing people to look for alternatives to lengthy commutes, and working from home or at locations closer to home are attractive options," said Dave Willmer, executive director of OfficeTeam. "Technology has also made it easier for employees to work remotely when travelling for business."

Let Us Help You Map Your Business Success

With its editorial excellence and unrivalled distribution, Business Edge News Magazine presents an affordable and highly effective vehicle through which your business can speak directly to a massive audience of high-income consumers and business decision makers.

Compelling editorial content has always been a foundation of our business, but the Edge's distribution to 181,000+ Canadian companies truly sets us apart from our competitors.

Business Edge advertisers can target any or all of our four editions (Ontario, Man/Sask, Alberta and B.C.), reaching the majority of business addresses in the major centres.

Rotating distribution ensures that advertisers running in consecutive issues reach about 98 per cent of business addresses through Canada Post in all of the markets listed in this ad.

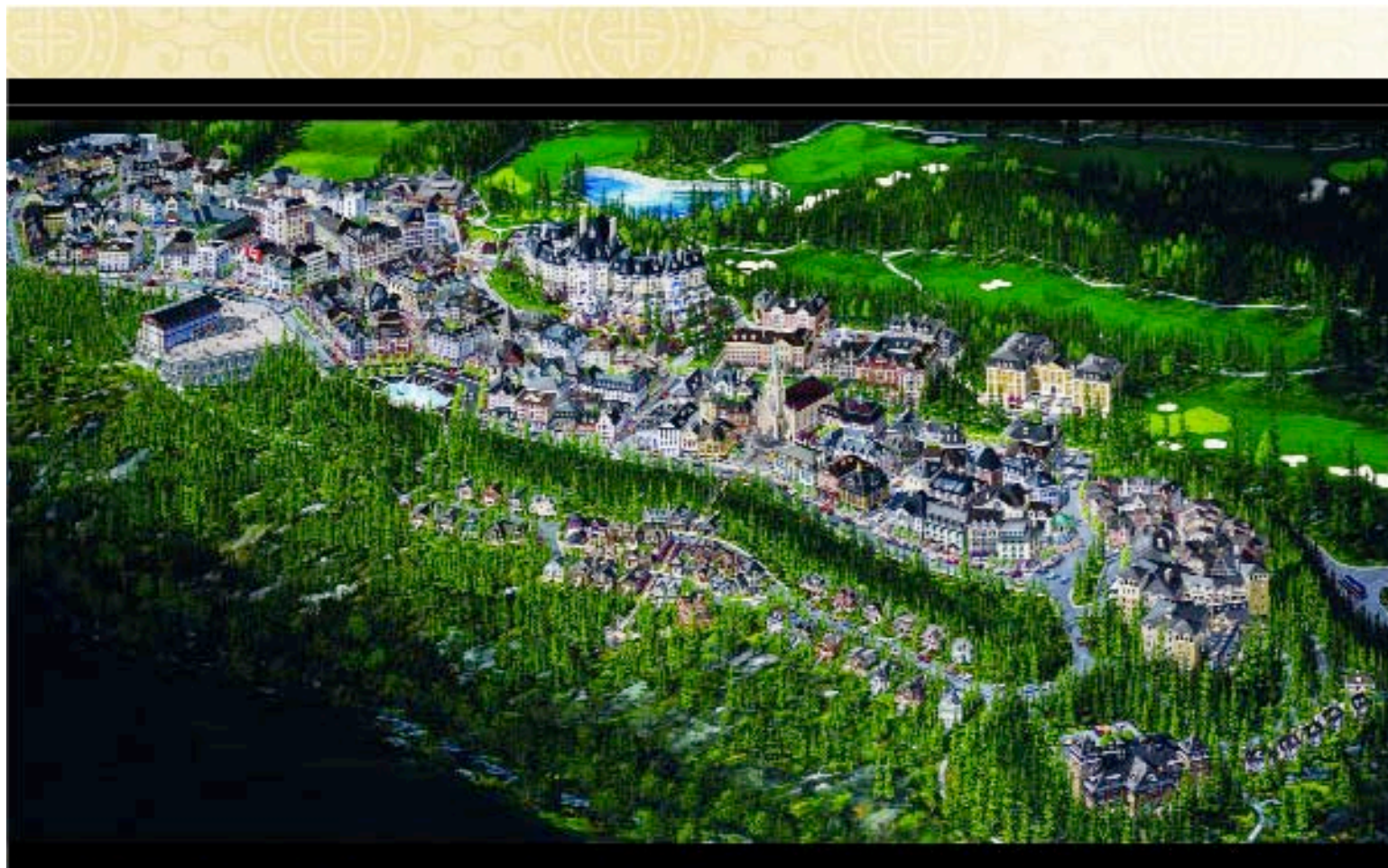
Minimum number of businesses reached per edition,*

Toronto	33,000	Winnipeg	8,300	Calgary	27,500	Vancouver	26,000
Mississauga	11,200	Saskatoon	9,100	Edmonton	14,800	Richmond	4,200
Markham	3,800	Regina	2,800	Red Deer	1,800	Surrey	4,500
Ottawa	10,700			Grand Prairie	1,300	Burnaby	2,800
London	5,200			Fort McMurray	1,350	New Westminster	1,600
				Banff	300	Victoria	4,350
				Camrose	300	Nanaimo	1,950
				Lethbridge	1,500	Kamloops	1,550
				Cranbrook	700	Kelowna	2,500
						Vernon	1,100

* Individual city circulation numbers are all more than 10% of total business addresses per city based on Canada Post residential mail lists as of February 1, 2008.

Contact us now for more information: 1.866.216.3343 ext 25 Ads@BusinessEdge.ca

 Business Edge



AN EXQUISITE
VILLAGE EXPERIENCE
 IN THE MAKING

TRUE LUXURY IS COMING TO THE WILDS OF THE CANADIAN ROCKIES

The Village at Silvertip, set high on the south face of the mountains, will stand on the edge of an immense, untouched wilderness reserve. Over 300 extraordinary wilderness adventures beckon to the sophisticated traveller in search of unspoiled nature. Inspired internationally but created from local materials, Silvertip will blend the best elements of Old World craftsmanship with a reverence for Canmore's local landscape and heritage. Guests will be greeted by "Service BeyondTM", a spirit of exceptional flexibility in meeting our guests' every need and desire.



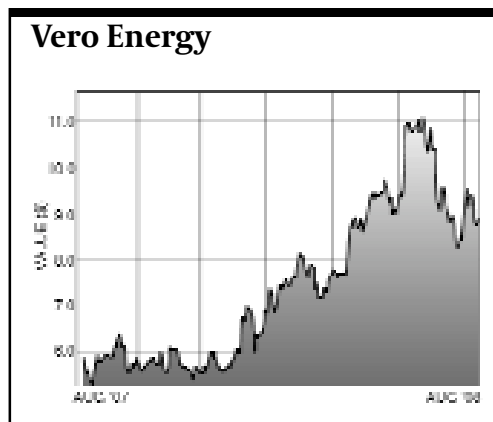
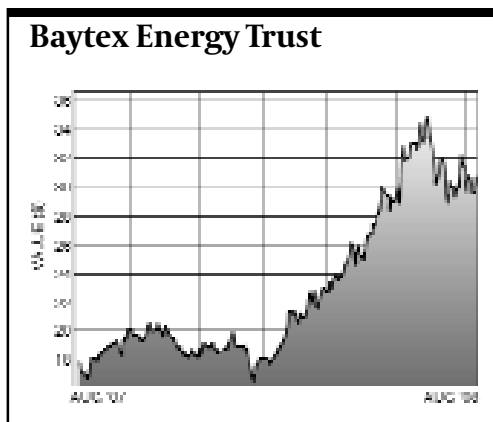
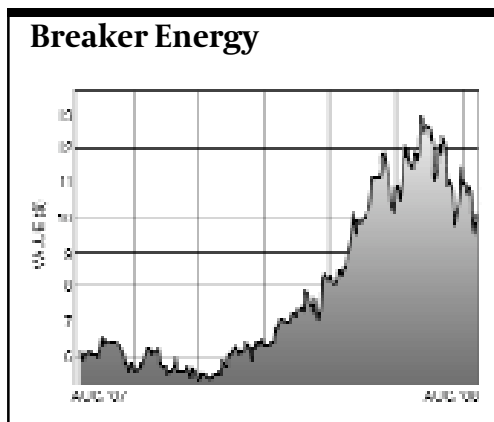
VILLAGE
 AT SILVERTIP
 CANMORE • ALBERTA

visit our [Silvertip Exploration Centre](#) at the resort to learn more

e-mail us today at life@stonecreekresorts.com to receive the latest exclusive updates on offerings in Silvertip Village

register for information on future real estate offerings by going to VillageAtSilvertip.com

Financial Edge



Stevenson drilling for energy bargains

(Business Edge writer Fern Brooks regularly profiles the top stock picks of some of Canada's most accomplished investment pros.)

By Fern Brooks
Business Edge

FEATURED PRO: Based in Calgary, Jennifer Stevenson is an oil and gas industry specialist who has been involved in the energy sector since the late 1980s. Stevenson is the executive vice-president and a director of **Qwest Investment Fund Management Ltd.**, a subsidiary of Qwest Investment Management Corp. (QIM), which provides investment counsel and portfolio management services. As well, she is the managing director, portfolio management and a director of QIM (www.qwestfunds.com).



Jennifer Stevenson

Stevenson's Investment Strategy: "We look at companies that are delivering growth, while still being able to buy them for a reasonable valuation. Post that, we look at management first. We look at their assets. (Qwest is focused on oil and natural gas companies.) What is the nature of the growth? Is it all exploration-driven or is it low-risk drilling? We look at their netback (a measure of profitability), and see what that looks like compared to other companies. We look at how much of their growth they can finance internally, versus having to go to the equity markets or having to use additional bank financing."

FIRST STAR

- **Breaker Energy** (TSX:WAV)
- **Recent Price:** \$10.68
- **52-Week High/Low:** \$13.05/\$5.11 (6-24/11-29)

Pro's 3 Stars

- **Snapshot:** Breaker Energy Ltd. is a junior oil and gas company focused on growing per-share production and reserves through acquisitions and a focused exploration, development and exploitation plan.
- **President and CEO:** Dan O'Neil
- **Head Office:** Calgary
- **Vital Stats:** Price/Earnings Ratio (trailing 12 months), 34.5; Revenue (last fiscal year), \$86 million; Earnings Per Share (ttm), \$0.31; Market Cap, \$397 million.
- **Stevenson's View:** "They have a tremendous history of growing the company through the drill-bit, and supplementing that with really smart acquisitions. They're about 6,700 BOEs (barrels of oil equivalent) a day right now. They are about 50/50 gas and oil.

They have a big enough inventory that they can direct their drilling capital toward more gas or oil if they feel one commodity versus the other has more upside potential. All of their growth is from what I would characterize as low-risk, infill drilling-type opportunities. The growth has been very dramatic over time and I think that will continue on that pace. They are making a really high profit level on the oil and gas they produce and sell. We like that as the core company. On top of this, they are drilling a very high-impact, very risky exploration well (Monias) in the fourth quarter that has not got any value in the stock, but is kind of interesting and exciting to watch. If it hits, it could be huge."

- **Risk Rating:** Medium
- **Web Watch:** www.breakerenergy.com

SECOND STAR

- **Baytex Energy Trust** (TSX:BTE.UN)
- **Recent Price:** \$30.35
- **52-Week High/Low:** \$35.37/\$16.30 (6-30/1-23)
- **Snapshot:** Baytex is a conventional oil and gas income trust engaged in the acquisition, development and production of oil and natural gas in the Western Canadian Sedimentary Basin.
- **CEO:** Raymond Chan
- **Head Office:** Calgary
- **Vital Stats:** Price/Earnings Ratio (trailing 12 months), 17.2; Revenue (last fiscal year), \$617 million; Earnings Per Share (ttm), \$1.76; Market Cap, \$2.6 billion.
- **Stevenson's View:** "This is just a 'park it and forget it' oil-leveraged investment. You've got an asset base in this trust that sets it apart from

most other trusts (in) that it's very stable. They produce 40,000 BOEs a day. They're principally an oil company and, again, it's very low-risk, low-cost additions to their production. They have a cashflow of about \$500 million a year. It takes about \$170 million of that to keep their production flat. The balance is a combination of what they pay out to unitholders, and what they can either reinvest and grow more, or use for acquisitions. There's upside in that company over and above the low-risk development additions from a property they have called Seal, a heavy-oil project. They've put in a pilot project for thermal recovery. As that unfolds, you'll start to see more and more oil recovery out of that project.

See 3 STARS

Page 23

Want to keep him happy?



Feed him a Tax-Free fixed rate of return equivalent to 19.25% a year.

New Life Capital Corporation can help you achieve continued growth through service, safety, security and freedom from fluctuating market trends.

It's time to take action to ensure your future wealth.

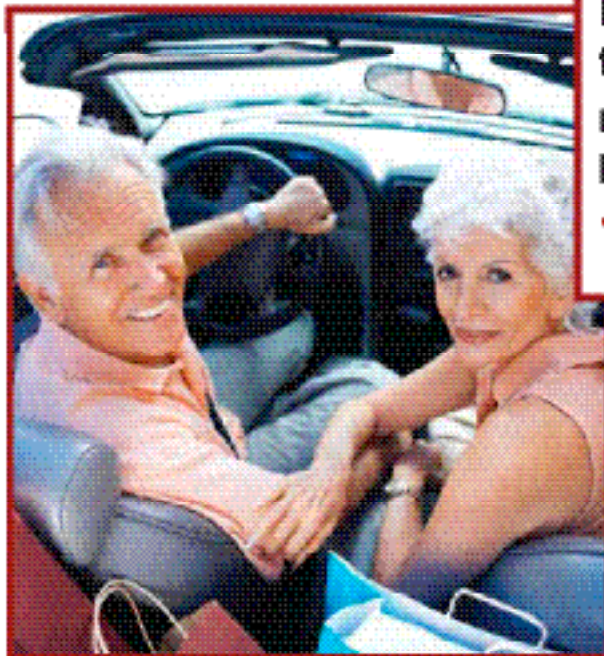
We are here to help.

Call 1-877-340-3999

www.newlifecapitalcorporation.com



They've discovered the key to aging gracefully. Money.



REDEV Properties enables the average investor to enter the lucrative commercial real estate market to earn 14.25% and more* on investments for as little as \$25,000.

*** Not including capital appreciation.
RRSP also available - min. \$10,000**

- Proven track record with over 26 successful properties over a five year period.
- First year tax deduction.
- After-tax quarterly cash distributions.
- Invest in exceptional mall properties in fast-growing areas.
- Properties feature prime anchor stores in high-growth areas.
- Fully leased retail space with strong lease growth potential.
- Cash handled by third-party Trustee means more security.

**Call 1.866.668.7344 today
or visit www.redevgroup.com**

REDEV Properties

Building Wealth Through Real Estate

REDEV Properties

Introducing
REDEV Properties Ltd.'s
latest Real Estate Income Gain
(REIG) program.

**Ranchlands Village
Shopping Centre**
1829 Ranchlands Blvd. N.W.
Calgary, Alberta



100% leased
with these key anchors:

- Bank of Nova Scotia
- Calgary Health Clinic
- All State insurance
- State Farm insurance
- Herbal Magic of Calgary Inc.
- Dairy Queen
- General Paint
- Nosehill Dental Clinic
- Shadow-anchored by
Crowfoot Towne Centre

White knight saves the day for customers

(Street Life is a regular feature that profiles what's playing in the stock market.)

By Nicole Strandlund
Business Edge

Act I: Let the contracts continue

- **The Player:** Energy Savings Income Fund (TSX:SIFUN)
- **Action:** Close to flat over the month (from \$13.25 July 11)
- **Recent Price:** \$13.15
- **52-Week High/Low:** \$17.66/\$12.14

Not everyone in B.C. has a fixed-price energy contract, but those who have (and almost lost) favourable ones should be thanking an Ontario company.

CEG Energy Options Inc., a natural gas marketer based in Saskatoon, and its parent, Calgary-based SemCanada Energy Co., filed for creditor protection on July 30, 2008. That put in jeopardy fixed-price energy contracts in B.C. (with an average remaining life of 36 months) for around 4.8 million gigajoules annually.

Then Energy Savings Income Fund of Toronto moved in to save the day, agreeing to acquire substantially all of CEG's commercial and residential customer contracts in B.C. for \$1.8 million.

The company is hoping that when the existing energy contracts expire and it is time to sign new ones, those with favourable prices will remember it was Energy Savings that stepped up. The acquisition was expected to close on Aug. 14, 2008, subject to court approval.

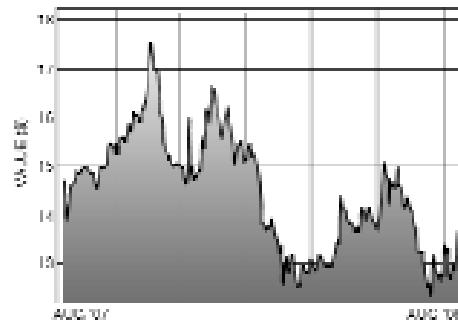
Act II: Dakota-Lakota who?

- **The Player:** Enbridge Inc. (TSX:ENB)
- **Action:** Up five per cent in a month (from \$42.19 July 11)
- **Recent Price:** \$44.23
- **52-Week High/Low:** \$46.27/\$33.62

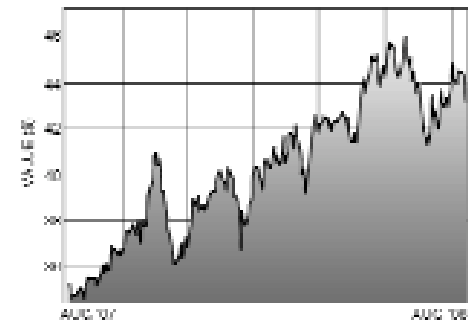
Management of the energy pipeline company must have been relieved when a Saskatchewan court recently ruled in the company's favour, considering it completed work on a project even while a claim to stop it was tied up in court.

The Standing Buffalo First Nation had tried to quash an Enbridge Pipelines (Westspur) Inc. pipeline expansion southeast of Regina, claiming a 60-km stretch of pipeline traversed traditional Dakota-Lakota land. But the court said it had no jurisdiction to consider Standing Buffalo's judicial review application, and agreed

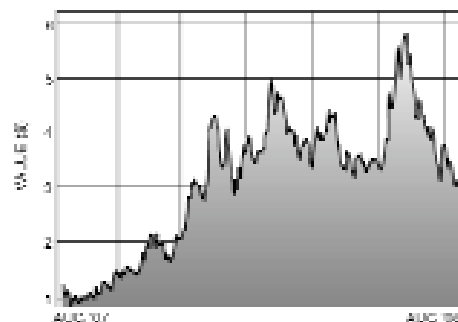
Energy Savings Income Fund



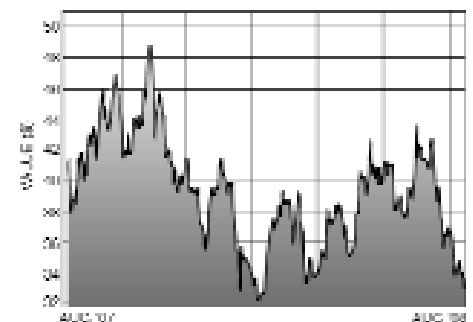
Enbridge Inc.



Potash One Inc.



Cameco Corp.



Street Life: Analysis

with Enbridge's original arguments.

The ruling notes Enbridge wasn't even aware Standing Buffalo, one of four Saskatchewan bands without a treaty, was interested in the project until it applied to the National Energy Board proceedings.

Apparently shareholders of Enbridge Pipeline's parent, Enbridge Inc., were never worried: Winning the suit had as much effect on the stock price as the First Nation's claim did on the expansion project's timeline.

Act III: Pink neighbourhood

- **The Player:** Potash One Inc. (TSX:KCL)

- **Action:** Down 28 per cent in a month (from \$4.26 July 11)

- **Recent Price:** \$3.05
- **52-Week High/Low:** \$6.25/\$0.93

What do you do when someone strikes it rich on a piece of land? Buy the one next door and hope for the same.

Potash One Inc., a resource company that seeks and develops potash properties, obtained a subsurface exploration permit for the "Legacy Project": 97,240 acres in Saskatchewan adjacent to the world's largest producing solution potash mine (the Belle Plaine Potash Solution Mine northwest of Regina). The company also owns three other such permits covering 230,000 acres contiguous to the Legacy Project.

See STREET LIFE

Page 19



Go Online With Business Edge

www.businessedge.ca

Check out our **Careers** section for postings, articles, advice and much more!

BIZ QUIZ

1: Which publication reaches the most business addresses in the GTA?

- a) Globe & Mail
- b) Toronto Star
- c) National Post
- d) **Business Edge** (48,000+ per edition; 75,000+ per month)

2: Which publication has the most affordable advertising?

- a) Globe & Mail
- b) Toronto Star
- c) National Post
- d) **Business Edge**

3: Which publication has the most effective advertising?

- a) Globe & Mail
- b) Toronto Star
- c) National Post
- d) **Business Edge**

4: Which publication has a charming sales rep named Allie Montgomery who has won a prestigious award for her customer service and will be happy to help you improve the effectiveness of your marketing if you call her at 866.216.3343 ext 27 or email allie@businessedge.ca

- a) Globe & Mail
- b) National Post
- c) Canadian Business
- d) **Business Edge**

Answer Key: 1) d, 2) d, 3) d, 4) d

1.866.216.3343 ext 25 Ads@BusinessEdge.ca



be
Business Edge



File photo by Larry MacDougal, Business Edge

Work is progressing on a e.coli vaccine that would also reduce the amount of bacteria released from cattle manure into the environment.

Researchers have E. coli disease in sights

Canadian beef industry awaits results from pair of Canadian projects

By Laura Severs
Business Edge

Action on two fronts could result in dramatic changes for Canada's beef industry.

Research projects underway in Ontario and Alberta aim to deal a devastating blow to E. coli O157:H7, a disease that produces powerful toxins capable of causing severe illness in humans.

"Comparatively speaking, there have not been too many beef recalls in Canada but, obviously, (food) safety is something that we can't take for granted," says Rob McNabb, general manager of operations for the Calgary-based Canadian Cattleman's Association (CCA), which represents nearly 90,000 cattle ranchers across the country.

"Any measures that can help reduce the risk we're interested in exploring."

In Ontario, work is progressing on what is being described as the world's first vaccine to be used as an on-farm intervention to reduce the amount of E. coli O157:H7 shed by cattle.

If successful, the company behind the vaccine – Belleville-based Bioniche Life Sciences Inc. – says Canadian cattle producers could market a premium product that could generate an additional \$400-\$500 million in export sales once all Canadian cows are vaccinated.

In Alberta, new research is setting its sights on re-introducing "good" bacteria into beef during the meat-processing process to help further control against E. coli O157:H7.

At the University of Alberta (U of A) in Edmonton, researchers are looking at work that may end up spurring beef sales, as hamburger lovers would be able to cook their burgers to something less than the current well-done levels – as required now to ensure that they're E. coli free.

Even though the Canadian beef industry has dedicated itself to providing the safest beef in the world and current production methods have vastly reduced the chance of any contamination from E. coli O157:H7 – which does not cause disease in cattle – the possibility of contamination remains particularly in ground beef if it's not properly cooked.

Both the CCA and the Willowdale-based Canadian Federation of Independent Grocers (CFIG), furthering the interests of its 3,800 independent and franchised grocers members, welcome the new research.

"We welcome any advances that enhance the safety of any product, whether it's ground beef or tomatoes," says CFIG vice-president Gary Sands, referring to past E. coli beef recalls and a recent salmonella scare with U.S. tomatoes.

The Bioniche vaccine was developed by a strategic alliance formed in 2000 between the University of British Columbia, the Alberta Research Council, the University of Saskatchewan's Vaccine & Infectious Disease Organization (VIDO), and Bioniche, which holds the rights for worldwide commercialization of the vaccine.

The vaccine prevents the E. coli O157:H7 bacteria from attaching to

the intestines of vaccinated cattle, thereby reducing their reproduction within the animal, and reducing the amount of bacteria that can be released through cattle manure in the environment.

More than 30,000 cattle have been involved in clinical testing of the vaccine over the past five years.

However, the CCA says based on the research trials conducted so far, it's not ready to come out and endorse the Bioniche vaccine.

"We're encouraged by the work to date, but we don't feel it's ready for full implementation by the industry," says McNabb. "If there's additional research results they're compiling, we'll take a look at that."

The CCA is also concerned about the three inoculations needed per cow. It says from its understanding, the third dose would come somewhere between 40 days to 60 days before the animal is sent to the packing plant. This is a critical time in cattle production, where producers do not want to risk bruising or injuring the animal by confining in order to inject the vaccine. Instead, the CCA would prefer a one-dose version.

"It's a political issue," says Bioniche president and CEO Graeme McRae.

"It comes down to who pays for the vaccine. The farmers are saying, 'Don't look at us.' The beef industry is saying we don't believe vaccination is going to have any impact and we don't want to pay for it. Our beef industry in Canada is trying to do the things the old way and is not moving forward."

McRae says the vaccine will cost the

farmer around \$3 per dose and likely add between 1.5 cents per pound to two cents per pound of beef at the retail level. "It's really insignificant," he adds.

Bioniche estimates the global market for its vaccine is at the billion-dollar level and says if it can get a 50-percent reduction in the E. coli bacteria in the animal, it would result in a 99-percent reduction in the food chain.

"Our studies show a 65-percent reduction (in E. coli) in the animal and that's the lowest (result) we've had," adds McRae.

Plans are to have the E. coli O157:H7 cattle vaccine manufactured in the Bioniche production facility in Belleville, where a two-year, \$25-million expansion is taking place, with a significant amount of vaccine expected to be ready for sale by mid- to late-2010.

Meanwhile, Lynn McMullen, a professor in food microbiology at the U of A's department of agricultural, food and nutritional science, is working with colleague Michael Gänzle on a different method to control E. coli in beef.

"We have a history of expertise at the U of A (both Dr. Gänzle and myself) on lactic acid bacteria – these are the same group of organisms that you find in yogurt and cheese," she says.

"I have worked on lactic acid bacteria in meat for over 20 years. We decided to see if we could control E. coli with these 'friendly' organisms and it seems to be working."

See PROCESSING

Page 19

Retailers see green in back-to-school season

Sector expects positive growth as shoppers get ready to hit the stores

By Laura Severs
Business Edge

This year's back-to-school shopping season is expected to receive a passing grade from Canadian retailers.

Unlike their U.S. counterparts, where the outlook is not as bright – economic stimulus rebates and limited sales-tax holidays are being considered to kick-start back-to-school purchases – Canadian shoppers are expected to keep on spending.

"Back to school is the second busiest shopping season, behind the holiday shopping season, and definitely is an important time for the Canadian retailer," says Derek Nighbor, senior vice-president of national affairs for the Retail Council of Canada (RCC), which represents more than 40,000 storefronts of all retail formats across the nation.

The national average for back-to-school purchases should rise by about three to four per cent, according to the Toronto-based RCC.

More than six million public elementary, secondary and college students across the country are getting ready to hit the books, spurring shopping trips for clothing and accessories, electronics, school supplies and furniture.

"Outside of the provinces of Manitoba and Saskatchewan, we've seen a softening of retail sales compared to last year but we're still expecting to see positive growth in 2008 compared to 2007," says Nighbor. "This is not the early 1990s (recession) and we're not the United States. As challenging as it is in some markets, we're still seeing growth in Canada."

Retail sales have soared in both Saskatchewan and Manitoba this year, up 14.1 per cent and 8.4 per cent, respectively, for the period of January to the end of May, RCC figures show, with lower increases of 3.2 per cent in Ontario and 1.8 per cent in B.C. in the same timeframe.

For Alberta, however, retail sales have dropped by 0.5 per cent between January and the end of May. But the RCC adds that this is not totally unexpected, given the surge in retail sales in the province over the past few years. "You can't continue to see sales at that pace, so it stands to reason that you'd see a falling-off," says Nighbor.

Even with softer economic conditions in Canada and concerns about high gas prices, the RCC says shopping patterns here are similar to last year, with consumers turning to the usual sources – general merchandise stores, office specialty stores and clothing stores.

In the U.S., a study from the Washington, D.C.-based National Retail Federation paints a different picture, with discount stores clearly leading



File photo by Ken Kerr, Business Edge

Staples president and CEO Steve Matyas sees the back-to-school season as his company's busiest time of the year 'bar none'.

the list in virtually all age groups and sectors of the country for back-to-school spending.

"It's not perfect out there. That being said, our situation in Canada is not nearly as dire as retailers in the U.S. are going through right now," adds Nighbor.

Scallywags, an independent Victoria-based children's boutique, says early indicators are looking good.

"It's a little early to tell at the beginning," says Christian Siemens, who owns the 1,300-sq.-ft. downtown store with his wife Lori. "But if I can compare that against last year (which was very good), so far it's very, very close."

"Back to school is very important to us, it is more important than Christmas. It will make a huge difference."

At office-supply giant Staples, The Business Depot, based in Richmond Hill, back to school is

also a crucial sales period.

"It's certainly our Christmas, it's our busiest time of the year bar none," says Staples president and CEO Steve Matyas. "Our expectation for this season is that we will be modestly up from the previous year."

Part of the reason Matyas is optimistic is because of what he calls "hot pricing" on several hundred items compared to last year, due to the company's strong purchasing power and a fairly strong Canadian dollar.

Staples says it expects to sell a lot of computers and electronics to back-to-school shoppers, as well as traditional school supplies.

A recent survey conducted by Staples and Angus Reid shows 70 per cent of families are planning to buy or will consider buying a computer, software or computer accessories before the start of the school year.

But it's not all rosy. "What I heard from our vendors . . . is that so far, it's been a slow start in the back-to-school space," adds Matyas.

Canadian retailers could also take a hit from Americans targeting Canadian shoppers.

U.S. mall operator Taubman Centers Inc., a real-estate investment trust that has interests in 24 shopping centres in 11 states, has put together back-to-school shopping packages for its four Detroit-area malls that are near the Canadian border.

The packages can include hotel stays, giftcards, discounts, and back-to-school giftbags or backpacks. The malls also offer shoppers a different variety of stores, including major department chains and outlet offerings.

Early reaction is positive, says Karen Mac Donald, director of communications for the Taubman Centers, based in Bloomfield Hills, Mich.

"We're very pleased with the initial results," says Mac Donald. "It's really a win-win situation. It benefits Canadians as their dollar goes further and it benefits our stores and our malls with additional business."

While Taubman has promoted to Canadians before through advertising and hotel packages, the company has recently increased its efforts. "Since the Canadian dollar has gotten stronger, we've seen a lot more Canadians over the past year."

One in three Canadians visited a mall in the U.S. last year, according to a Maritz Research poll conducted for Taubman in January 2008.

Meanwhile, a Canadian organization is hoping it has the answer for bargain-hunting students.

Student Price Card (SPC), based in Vaughan, Ont., offers a yearly discount card for a cost of \$8.50 plus tax at select retailers or for \$10.50 online. There are 110 national and retail chains participating in the program, including Aldo, Bluenotes, Foot Locker, Guess, Roots, Sirens, The Bay and Urban Behavior. The most common offers are 10 to 15 per cent off.

"On average, a student saves between \$50 to \$100 a year with the SPC card," says Nicholas Bianchi, director of loyalty marketing for SPC. "We have built our program around what students have told us – when it comes to loyalty programs, they want instant gratification, choice, value and convenience."

"Having an SPC cards means they can go shopping today and save roughly \$15 on a pair of sneakers, about \$10 on a pair of jeans and maybe \$5 on a knapsack – in just one day," adds Bianchi. "That gets them \$30 closer to a new textbook or \$30 closer to paying their rent."

(Laura Severs can be reached at laura@businessedge.ca)

Edge@Work

Community spirit also good for business Purolator's food-bank program has benefited firm's branding image

By Tess van Straaten
Business Edge

Sometimes you have to give a little to get a little, but when it comes to the big business of corporate fundraising, giving a little can get you a lot.

"It's really exceeded all of our expectations," says Tim Maloney, manager of corporate sponsorship and field marketing for Purolator Canada.

"We're extremely pleased at the results we've seen and how we've been able to help Canadian food banks."

In the last five years, Purolator has gathered more than 794 tonnes of food for food banks across the country as part of a corporate giving program that has increased the courier company's customer relations, brand recognition, business development and media exposure.

The plan was simple – engage employees, customers and prospective customers in a marketing campaign that would make a difference in the community. It was a strategic move to focus fundraising and get the biggest result.

"Traditionally, companies have supported various causes across the board, which is great, but I don't think you can have the greatest impact compared to supporting one cause," Maloney says.

"We wanted to pick something that aligned with us and food banks deliver critical items on a daily basis just like we do as a courier company, so it was a good fit."

Leveraging its sponsorship of Canadian Football League games, Purolator started a "tackle hunger" campaign to collect food donations to help the one-million-plus people who use Canadian food banks on a daily basis. However, instead of just asking people to bring a can of food to the game, Purolator took it a step further.

In exchange for a food-bank donation, fans can get their game-day picture taken for free – sometimes alongside such iconic sporting items as the Grey Cup.

To get their photo, fans are then directed to a Purolator-branded website where, after giving some baseline information and filling out a short survey, they can have their photo emailed to them and even be entered into a draw for tickets to the Grey Cup game.

"We were pleasantly surprised at the number of web hits we got," Mal-



Photos courtesy of Purolator

Purolator Canada has delivered more than 794 tonnes of food to food banks across Canada. Some of the fans who donated food pose with the Grey Cup at a recent Canadian Football League game.



oney says. "It confirmed the impact of the Grey Cup and people's love for the CFL, but it also confirmed we had the right incentive in place for people to donate because the retrieval rates of those photos are extremely high."

Indeed, the marketing results are as impressive – if not more impressive – than the millions of kilograms of food donated.

"We'll take a few hundred pictures on a game day and 70 per cent of peo-

ple will go online and view their picture on the website and 50 per cent will fill out the marketing survey to get their picture," says Tom Casagrande, of Toronto-based Tenzing Interactive Marketing, the company that provides the Pics-2-Web service for Purolator.

"There's also a viral element where people can forward the photo to friends and family, which then results in even more people seeing the brand-

ing and getting reached by the marketing."

As a result, Purolator has been able to conduct direct one-to-one marketing to more than 10,000 potential customers. The brand benefits are also huge. The campaign is generating significant media coverage in TV, print and radio, which has resulted in more than 20 million impressions – a 28-per-cent increase since 2006 alone.

"We haven't ignored the recent trend where there's a difference between social marketing and philanthropy, which is just giving donations without any sort of return," Maloney says.

"Through giving back to the community the way that we are and raising donations for the food bank, there is an indirect benefit back to our company and to our bottom line."

Doing good, it seems, is good for business and Purolator is leading the way in a new wave of corporate fundraising that recognizes the public's preference for companies that contribute to their communities.

"Certainly, there's been lots of evidence to show that given equal products and equal prices, consumers prefer to buy a brand that has a social mindset, a social responsibility," says WestJet sponsorship manager Scott Hartley.

"It's absolutely important as a leading brand in this country for us to make sure that we're giving back."

Supporting more than 800 community initiatives across Canada through programs that focus on children's health, community festivals and amateur sports, WestJet is no stranger to the benefits of corporate giving. To children's health charities alone, the Calgary-based carrier has given away more than 6,000 flights.

"We've got a pretty simple approach at WestJet, which is that if we try a little harder and show that we care a little more, it can only benefit our brand and this is just another way that we're trying a little harder and doing a little more – not just at our check-in counters or on our flights, but also in our communities by giving back."

Experts say that businesses that don't give back in some way are now increasingly the exception. Whether it's free product, cash donations or employee fundraising, giving is now a key part of some of North America's most successful marketing plans.

See @WORK

Page 23

Retail veteran moves into top posts at the Bay

Business Edge

Bonnie Brooks has been appointed president and CEO of The Bay, the latest in a series of senior management changes since **Hudson's Bay Co.** was purchased last month from the widow of U.S. businessman Jerry Zucker. Brooks has more than 25 years' experience in the retail industry in Canada and abroad. Most recently, she was president of the Lane Crawford Joyce Group based in Hong Kong.

McVicar Resources Inc. (TSXV:MCV) has named **Kevin Ming Zhang** as CFO. Zhang has been a senior accountant for McVicar since February 2007. **Henry Tse** has resigned as CFO, but remains a director. McVicar has interests in the chemical and electronics industries in China. Its head office is in Toronto.

Forsys Metals Corp. (TSX:FSY) has named **Jimmie Wilde** as general manager of Valencia Uranium (Pty) Ltd, a Namibian-based wholly owned subsidiary of Forsys. He will work in Namibia. Wilde brings 32 years of mining experience to the position, most recently as senior VP of mining operations with Tsar Emerald Corp. Forsys is a uranium development company headquartered in Oakville.

MI Developments Inc. (TSX:MIM.A, MIM.B; NYSE:MIM) says that CEO **John Simonetti** is calling it quits and returning to Magna International. He had been with MIM since its spinoff from Magna in 2003. MI Developments is a real estate development company that focuses on industrial and commercial real estate properties

Moving On

in North America and Europe. **MI Developments'** head office is in Aurora.

FNX Mining Company Inc. (TSX:FNX) says that **John Lill** has resigned as president, CEO and a director to pursue other interests, but will remain as a consultant to the end of August for the transition. Executive chairman **Terry MacGibbon** becomes CEO. FNX has its head office in Toronto.

Sierra Minerals Inc. (TSX:SIM) has appointed **Rebecca Hudson** as its CFO. She will work in the head office in Toronto. Hudson, a CA, was most recently controller of Zacoro Metals Corp. Sierra is a gold production and exploration company.

Coniagas Resources Ltd. (TSXV:CNY) also has named **Rebecca Hudson** as its CFO. Coniagas is a Toronto-based resource company whose focus is to explore and develop mineral deposits throughout North America.

Cinram International Income Fund (TSX:CRW.UN) has appointed **John Bell**, former CFO of Patheon Inc., as its CFO. Bell replaces **Lewis Ritchie**, who stepped down June 30. Cinram makes DVDs and CDs for the movie, music and software industries. Its head office is in Scarborough.

Caledonia Mining Corp. (TSX:CAL) has named **Mark Learmonth** as VP of

corporate development and investor relations. Before joining Caledonia, Learmonth was a division director of investment banking at Macquarie First South in South Africa. Caledonia is an African-focused mining company. Its head office is in Toronto.

Ivernia Inc. (TSX:IVW) has named **Bruce Hooper** its VP for exploration and development, working from the company's regional office in Perth, Australia. Hooper brings almost 30 years of exploration and development experience. Ivernia is a base-metals

explorer and miner with its head office in Toronto.

YM BioSciences Inc. (TSX:YM, AMEX:YMI) says that **Lisa DeLuca**, VP for global regulatory affairs, has resigned. **Diana Pliura**, executive VP for AeroLEF, and certain other staff members have also departed. YM is an oncology company that develops and commercializes differentiated products. Its head office is in Mississauga.

— with files from *The Canadian Press*
(For more Moving On listings, please visit www.businessedge.ca.)

PROCESSING from Page 16

Finished product could take five years, add to cost of beef

The process involves returning or spraying "good" bacteria — originally stripped out along with the bad — back into the meat during processing at meat plants.

McMullen estimates it could take three to five years before their work makes it way to the finished product that would end up on retail shelves and could potentially add an extra 10 cents to the cost of a pound of ground beef. She also notes that there's a possibility that this method might help to reduce spoilage.

"It will add cost to the meat going out of the plant, but it should be minimal and when you balance that cost against the cost of recalls and illnesses in society it would be minimal," says McMullen, who already has an industry partner that is interested, as well as Health Canada.

"This research (Bioniche and the U of A) has a lot of potential positive

ramifications throughout the industry," adds CFG vice-president Gary Sands. "Our members would welcome it — everybody in the industry would."

Sands also says if either one or both make it into the Canadian marketplace, it could cut costs for supermarkets, pointing to lost meat sales and staff need to be diverted from other duties to ensure that the recalled product has been taken off the shelves as well as being able to answer customer concerns.

"People tend to realize that we're the retailer, we're just the one who sells the product, that we're not raising cattle in the backrooms and processing them in the store," says Sands, adding that they remain on the front lines between the consumer and the meat-packing plants when a recall occurs.

(Laura Severs can be reached at laura@businessedge.ca)

STREET LIFE from Page 14

Water woes plague Cameco

Recently, Golder Associates completed a technical evaluation of the site and found "no fatal flaws that would impact significantly on the project's feasibility and proposed timelines," says Potash One CEO Paul Matysek.

So it's full speed ahead for the Vancouver-based company, which just graduated from the TSX Venture to the TSX on June 18.

Act IV: Water, water everywhere

• **The Player:** Cameco Corp. (TSX:CCO)

• **Action:** Down 17 per cent in a month (from \$40.88 July 11)

• **Recent Price:** \$34.05

• **52-Week High/Low:** \$50.24/\$31.39

Water is the liquid of life, but it can also be a royal pain.

Cameco Corp., the world's largest uranium producer, has recently been forced to halt repair work at its Cigar Lake uranium mine in northern

Saskatchewan. The company, which has been working to repair the mine since a flood in 2006, said in a recent statement that it found water flowing into the mine at a rate "beyond the range that can be managed while sustaining work in the shaft."

The mine was expected to someday produce 18 million pounds of uranium annually (more than 10 per cent of world output), but the company says production can't begin until at least 2011. Cameco stock sank on the disappointing news, trading at \$32.11, down \$1.97 at press time.

NOTE: The above is not intended as investment advice to buy or sell any mentioned securities. Investors should do due diligence before investing. Quotes are based on results through Aug. 12, 2008.

(Nicole Strandlund can be reached at nicole@businessedge.ca)

Data Processing
Data Entry
Personalization
Mail Preparation
Lettershop Services
Fulfillment Services
Polybagging Services
Print Management
Bindery Services
Pic-n-pec Services
Canadian & US Mail
Digital Colour Copies

"Innovative Outsourcing Solutions"

Satisfaction Guaranteed

CMS
Complete Mailing Service

8 Dohme Avenue
Toronto ON M4B 1Y8
ph : 416-755-7761
fax: 416-755-8231
toll free : 1-888-883-2501
email: info@completemailing.com

Opinions

Labour mobility runs into bureaucratic reality

Canada's premiers were in a breezy, upbeat mood when they emerged from their most recent annual meeting, held in mid-July at Quebec City, and announced a significant breakthrough on measures to improve labour mobility within the country.

In a joint statement, they declared that they had agreed to amend a previously negotiated Agreement on Internal Trade by Jan. 1, 2009, to ensure that: "Any worker certified for an occupation by a regulatory authority of one province or territory shall be recognized as qualified to practise that occupation by all other provinces and territories."

They went on to say that: "Such recognition shall be granted expeditiously without further material training, examinations or assessment requirements."

Manitoba Premier Gary Doer captured the spirit of things when he said: "We believe a teacher is a teacher, a nurse is a nurse and a welder is a welder."

By extension, that should mean that a drywall is a drywall, a painter is a painter or a carpenter is a carpenter. If only it were that simple. The fact is that some of the provinces have created such an elaborate framework of labour laws and regulations that ease of movement is years, if not decades away.

The worst offender is probably Quebec. The province's construction industry, to cite one example, is a quagmire of red tape and excessive bureaucracy that applies with equal force to both insiders and outsiders.

"Ontario and Quebec have been dealing with inter-provincial mobility through industry-specific agreements," adds John DeVries, president of the Ottawa Construction Association. "It's a 20-year story and it will be around for another 20 years. We're slowly knocking down the barriers, but Quebec is still a highly, highly regulated environment."

The rules apply to both contractors and employees. Contractors who want to work in Quebec cannot simply set up an office, hang out their sign and start trolling for business. That only happens after they have completed a registration process that takes four to six weeks.

They begin by applying for a licence from the Regie du batiment du Quebec (RBQ), which translates

roughly as the Quebec building agency. An officer of the company must write exams on construction project management, site safety and administrative management.

The firm must submit a certificate

of incorporation or letters of patent as proof of its corporate status along with signed and dated balance sheets and must obtain a Numero d'entreprise du Quebec (NEQ) from another agency – the Registraire des entreprises du Quebec.

An NEQ is required in order to register with the Commission de la Construction du Quebec (CCQ). Once the company is working, it must submit monthly reports to the CCQ on the hours worked by all its

employees and the relevant deductions from their paycheques.

Finally, the contractor who has made it through this gauntlet must become a member of the Association des entrepreneurs en construction du

Quebec (AECQ). Mandatory membership is a popular concept in Quebec that also applies to employees. If they work for a registered contractor, they must belong to a union.

As well, there are certification and licensing requirements for almost every conceivable construction job in Quebec.

"Nine out of 10 provinces don't have mandatory licensing of painters, drywallers or carpenters and that's the problem," says DeVries. "Contractors were getting jobs in Quebec and then they couldn't bring their painters or drywallers or carpenters with them."

This led to a grotesque distortion of the marketplace. Quebec builders were free to bid on jobs in Ontario's wide-open construction industry. They needed no government approval to cross the Ottawa River and work in the nation's capital or its surroundings. But Ontario contractors, especially the small to mid-sized ones, were all but shut out of Quebec.

The certification problem has been rectified in part by negotiations

between the two provinces over the past five years. Quebec has agreed to recognize trade activity cards issued to Ontario workers such as painters, drywallers and carpenters who can work in the province or any other for that matter without being certified.

According to a legal expert who was involved in those negotiations, Quebec erected its byzantine regulatory architecture over the past 35 years in order to rid the industry of organized crime and systemic corruption.

In the process, Quebec has put far too much power in the hands of bureaucrats and union leaders and, intentionally or otherwise, has erected formidable barriers to the free flow of workers and services.

But don't expect that to change any time soon. The union leaders and the bureaucrats will never surrender their power or privileged positions without a long, nasty fight, no matter what the premiers say about improving labour mobility in this country.

(D'Arcy Jenish can be reached at jenish@businessedge.ca)

Opinion



D'Arcy Jenish
Business Edge

Cartoon Corner



Want to know your colleagues? Try snooping

Author reveals how you can get inside a person's head

By Terri Schlichenmeyer
Business Edge

You have a new neighbour and while you haven't met him, you already know a little about him.

He has children, evident by kid accoutrements that litter his space. He drives a snazzy sports car and he's a snappy dresser, so he's got bucks. On the other hand, his area is a mess and he doesn't seem eager to fix that.

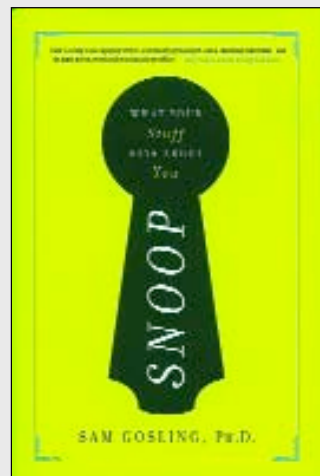
What kind of guy is this new neighbour of yours, anyhow?

In the new book *Snoop: What Your Stuff Says About You*, by Sam Gosling, PhD, you'll learn how to interpret the clues the new guy leaves out for you to see. Get inside his space, see what he likes, look at the possessions he displays, and you'll be able to learn even more.

Throughout history, scientists have studied differences in personality; even ancient Romans had a chronicler of such things.

In more recent times, there have been several kinds of "personality tests"; one of the most-studied systems is called The Big Five, which includes openness, conscientiousness,

Business Books



Snoop: What Your Stuff Says About You, by Sam Gosling, PhD, c.2008, Basic Books; \$26.95 Canada; 263 pages.

extraversion, agreeableness, and neuroticism. Although you think you

know what each of them entails, the behaviours included in these traits may surprise you.

OK, you're saying. That's great, but you can't give a personality test to everybody you meet, know, or might hire.

Couldn't you learn about someone just as easily through casual cocktail parties, interviews, or water-cooler chit-chat?

Maybe. Studies indicate that the No. 1 topic in most "getting-to-know-you" conversations is music. Stick to that and you might glean something.

Bathroom and bedroom snooping can tell you a lot, but since that's not possible when you're at work, take a look at your target's personal and office bric-a-brac, but don't assume anything.

An odd or seemingly significant object may be a sentimental trinket, an office joke, a left-behind item, or it may signify something the person wants to believe about himself – or herself.

Personal emails can certainly be telling. If you're astute, you may be able to ascertain personality by watching someone walk or by closely

observing the words he uses when he speaks or writes. And stereotypes? In cases like this, they're good things.

So what about you? Is it possible to throw snoopers off the path by faking a certain ambience in your office or car? Gosling says it'd be difficult. Your ingrained personality traits will betray you more than not.

I liked this book, even though it wasn't what I thought it was going to be. I figured it to be a look at what we buy and why, but Gosling takes things a little deeper than that. He looks at how our things and our habits broadcast who we are or who we think we are, why we keep the things we keep, and how others perceive us by virtue of our created surroundings and our possessions.

Beware that there's a lot to digest here, including charts and tests that will take time to understand.

Still, if you have reason to size up people quickly, *Snoop* is a book to poke around in.

(Terri Schlichenmeyer has been reading since she was three years old and she never goes anywhere without a book. She can be reached at schlichenmeyer@businessedge.ca)

Amateur baseball is beating the odds

Re: New business reality strikes baseball's Boys of Summer, *Business Edge*, July 11, 2008, and online at www.businessedge.ca.

I just finished reading your article about the future of baseball in Canada, and was dismayed that no attention was paid to the amateur circuit.

While teams and leagues have consistently floundered in Canada... other teams are flourishing. Since the departure of the Calgary Cannons, Calgary has seen two professional teams, both which are still struggling to find steady crowds. However, right smack in the middle of them were the Calgary Dawgs, who not only won a championship, but did so in front of over 4,000 fans.

The only reason they are not still in Calgary is due to the inability to strike a stadium deal because of the semi-professional Vipers locking up the stadium for exclusive use.

This caused the Dawgs to build a multimillion-dollar stadium in Okotoks where they won yet another championship last season, and have over 1,300 season tickets for this season.

To accomplish this feat of actually filling the stands with paying fans each and every game, they haven't even had to rely on gimmicky tricks such as selling a player for bats, or

Feedback

trading a pitcher in exchange for plastic seats, signing former NHL players 10 years past their prime, or anything of the like.

They have done it simply by having a community presence and putting on a valuable experience for the customers through a contest every inning, great food and a fun atmosphere.

And it's no downgrade in quality of baseball either. If you recognize the names Colin Moro and Travis Drader from the Calgary Vipers, you might also know that only last year they were on the Okotoks Dawgs, and are now among the league leaders offensively. Other players such as Rob Recuenco played for the Dawgs only a season or two ago and are still finding success in the Golden League.

If players from an amateur league can move up in one season to excel in the professional ranks, it really shows the quality of play that a bunch of university players can exhibit.

Furthermore, you could contact the Dawgs directly to find out about the number of players that moved from their team directly into the Major League Baseball farm system. Players such as Jimmy Henderson (2004

Dawgs, currently with the AAA Iowa Cubs, and Emerson Frostad (2004 Dawgs, currently with the AA Frisco, Tex. RoughRiders) and numerous others are quickly scaling the ranks to MLB.

And it's not only the Dawgs that are doing this. The Lethbridge Bulls have been a staple in the league for many years and have a fanbase willing to drive around the west side of the country to follow their team.

The league has expanded into Medicine Hat, Regina, Sherwood Park and all within the last five years. You might also remember more than one of those cities had a team in the defunct failure known as the Canadian Baseball League, as well as other independent league teams that were even mentioned in your article.

This league has a steady following throughout all its cities, has dedicated fans who will follow the teams, have radio contracts and internet radio calls of the games, and is an ongoing success. Furthermore, if you talk to the owners and operators of the team, they are all upbeat, excited for the future, and excited to expand.

That's not nearly the same impression I got from your article about owners talking about the struggles of running a non-affiliated baseball team.

Sorry to go on, but I just wanted to

let you know the good news that baseball entertainment is not doomed in Canada. Look to the Dawgs, who are hosting the International Super Series in Okotoks. Look to the Lethbridge Bulls who have tight connections with Baseball Canada as well as being tightly linked with one of the premier collegiate baseball facilities in Canada, or look to the Swift Current Indians who consistently reach the league final and have something of a Yankees-esque lock on the Saskatchewan division.

I acknowledge the difficulties of a Canadian market for baseball, and yet the Okotoks Dawgs consistently sell out their games. I know this can be an expensive venture, and yet Yorkton and Melville and other smaller cities have teams and compete every year.

While teams like the Vipers are scaling back operations, teams like the Dawgs are expanding into a junior team and building and expanding their stadium. I don't know how they do it, but they make it work. Baseball in Canada doesn't always have to fail and the Western Major Baseball League is a perfect example of that.

– Philip Gardner,
Calgary.

(Philip's father, William Gardner, is a member of the board of directors of the Okotoks Dawgs.)

Technology Edge



Cybercrime swamping security experts

Enforcement agencies hard-pressed to put a crimp in criminal activity

There's a special place in heaven for people who try to tally up the losses from cybercrime.

They're generally trying to pry information about something that's not really well defined from sources that don't really want to talk about it.

And, arguably, the best computer crimes are so deftly executed that they are never discovered at all.

So it's worth celebrating when we get any kind of credible data about this problem. It's even better when that data is Canada-specific, and when we have not one, but two studies to compare. They're even available for you to read.

IT security breaches are costing publicly traded Canadian companies an average loss of more than \$637,000 annually, say researchers from the Rotman School of Business at the University of Toronto and Vancouver-based Telus Corp.

They reached this conclusion by running focus groups, then sending letters and emails to several hundred security professionals across Canada. They limited participation to organizations with 100 or more employees, perhaps because that's the happy hunting ground for Telus Security Solutions, which gets mentioned in media releases on the study.

Predictably, viruses and malware (software that has evil code embedded in it) led the list, with 62 per cent of respondents reporting them. Phishing attacks, (those "we need to confirm your account" messages) were reported by 27 per cent. These numbers are roughly comparable to U.S. figures reported in the Computer Security Institute's 2007 survey.

What is surprising is the data on employees who go bad.

The Rotman/Telus report notes that about one in six Canadian respondents reported a breach relating to employee abuse, whereas the number was closer to three out of five according to U.S. respondents, "suggesting that an insider-related breach was slightly more than three times as likely to occur in an American organization."

Well, you could see it that way, or you might perhaps attribute the difference to Canadian firms being more lax in detecting and acting on

insider-information abuse. Having been involved in investigating several Canadian cases of employees stealing corporate data, I can assure you that it does happen here.

The second study, commissioned by the Canadian Association of Police

Future/ Present



Tom Keenan
Business Edge

Boards (CAPB), concludes that while cyber incidents have risen significantly since 2001, and the increase and the patterns are similar in Canada and in the U.S., that only a small percentage of incidents are actually reported.

This raises the critically important question of "whom do you call?" when you spot a cybercrime.

Your local police force may not have the expertise or the time to dig deeply into the problem. Law-enforcement officials report piles of PDAs and

cellphones waiting to be properly analysed for evidence.

It took a high-profile media announcement by the Visa folks to get someone to delve into what appeared to be a gaping security hole with airport check-in kiosks at Toronto's Pearson International Airport.

As well, the TJX (Winners in Canada) case uncovered last year involved months of illegal data

interception before it was stopped.

CAPB chair Ian Wilms says that the criminals have all the advantages. "We are struggling to keep up and every day we fall further behind," he says.

He adds that the pool of victims grows larger every day while the pool of perpetrators also gets larger, younger and more sophisticated. "This is a new era for police, fighting a new type of criminal."

One of the key recommendations of the CAPB report is a dedicated Canadian centre where law enforcement and various agencies can work together to combat cybercrime. There are several Canadian initiatives of this nature on the drawing board, and there's probably enough cybercrime to keep all of them busy.

Wilms is supporting the Global Centre for Securing Cyberspace, which already publishes a free email newsletter listing upcoming security events and describing newly hatched vulnerabilities.

The July 2008 cover story, *Flaw Could Allow Hackers to Take Over the Internet*, explains the concept of "cache poisoning." This is a hole that corporate security administrators definitely need to plug.

Cache poisoning involves tracking the domain name server (DNS) computers that control Internet addresses. For example, if you're relying on a "poisoned" DNS, typing

www.royalbank.com might take you to some hacker domain in Russia.

Keeping up with the bad guys is a challenge and some computer security researchers think the proposed new Canadian copyright act will tie their hands. Section 41.1 of Bill C-61 would make it illegal to possess "technological measures" that could be used to circumvent copyright.

Many researchers feel that studying these tricks should be legal as long as you don't misuse them. If you agree, there's an online petition you can sign.

As for the latest and greatest computer security threats, San Diego-based Websense, Inc. has just issued a disturbing report covering the first two quarters of 2008. It points the finger at some of the world's most trusted websites.

Websense researchers found that "60 per cent of the top 100 most popular websites either hosted malicious content or contained a masked redirect to lure unsuspecting victims from legitimate sites to malicious sites." These included well-known "social-networking or search sites such as search engines."

So, by making an innocent query, you might be exposing your computer to a nasty infection.

See KEENAN

Page 23

@WORK from Page 18

Finding right partners key to campaign's success

"This is definitely growing in popularity," says Casagrande. "We work with so many different companies and organizations and they almost always have some sort of charitable aspect to their campaign."

The Purolator campaign – which has been one of the most well received – has won numerous public relations and marketing awards. Purolator teamed up with TSN and the CFL for its "tackle hunger" initiative.

"I think the key things we have learned are that it's critical to align yourself with partners who share the

same vision, to focus efforts on one cause, to engage employees and customers and to build an integrated program with multiple tiers that can be refreshed annually."

Scoring a touchdown with "tackle hunger" at football games, Purolator has expanded its food-bank fundraising into other marketing and sponsorship programs.

Now a crucial part of corporate planning, there's no end in sight to the donations Purolator is delivering.

"When you look at the percentage increase from when we started in

2003 to where we are now on an annual basis, it's huge," Maloney points out.

"The first year we generated just south of 200,000 pounds of food and in 2007, the program brought in over 420,000 pounds of food and this year, we're already up 30 per cent from last year, so it's continuing to grow and I know the people who utilize the food banks are very grateful for that."

With businesses such as Purolator and Westjet benefiting right along with the charities they support, the old saying "you get what you give" has

never been so true.

"There are lots of people in need out there and lots of causes in need of support and I think if we want our country and our economy to be successful, it's unfair to ignore issues that need our support," Maloney adds.

"When there's a cause out there that's a good fit, great results can be achieved by helping people. It's certainly been great for our company and it's worked for us to be able to give back."

(Tess van Straaten can be reached at tess@businessedge.ca)

3 STARS from Page 12

Drilling operations drive growth at Vero Energy

"So it's a huge resource of oil that they've just started to tap."

- **Risk Rating:** Low
- **Web Watch:** www.baytex.ab.ca

THIRD STAR

- **Vero Energy** (TSX:VRO)
- **Recent Price:** \$9.35
- **52-Week High/Low:** \$11.34/\$5.30 (6-18/9-26)
- **Snapshot:** Vero is engaged in the exploration for, and development and production of, crude oil and natural gas in Western Canada.
- **President and CEO:** Douglas Bartole
- **Head Office:** Calgary
- **Vital Stats:** Price/Earnings Ratio (trailing 12 months), 77.9; Revenue (last fiscal year), \$82 million; Earnings Per Share (ttm), \$0.12; Market Cap, \$270 million.
- **Stevenson's View:** "Again, here's a company that's grown just from drilling. No real acquisitions in the

growth profile. They're over 6,000 BOEs a day of gas production. Their core focus area is near the town of Edson, Alta. They've had tremendous success drilling horizontal wells with the multi-stage fracture treatment, which is a strategy and a technology being used in more and more reservoirs. The company has very, very low operating costs, low debt, lots of ability to continue to do infill drilling (in the Edson area) and grow their production."

- **Risk Rating:** Medium-high
- **Web Watch:** www.veroenergy.ca

NOTE: Stevenson personally has held a position in Baytex for the past 10 years.

(This feature is provided for informational purposes. Investors are advised to do their own research or consult a qualified investment professional before making investment decisions.)

KEENAN from Page 22

Real-time web security important

Of course, it's a full-time job for people at Facebook and Google to keep you safe, but this report seems to say that the bad guys are getting ahead of the good guys more often than we would like.

The Websense report also confirms what we all suspected, that the URL is no longer an accurate representation of the source content from the webpage. So don't trust that bar on the top of your browser any more.

The implication for companies, says Websense, is that organizations that enable their employees to view Web 2.0 technologies such as iGoogle Web portals or social-networking sites, wikis, and blogs need real-time web-security protection to protect their employees

and their essential information.

You may have guessed that Websense sells just such a product.

Cybercrime has become a big business for both the attackers and the protectors. It's fast-moving, intellectually challenging and the stakes are high. This is why more and more bright young people are considering a career in some aspect of computer security.

It's a good thing, because we're going to need each and every one of them if we're going to trust our computers in the future.

(Tom Keenan is a professor at the University of Calgary and an expert on technology and its social implications. He can be reached at keenan@businessedge.ca)

Cellphone still tops for conversation

The Canadian Press

Cellphones are still for yakking, no matter how many things they can do.

Despite also being equipped to let people watch videos, listen to music, surf the internet and check email, mobile phones are primarily used for conversations, U.S. analyst Ramon Llamas said

"I look at a lot of Joe and Jane consumers on main street anywhere and a lot of them are pretty content with just a regular cellphone," said Llamas, a senior research analyst with global

research firm IDC, which tracks consumer technology markets.

"It does what they need it to do and basically that is just to make a phone call," Llamas said.

Despite the growth of smartphones, such as the BlackBerry by Research In Motion (TSX:RIM) and Apple's iPhone, those aren't going to be at the top of the mobile phone market, he said.

"They're still going to remain in the minority mainly because these devices, basically, just aren't for everyone," Llamas said from Framingham, Mass.

FRED COUPLES SIGNATURE GOLF COURSE
EXCLUSIVE BEACH CLUB | VINEYARDS & WINERY | LUXURY HOMESITES



BELAGO

AT THE RISE

infinite
views

Limited opportunity. Surrounded by elevated views of Lake Okanagan, the romantic embrace of vineyards and a Fred Couples Signature Golf Course, the generously-sized Belago homesites at The Rise are undeniably among the most alluring in this incredible community. Add a future winery, hotel village, spa and beach club, and they will undoubtedly be among the most desirable in the Okanagan.

LIMITED RELEASE OF ONLY 18 BELAGO HOMESITES:
STARTING FROM \$399,900

1-866-400-8488 | TheRise.ca

THE RISE

SIGNATURE BEACHTOWN COMMUNITY

70% of the world's wealthy became so through Real Estate Investments...



What's your strategy?

- RRSP eligible, \$10K minimum
- RRSP transfers accepted
- 11% cash flow Bonds
- Use home equity to invest
- High quality Alberta based real estate
- Exceptional profit participation options
- Experienced development team
- Proven track record of success



www.foundationcapital.ca

Where Land, Life and Opportunity Merge