

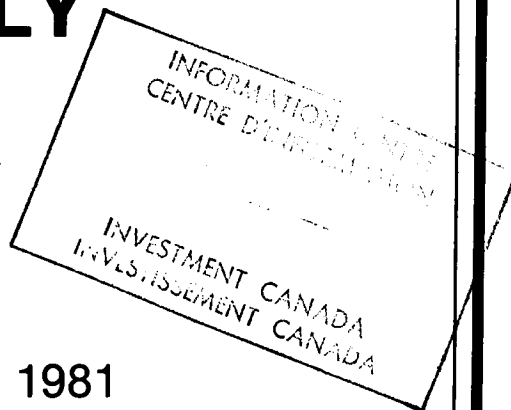
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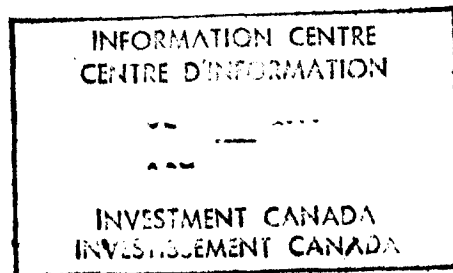
FOREIGN INVESTMENT
REVIEW ACT

QUARTERLY
REPORT

JANUARY—MARCH 1981



Canada



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FOREIGN INVESTMENT REVIEW ACT

QUARTERLY REPORT

JANUARY—MARCH 1981



Government
of Canada

Gouvernement
du Canada

Foreign Investment
Review Agency

Agence d'examen de
l'investissement étranger

REVIEW ACTIVITIES

Applications

January to March 1981 was the second consecutive quarter during which the number of reviewable applications increased. The slight rise (185 to 189) was due principally to new-business applications related to the service sector.

Acquisitions

Overall, the number of reviewable acquisition applications decreased slightly (87 to 85). The primary sector was the only sector in which acquisition activity increased. The total value of acquiree assets dropped by over \$400 million in the first quarter of 1981. The service sector drew 55 percent of the applications, whereas manufacturing drew 37 percent, shares that were roughly equivalent to those of the previous quarter. The United States remained the single most important source of acquisition applications (67 percent) and Ontario the province most frequently involved (52 percent). The majority of cases involved assets of less than \$2 million (71 percent) and businesses that employed fewer than 100 employees (91 percent).

New businesses

The number of new-business applications has varied very little since the first quarter of 1979, averaging around the century mark. The first quarter of 1981 was no exception, the number of cases (104) rising slightly over what it was in the previous quarter (98). The service sector attracted the lion's share of applications (63 percent), as did Ontario (62 percent). The United States was the source of approximately 52 percent of the applications, the majority of which involved small businesses with assets of less than \$2 million and fewer than 100 employees.

Resolved cases

The number of resolved cases (allowed, disallowed and withdrawn) dropped sharply in the first quarter of 1981 to 130 compared with 185 in the last quarter of 1980. The decrease (55) was almost evenly split between acquisitions and new businesses.

Of the 130 cases, 75 percent were allowed, 13 percent disallowed and 12 percent withdrawn by applicants before a decision was made. It is worth noting that the allowance rate for new-business cases decreased for the third consecutive quarter to 67 percent, an all-time low.

Acquisitions

At 64, the number of resolved acquisition cases was one of the lowest since the first quarter of 1979, the lowest number having been recorded in the third quarter of 1980 (52 cases). The allowance rate rose to 84 percent in the first quarter of this year after having dropped in the last quarter of 1980 to its lowest level (65 percent). Ten percent of the cases were disallowed and 6 percent withdrawn by the applicants prior to a decision being made. Thus, the rate of withdrawals, which was exceptionally high in the previous quarter (21 percent), returned to more normal levels.

A March press release described in detail an allowed acquisition proposal by White Farm Industries Inc. of Dallas, Texas and Linamar Machine Limited of Ariss, Ontario to acquire control of the White Farm Equipment Division of the White Motor Corporation of Canada Limited.

An important feature of the proposal was that, as a result of the transaction, the White Farm Equipment Division will be more than 50 percent Canadian-owned, whereas previously it was 100 percent foreign-owned. The joint venture will reactivate the combine manufacturing facilities located in Brantford, Ontario, which have been shut down since August 1980. In addition to retaining 180 people who are still employed, at least 500 workers will be recalled during the next four months with the possibility of 100 to 300 more by August if the plant is in full production. By mid-1982, when the facility is expected to be operating at full capacity, it is intended that 1,100 persons would be employed. The terms and conditions of all offers of employment are being negotiated with employees or their bargaining agents, where applicable.

The existing Canadian dealer networks of White Farm Equipment Division will be maintained and a dealer and distribution agreement will be offered to each dealer which provides for the sale of both combines and tractors. The tractors will be obtained from White Farm Equipment Company of Charles City, Iowa, an affiliate of White Farm Industries, Inc., which, in turn, will distribute the Canadian-produced combines through its dealer network in the United States. It is likely that, as a result of this arrangement, 50 percent of the production of the Brantford plant will be exported.

It is also worth noting that the Brantford facilities of White Farm Equipment, which support the combine manufacturing operations, will be maintained and will continue to be the centre for the development, manufacture and marketing world-wide of grain harvesting equipment.

Closely related to this case was the purchase of the Truck Division in Kelowna, B.C., by a consortium of Canadian-owned companies, including Bow Valley Resource Services Ltd. and Nova, an Alberta Corporation. This transaction, which of course is not reviewable under the Act, is expected to restore production and employment at the Kelowna plant, which had been substantially reduced.

Another proposal that was allowed in March involved the acquisition of the Brevel Motor Division of McGraw-Edison Limited of Scarborough, Ontario, by Brevel Motors of Canada Ltd., which is wholly-owned by Vernitron

Corporation of the United States. Brevel Motor Division manufactures and markets a range of electric motors and geamotors. The applicant undertook to conduct feasibility studies to determine whether it would be economical to manufacture additional electromechanical products in Canada and the possibility of giving a product mandate to Brevel Canada for the North American market. Depending on the results of the studies, the applicant will cause Brevel Canada to increase its research and development activity in Canada. In support of any new products identified as commercially feasible, Brevel Canada will spend, during the first 5 years following allowance, the aggregate of not less than 2 percent of the gross sales of such products in addition to its existing research and development activity. The applicant also undertook to source goods, services and inventory required by Brevel Canada in Canada, subject to competitive availability, and to give full consideration to any bids or offers received from Canadian manufacturers and sources with respect to goods, services and inventory required by Vernitron and its affiliates.

The applicant will also increase the self-sufficiency of Brevel Canada's engineering capability and will cause Brevel Canada to work in Canada any new patents developed by it or to offer licenses upon reasonable terms. The applicant's affiliates will use their marketing organization to promote Brevel Canada's products throughout the world and the applicant will cause Brevel Canada to undertake a program of export market development during the 5 years following allowance of the investment at an aggregate cost of not less than 1.5 percent of Brevel Canada's gross sales during that period.

New businesses

The number of resolved new-business cases fell considerably in the first quarter of 1981 to 66 compared with 92 in the last quarter of 1980, as did the allowance rate which reached its lowest level ever (almost 67 percent). Approximately 17 percent of the cases were disallowed. At about 17 percent, the rate of withdrawals remained at the relatively high level it reached in the fourth quarter of 1980.

A March press release described in detail an allowed new-business case involving a proposal by Imperial Continental Gas Alberta Limited, which is wholly-owned by Imperial Continental Gas Association of London, England, to establish a new business in Calgary, Alberta, to explore for, develop and produce oil and gas. Among other things, the applicant undertook to restrict the activities of the company to exploration and the development and production of reserves formed as a result of that exploration, and not to acquire proven reserves. The applicant also undertook that, if it elects to carry out its oil and gas exploration and development activities by participating in joint ventures, it will do so exclusively with Canadian-controlled partners. Furthermore, the applicant will make available to Canadians, within approximately 5 years, 35 percent of the equity in the new company. And the new company will ensure that a majority of its senior officers will be resident Canadians and will purchase goods and services of Canadian manufacture or origin, subject to competitive availability.

OTHER ACTIVITIES

Opinions. During the first quarter of 1981, the Minister gave three eligibility opinions to the effect that the applicants were considered to be eligible persons within the meaning of the Act. The three applicants concerned were Camit Farms Inc., Rhodes-Vaughan Steel (1980) Ltd., and United Canso Oil & Gas Ltd.

Surveillance. During the first quarter surveillance activity led to the initiation of 56 detailed investigations to determine whether the transactions in question were or were not reviewable. As a result 5 notices were filed under the Act.

Enforcement. In accordance with established procedures for monitoring, at intervals, the implementation of plans and undertakings provided by investors whose applications have been allowed, 277 allowed cases were monitored during the first quarter. Twelve disallowed cases were also monitored.

Legal proceedings. On March 20, 1981, the Federal Court of Appeal dismissed an appeal of Dow Jones & Company, Inc. against the decision of a judge of the Trial Division that the acquisition by Dow Jones of Irwin Dorsey Limited did constitute an acquisition of control within the meaning of the Foreign Investment Review Act. Dow Jones has sought leave to appeal the decision to the Supreme Court of Canada.*

NOTICE

On March 16, 1981 Statistics Canada released the latest edition (1980) of the Standard Industrial Classification (SIC) Manual. The revised Manual will affect the application of Guideline 6 of the "Guidelines Concerning Related Business" issued under the Foreign Investment Review Act.

Guideline 6 provides that, for the purposes of the Act, an established business and a proposed new business may be considered related if both would be classified in any one of a number of industry sectors, as

* By order dated May 11, 1981, the Supreme Court of Canada refused Dow Jones' application for leave to appeal the order of the Federal Court of Appeal.

defined by Statistics Canada in the 1970 edition of the Standard Industrial Classification Manual. The Guidelines also provide that:

"In the event that the classification of a non-eligible person's establishment is changed by reason of a revision of the SIC Manual, the person may base his case for relatedness on either the 1970 Manual or the revisions thereto, whichever is most convenient to him."

Accordingly, for the time being, investors may use either the 1970 SIC Manual or the 1980 edition in determining whether or not a proposed new business would be related within the meaning of Guideline 6.

Investors are invited to consult the Agency on any difficulties the new SIC may pose in applying Guideline 6.

STATISTICAL TABLES

TABLE 1 - Outcome or status	Acquisitions				New businesses			
	1980		1981		1980		1981	
	II	III	IV	I	II	III	IV	I
Reviewable new cases	87	71	87 ^r	85	98	101	98 ^r	104
Carryover from previous period	107	110	129	124	59	87	123	129
Total of above	194	181	216 ^r	209	157	188	221 ^r	233
Canadian-controlled	43	33	41	45	--	--	--	--
Foreign-controlled	44	38	46 ^r	40	--	--	--	--
Total resolved	84	52	93 ^r	64	70	65	92	66
Allowed	63	38	60	54	62	55	72	44
Disallowed	12	7	11	6	3	5	8	11
Withdrawn	9	7	22 ^r	4	5	5	12	11
Carried over to next period	110	129	124 ^r	145	87	123	129 ^r	167
Allowed cases as percent of resolved (%)	76	73	65	84	89	85	78	67

TABLE 2 - Country of control*	Acquisitions				New businesses			
	1980		1981		1980		1981	
	II	III	IV	I	II	III	IV	I
Total	87	71	87 ^r	85	98	101	98 ^r	104
United States	57	43	53 ^r	57	48	52	57 ^r	54
United Kingdom	10	15	8	10	8 ^r	9	13	14
France	--	4	4	4	5 ^r	10	7	5
Germany, West	2	2	8	5	8	11	2	7
Spain	--	--	--	--	--	--	--	--
Sweden	2	2	--	2	6	1	1	1
Switzerland	4	1	2	2	1	2	1	1
Other Western Europe	5	2	6	1	15	8	10	9
Japan	1	--	--	1	1	--	2	4
All other	6	2	6	3	6 ^r	8	5	9

TABLE 3 - Province*	Acquisitions				New businesses			
	1980		1981		1980		1981	
	II	III	IV	I	II	III	IV	I
Newfoundland	--	--	1	--	--	--	--	1
Prince Edward Island	--	--	--	--	--	--	--	--
Nova Scotia	--	2	2	1	3	2	3	3
New Brunswick	1	1	1	--	--	2	--	1
Quebec	11	14	13	13	9	17	12	12
Ontario	45	34	50 ^r	44	63	53	58	64
Manitoba	2	--	--	1	2	3	1 ^r	1
Saskatchewan	1	--	--	4	--	1	--	--
Alberta	14	9	10	11	13	14	13	14
British Columbia	13	10	10	10	6	8	11	8
The Territories	--	1	--	1	2	1	--	--
Total	87	71	87 ^r	85	98	101	98 ^r	104

* Number of reviewable cases

^r revised

TABLE 4 - Industrial sector*

	Acquisitions				New businesses			
	1980		1981		1980		1981	
	II	III	IV	I	II	III	IV	I
Total	87	71	87 ^r	85	98	101	98 ^r	104
Primary	5	5	3	7	8	11	9	9
Agriculture, fishing and trapping	--	--	1	1	1	2	1	1
Forestry	1	1	--	--	--	1	--	--
Mines, quarries, oil wells	4	4	2	6	7	8	8	8
Manufacturing	36	36	33 ^r	31	34	31	35	30
Food, beverage and tobacco	5	4	4	1	3	2	4	3
Rubber, plastic and leather	2	2	1	2	1	2	3	--
Textiles, knitting and clothing	2	2	2	1	2	3	--	4
Wood, furniture and paper	--	4	1	2	1	5	5	5
Printing, publishing and allied	1	--	2	3	1	1	2	2
Primary metal and metal fabricating	5	7	6	6	10	2	7	4
Machinery and transport equipment	8	4	4 ^r	7	4	6	6	5
Electrical products	5	--	5	2	5	1	2	--
Non-metallic mineral products	--	3	1	1	1	2	1	2
Petroleum and coal products	--	--	--	1	--	--	1	1
Chemical	1	5	1	5	3	3	1	1
Miscellaneous	7	5	6	--	3	4	3	3
Construction and services	46	30	51	47	56	59	54 ^r	65
Construction	1	3	1	4	4	4	2	3
Transportation, communication, utilities	1	2	4	2	2	--	2	1
Trade	27	12	23	22	33	36	30	38
Finance, insurance and real estate	1	7	11	3	1	3	1	4
Community, business and personal services	16	6	12	16	16	16	19 ^r	19

TABLE 5 - Asset value*

	Acquirees				New businesses			
	Number		Assets in \$millions		Number		Assets in \$millions	
	1980	1981	1980	1981	1980	1981	1980	1981
	II	III	IV	I	II	III	IV	I
Asset range in \$ thousands								
up to 499	23	11	20	23	4.0	2.8	4.8	4.4
500 - 999	10	14	15	17	6.7	10.0	10.9	11.9
1,000 - 1,999	16	9	14	20	22.4	13.0	22.2	28.3
2,000 - 4,999	14	10	12	10	40.6	33.1	35.8	29.4
5,000 - 9,999	16	13	11	3	111.6	89.5	66.9	21.2
10,000 - 24,999	3	4	9	4	52.7	72.1	154.0	65.9
25,000 and above	5	10	6 ^r	8	194.1	1415.3	923.9 ^r	628.9
Total	87	71	87 ^r	85	432.1	1635.8	1218.5 ^r	790.0

TABLE 6 - Employment range*

	Acquirees				New businesses			
	Number		Employment		Number		Employment	
	1980	1981	1980	1981	1980	1981	1980	1981
	II	III	IV	I	II	III	IV	I
Employment range								
0 - 24	48	31	41	51	401	297	290	502
25 - 99	22	19	35	26	1219	1004	1695	1231
100 - 199	9	9	6 ^r	1	1289	1228	927 ^r	826
200 - 499	7	6	1	2	2951	1992	6448	7743
500 and above	1	6	4	5	9042	--	--	--
Total	87	71	88 ^r	85	5860	13563	9360 ^r	10302

* Number of reviewable cases

^r revised

ALLOWED AND DISALLOWED ACQUISITION CASES
BENEFITS TO CANADA
JANUARY - MARCH 1981

<u>Applicant/acquiree and sector of activity</u>	<u>Applicant's country of control</u>	<u>Allowed (A) or Disallowed (D)</u>	<u>Increased Employment</u>	<u>New Investment</u>	<u>Increased Resource Processing or Use of Canadian Parts & Services</u>	<u>Additional Exports</u>	<u>Canadian Participation (as shareholders/directors/ managers)</u>	<u>Improved Productivity & Industrial Efficiency</u>	<u>Enhanced Technological Development</u>	<u>Improved Product Variety & Innovation</u>	<u>Beneficial Impact on Competition</u>	<u>Compatibility with Industrial and Economic Policies</u>
MINES (INCLUDING MILLING), QUARRIES AND OIL WELLS												
1. Canadian General Electric Company Limited/Widney Well Servicing (1971) Limited, which operates a service rig business for the oil and gas well drilling industry	US	A	x	x	x				x		x	x
2. Esso Resources Canada Limited/Byron Creek Collieries Limited, which mines thermal coal	US	A	x	x	x	x	x	x				x
3. Getty Oil Company/Canadian Reserve Oil and Gas Ltd., which is engaged in oil and gas exploration, development and production and metallic mineral exploration	US	D										
4. Gulf Canada Resources Inc./Kissinger Petroleum Ltd., which consists of certain oil and gas properties located in the Province of Saskatchewan	US	D										
5. Paloma Petroleum Ltd./Bandera Resources Ltd., which is engaged in oil and gas exploration, development and production in Alberta	NrC	A		x			x					x
6. Uddeholms Aktiebolag/Granges Nyby Canada Limited (Granges Canada), which manufactures and sells stainless steel pipe and sells specialty steel pipe and fittings manufactures by its parent	Swe	A	x	x		x	x	x		x		x
MANUFACTURING INDUSTRIES												
<u>Food and Beverage Industries</u>												
7. Beecham Group Limited/Bovril (Canada) Limited, which manufactures beef and chicken bouillon products and distributes, under the Bovril name, canned corned beef and luncheon meats	UK	A	x	x	x	x	x	x	x	x		x
8. Seven-Up Canada Inc./Seven-Up Montréal Ltée, which is the Seven-Up franchisee for the Province of Quebec (except Quebec City) and in addition is the franchisee in Quebec for other soft drink companies and produces beverages under the trade names R.C. Cola, Welch, Nesbitt, Snow White and Frostie	US	A	x	x				x	x	x		x
<u>Rubber and Plastics Products Industries</u>												
9. Pentos Limited/Profile Expanded Plastics Limited, which manufactures and markets expanded polystyrene frames for use by the upholstered furniture industry	UK	A			x	x	x					x
<u>Furniture and Fixture Industries</u>												
10. William James Burkert/The Belle River Stripper, a furniture stripping and refinishing business	US	A	x	x			x					x
<u>Printing, Publishing and Allied Industries</u>												
11. The Mazer Corporation/Triangle Graphic Services Ltd., which is engaged in the printing of price lists, paperback books and direct mail literature	US	A	x	x	x					x		x

<u>Applicant/acquiree and sector of activity</u>		<u>Applicant's country of control</u>	<u>Allowed (A) or Disallowed (D)</u>	<u>Increased Employment</u>	<u>New Investment</u>	<u>Increased Resource Processing or Use of Canadian Parts & Services</u>	<u>Additional Exports</u>	<u>Canadian Participation (as shareholders/directors/ managers)</u>	<u>Improved Productivity & Industrial Efficiency</u>	<u>Enhanced Technological Development</u>	<u>Improved Product Variety & Innovation</u>	<u>Beneficial Impact on Competition</u>	<u>Compatibility with Industrial and Economic Policies</u>
<u>Primary Metal Industries</u>													
12. Sandvik Canada Corp. and Noranda Mines Limited/Special Metals Division of Noranda Metal Industries Limited, which manufactures nickel alloy and stainless steel seamless tubing for use primarily in CANDU nuclear reactors	Swe	A		x				x	x	x	x	x	x
13. Uddeholms Aktiebolag/Ekberg Canada Limited (Ekberg Canada), which manufactures and sells stainless steel fittings, such as elbows, tees and reducers	Swe	A	x	x			x	x	x			x	x
<u>Metal Fabricating Industries (except Machinery and Transportation Equipment Industries)</u>													
14. Automated Building Components, Inc./Trans Canada Truss, a division of the Campeau Corporation, which manufactures metal connector plates for use in the wood truss industry	UK	A	x	x		x		x					x
15. Parker-Petrie, Inc./Dur-o-wall Limited, which distributes Parker-Petrie, Inc. masonry wall reinforcement products in Canada and fabricates steel wire trusses	US	A				x		x	x				x
16. Spir-l-ok Industries Canada Ltd./Richardson Culverts Ltd., which manufactures steel pipe, fittings and snow fencing	Aux	A	x	x			x	x			x		x
<u>Machinery Industries (except Electrical Machinery)</u>													
17. ASC Investors, Inc./Atlantic Service Company Limited, which manufactures and markets miscellaneous meat market and supermarket supplies and equipment	US	A	x	x		x	x	x			x		
18. Dynapac Limited/Pavemaster of Canada Limited, which manufactures and distributes a range of light asphalt rollers and related products such as asphalt hot boxes and trailers for the construction industry	Swe	A	x			x	x	x	x			x	x
19. White Farm Industries, Inc./White Motor Corporation of Canada Limited, consisting of its White Farm Equipment Division	US	A	x	x		x	x	x	x	x		x	x
<u>Transportation Equipment Industries</u>													
20. Mar-Sko Corporation and Neil Douglas McArthur and Anne Frances McArthur/Sandco Automotive Limited, which manufactures rocker arms for automobiles and trucks	US	A	x	x		x	x	x			x		x
21. Procor Limited/Alloy Manufacturing Ltd., which manufactures aluminum products, principally harbour work boats	US	A	x						x				x
22. Procor Limited/1) Mainguys Limited and 2) Continental Transport Appliances Limited, 1) which designs and manufactures diesel electric generator sets, principally for the railroad industry and 2) which designs and manufactures components for rail cars, including discharge outlets, and bolster and slack adjusters	US	A	x	x		x	x	x	x			x	x
23. Riverside Metal Products Company/1) Trim Fab Ltd. and 2) Dèveau's Auto Trim Ltd., 1) which manufactures decorative plastic trim for the automotive and appliance industries and imports decorative automotive stripings and decals and 2) which distributes and installs body side moulding, wheel arch moulding, pin striping and decals for automobiles	US	A	x	x		x	x	x		x	x	x	x

<u>Applicant/acquiree and sector of activity</u>	<u>Applicant's country of control</u>	<u>Allowed (A) or Disallowed (D)</u>	<u>Increased Employment</u>	<u>New Investment</u>	<u>Increased Resource Processing or Use of Canadian Parts & Services</u>	<u>Additional Exports</u>	<u>Canadian Participation (as shareholders/directors/managers)</u>	<u>Improved Productivity & Industrial Efficiency</u>	<u>Enhanced Technological Development</u>	<u>Improved Product Variety & Innovation</u>	<u>Beneficial Impact on Competition</u>	<u>Compatibility with Industrial and Economic Policies</u>
<u>Electrical Products Industries</u>												
24. Brevet Motors of Canada Ltd./Brevet Motor Division of McGraw-Edison Limited, which manufactures and markets a range of subfractional electric motors and gearmotors	US	A	x	x	x	x	x	x	x	x		x
25. Canfarge Ltd./Timmins Gravel Products Company Limited, which manufactures and sells ready-mixed concrete	Fr	A		x	x			x	x	x		x
26. B.G. Checo International Limited/Centre Electro Technique Inc., which manufactures and markets communication systems and supervisory control systems	Fr	A	x	x	x	x	x	x		x		x
27. Rockwell International Corporation/Wescom Canada Ltd., which is involved primarily in the marketing of Wescom Inc.'s products, such as voice frequency and pulse code modulation transmission equipment	US	A	x	x	x	x	x	x	x	x	x	x
<u>Non-Metallic Mineral Products Industries</u>												
28. St. Lawrence Cement Co./Peninsula Ready-Mix & Supplies Inc. and Clem's Ready Mix, a division of 382273 Ontario, Limited, which are engaged in the production and distribution of ready-mix concrete	Swi	A	x	x	x	x		x		x		x
<u>Chemical and Chemical Products Industries</u>												
29. 464933 Ontario Inc./Simoniz Division of Texize Canada Ltd., which manufactures a variety of automotive care products under the trade name Simoniz	US	A	x	x	x						x	x
30. Fibre Glass-Evercoat Company, Inc./J. M. Atwood, Ltd., which manufactures and distributes body filler products for the professional automotive repair market and, in addition, provides a sealing service to foundries which seals porous castings by vacuum impregnation	US	A	x	x	x		x	x				x
31. McCall Chemical Company of Canada Limited/Canadian Metofina Chemicals Limited, which processes scrap metals into industrial and agricultural chemicals	US	A	x	x	x	x	x			x		x
<u>TRANSPORTATION, COMMUNICATION AND OTHER UTILITIES</u>												
32. W.M.I. Waste Management of Canada, Inc./Super Disposal Services Ltd., which is engaged in the collection of solid waste from residential, commercial and industrial establishments	US	A	x	x	x					x		x
<u>TRADE</u>												
33. Berthold of North America, Inc./Alphatype Canada Inc., which imports, markets and services electronic phototypesetting equipment manufactured by its Alphatype	FRG	A	x		x		x	x				x
34. Blackwood Hodge (Canada) Limited/Aggregate Machinery Limited and Aggregate Machinery Manufacturing Limited, which distribute mobile crushing and screening plants, imported from the U.S.A., and wear-resistant castings made in Canada	UK	A	x	x	x		x	x		x		x

<u>Applicant/acquiree and sector of activity</u>	<u>Applicant's country of control</u>	<u>Allowed (A) or Disallowed (D)</u>	<u>Increased Employment</u>	<u>New Investment</u>	<u>Increased Resource Processing or Use of Canadian Parts & Services</u>	<u>Additional Exports</u>	<u>Canadian Participation (as shareholders/directors/managers)</u>	<u>Improved Productivity & Industrial Efficiency</u>	<u>Enhanced Technological Development</u>	<u>Improved Product Variety & Innovation</u>	<u>Beneficial Impact on Competition</u>	<u>Compatibility with Industrial and Economic Policies</u>
35. Boots Drug Stores (Canada) Ltd./Jacmur Pharmacy Limited, which operates a drug store	UK	A*										
36. CRC Canchem Industries Limited/Carlin Products Company Division of CPC Industries Limited, which imports and distributes wholesale, chemical products consisting of lubricants, cleaning and sealing agents, rust inhibiting agents and moisture removal chemicals	US	A	x	x	x							x
37. Corbetts Automotive Ltd./Automotive Warehouse Distributors Ltd., which distributes automotive parts to jobbers who in turn supply dealers and consumers	US	A		x				x				x
38. Dobson Park Industries Limited/Wolf Power Tools Limited, which sells and services industrial power tools, consisting mainly of jack hammers and hand tools such as drills, saws, planes, sanders and screwdrivers	UK	A			x	x		x		x		x
39. Hughes Tool Company/Centrilift-Canada Limited, which is engaged in the sale and service of submersible oil well pumps manufactured by its parent, Centrilift Inc.	US	A	x	x			x	x	x			x
40. Jack Shiu-Chung Hui and Elsie Wai-Ming Yeung, Won-Yue Jear, Isaac Kim-Mo Yeung and George Yuen/Rikki Jewellery Ltd., a retail store which specializes in oriental jade jewellery	HK	A	x	x								x
41. Mobil Chemical Company/H. Muehlstein & Co. (Canada) Ltd., which is a broker and wholesaler of off-grade and odd-size lots of plastic resins and rubber raw materials	US	D										
42. Nortek, Inc. and Nortron Industries Limited/Broan Limited, which distributes range hoods, exhaust fans and central air cleaning systems	US	A			x		x	x		x		x
43. Storage Technology Corporation/Documation of Canada Limited, which distributes and services high speed computer-based line printers	US	A						x		x		x
FINANCE, INSURANCE AND REAL ESTATE												
44. Sheikh Abdulla Mohamed Baroom/a business carried on by William Richard Sorichetti and Claude Andrew Sorichetti, consisting of a real estate complex known as "White Oaks Court" at Whitby, Ontario	SAR	A		x								x
45. Digican B.V. and Belvago Labda B.V./Northwest Projects Corporation, consisting of its proposed Digitech Building at Calgary, Alberta	Ne	A		x	x							x
46. The Standard Life Assurance Company/Pierre Tardif, Inc., consisting of its office complex located in Sillery, Quebec, known as Place Sillery Nord	UK	A*										
47. Sydney Wolofsky, Kenneth Wolofsky and Peter Wolofsky/certain assets of the National Bank of Canada, consisting of twelve apartment buildings located in Montreal	NrC	A		x	x							x

<u>Applicant/acquiree and sector of activity</u>	<u>Applicant's country of control</u>	<u>Allowed (A) or Disallowed (D)</u>	<u>Increased Employment</u>	<u>New Investment</u>	<u>Increased Resource Processing or Use of Canadian Parts & Services</u>	<u>Additional Exports</u>	<u>Canadian Participation (as shareholders/directors/managers)</u>	<u>Improved Productivity & Industrial Efficiency</u>	<u>Enhanced Technological Development</u>	<u>Improved Product Variety & Innovation</u>	<u>Beneficial Impact on Competition</u>	<u>Compatibility with Industrial and Economic Policies</u>
COMMUNITY, BUSINESS AND PERSONAL SERVICE INDUSTRIES												
48. Harold J. Baker and Joanne Baker/Pelee Island Development Limited, consisting of a marina and adjoining lands on Pelee Island, Ontario	US	A	x					x				x
49. Gannett Co. Inc./Mediacom Industries Inc., Mediacom Inc., C.D. Maintenance Services Limited and Transtop Ltd., which are mainly in the soliciting of outdoor advertising and the erection and maintenance of outdoor signs	US	D										
50. Robert Edward Hicks and Yvonne Carol Hicks/Flint River Tourist Camp, consisting of a fishing camp, nine log cabins and a lodge	US	A	x					x				x
51. James Everett Jones and Dolly Ann Jones/Thetis Island Marina Ltd., which provides services for boaters, including docking facilities, restaurant facilities, lounge, grocery store and other related services.	US	A	x	x	x		x					x
52. Kenyon and Eckhardt, Ltd./Grant/Tandy Limited, an advertising agency	US	D										
53. Metromail Corporation/Mailing-List Research of Canada Limited, which markets U.S.-published directories which list Montreal residents by sequential street address and telephone number	US	D										
54. A.C. Neilson Company of Canada Limited/R.M. Darragh & Associates Limited, which operates a proprietary, consumer promotion program, known as the Bridal Shower Program	US	A*										
55. Wayne Penrod and Peggy Penrod/Mindemoya Court Cottages, a business which owns and operates tourist cottages	US	A	x					x				x
56. Sheffield House Limited/Northwestern Accommodations Limited, which operates the Gold City Motor Inn at Dawson City, Yukon Territory, consisting of 64 rental units, a restaurant and a cocktail lounge	US	A	x	x								x
57. Standard Oil Company (Indiana)/certain assets of Ultra Energy, which was engaged in the research and development of high energy lithium primary and secondary batteries	US	A	x		x		x		x	x		x
58. John and Sandra E. Zintnieks/Big Sandy Camp, a tourist lodge and outfitter	US	A	x	x				x				

ALLOWED AND DISALLOWED NEW BUSINESS CASES
BENEFITS TO CANADA
JANUARY - MARCH 1981

<u>Applicant/new business and sector of activity</u>	<u>Applicant's country of control</u>	<u>Allowed (A) or Disallowed (D)</u>	<u>Increased Employment</u>	<u>New Investment</u>	<u>Increased Resource Processing or Use of Canadian Parts & Services</u>	<u>Additional Exports</u>	<u>Canadian Participation (as shareholders/directors/ managers)</u>	<u>Improved Productivity & Industrial Efficiency Enhanced Technological Development</u>	<u>Improved Product Variety & Innovation Beneficial Impact on Competition</u>	<u>Compatibility with Industrial and Economic Policies</u>
MINES (INCLUDING MILLING, QUARRIES AND OIL WELLS)										
1. Imperial Continental Gas Alberta Limited/(name to be determined) to explore for, develop and produce oil and gas	UK	A	x	x			x			x
2. Norman Mines Ltd./(name to be determined), to raise funds from Canadian investors to explore for, develop and produce metals, excluding uranium.	US	D								
MANUFACTURING INDUSTRIES										
<u>Food and Beverage Industries</u>										
3. Heublein Inc./(name to be determined), to manufacture, either directly or through joint ventures, and to market liqueurs	US	A	x	x	x		x		x	x
4. R.G. Patel, S.P. Patel, K.P. Patel, P.P. Patel and Mrs. P.G. Patel/(name to be determined), to produce specialty flours and to process spices	UK	A	x	x	x	x			x	x
<u>Rubber and Plastics Products Industries</u>										
5. Serrot Corporation/(name to be determined), to manufacture and market plastic tank liners	US	A	x	x	x		x		x	x
<u>Textile Industries</u>										
6. I.C. Trawl International Limited/(name to be determined), to assemble trawls and provide consulting services on trawl fishing	Den	A	x	x	x	x	x			x
<u>Wood Industries</u>										
7. Scan-Ply International Wood Products A/S/(name to be determined), to manufacture and sell parquet flooring and bathroom panels	Den	A	x	x	x	x				x
<u>Primary Metal Industries</u>										
8. Daniel Canadian Manufacturing Limited/(name to be determined), to manufacture fluid flow measurement devices, valves, and alloy stud bolts and nuts	US	A	x	x	x	x	x	x		x
<u>Metal Fabricating Industries (except Machinery and Transportation Equipment Industries)</u>										
9. TPM Bi-Metal Products Inc./(name to be determined), to manufacture and market bi-metal silver contact rivets	UK	A	x	x	x	x	x		x	x

<u>Applicant/New business and sector of activity</u>	<u>Applicant's country of control</u>	<u>Allowed (A) or Disallowed (D)</u>	<u>Increased Employment</u>	<u>New Investment</u>	<u>Increased Resource Processing or Use of Canadian Parts & Services</u>	<u>Additional Exports</u>	<u>Canadian Participation (as shareholders/directors/managers)</u>	<u>Improved Productivity & Industrial Efficiency</u>	<u>Enhanced Technological Development</u>	<u>Improved Product Variety & Innovation</u>	<u>Beneficial Impact on Competition</u>	<u>Compatibility with Industrial and Economic Policies</u>
<u>Machinery Industries (except Electrical Machinery)</u>												
10. Enviro-Clear Co. Inc./(name to be determined), to manufacture solids/liquids separation equipment	US	A	x	x	x	x	x		x	x		x
11. Galland Henning Nopak Inc., Intair Limited, and Anthony Hutchinson, John Grundie, Noel Maxwell, John Mosforth, Terry Power, Colin Bowles, Kenneth Hattie and David Gentes, a Canadian Investor Group/(name to be determined), to manufacture and distribute air and hydraulic cylinders and to distribute air and hydraulic valves	US	A	x	x	x		x					x
12. Goulds Pumps, Inc./(name to be determined), to manufacture and distribute water pumps for domestic use	US	A	x	x	x		x				x	x
<u>Transportation Equipment Industries</u>												
13. Joiner Systems JSC Canada Limited - Systèmes de Menuiserie JSC Canada Limitée (formerly known as Brading Equipment Sales Limited)/(name to be determined), to manufacture steel and sheet metal products for the shipbuilding and related industries	US	A	x	x	x	x	x					x
14. Robert Harold Vardy/(name to be determined), initially to import and later to manufacture and distribute kayaks, canoes, sail boards, other small water craft and related equipment and clothing	UK	A	x	x	x		x			x	x	x
<u>Electrical Products Industries</u>												
15. Gerald Vernon Langdon and Joseph Bélanger/(name to be determined), to rebuild and market printed circuit boards and to manufacture related chemicals	US	A	x	x	x	x	x			x		x
16. Phalo Corporation/(name to be determined), to manufacture and market fibre-optic data communication links for the computer industry	US	A	x	x	x	x	x		x	x		x
<u>Non-Metallic Mineral Products Industries</u>												
17. 33 Hundred, Inc./(name to be determined), to manufacture and recondition refractory components and to recondition steel slide gates	US	A	x	x	x		x			x	x	x
<u>Petroleum and Coal Products Industries</u>												
18. Century Oils Group Limited/(name to be determined), to blend and market specialty petroleum products	UK	A	x	x	x		x		x	x		x
19. Paraseal Materials Inc./(name to be determined), to manufacture and distribute rubberized asphalt materials and related products for the construction industry	US	A	x	x	x	x	x					x

Applicant/new business and sector of activity	Applicant's country of control	Allowed (A) or Disallowed (D)	Increased Employment	New Investment	Increased Resource Processing or Use of Canadian Parts & Services	Additional Exports	Canadian Participation (as shareholders/directors/managers)	Improved Productivity & Industrial Efficiency	Enhanced Technological Development	Improved Product Variety & Innovation	Beneficial Impact on Competition	Compatibility with Industrial and Economic Policies
Chemical and Chemical Products Industries												
20. Sidney Marina Co. Ltd., Joseph M. Leslie and Peter E. Flood, Jonathan W. Clark Jr. and Peter B. Statham/(name to be determined), to manufacture and market marine paints, wood preservatives and related products	US	A	x	x	x	x	x		x			x
CONSTRUCTION INDUSTRY												
21. Reading & Bates Construction Co./(name to be determined), to install pipelines and conduits under waterways	US	A	x	x	x		x		x	x		x
TRANSPORTATION, COMMUNICATION AND OTHER UTILITIES												
22. 401879 Ontario Limited/(name to be determined), to operate a lumber transfer yard	US	A	x	x		x	x	x				x
23. Mother Nature Land Company Limited/(name to be determined), to operate a mini-warehouse at Bible Hill, Nova Scotia, for the storage of items by small businesses and by individuals	US	A	x	x			x					x
24. Royal Hydrofoil Cruises (Canada) Limited/(name to be determined), to operate a hydrofoil passenger ferry service between Toronto, Ontario and Niagara-on-the-Lake, Ontario	Nor	D										
TRADE												
25. Barda Electronic, Inc./(name to be determined), to import, manufacture and sell character (letters, numbers, symbols, etc.) generators and videotex equipment	Fr	D										
26. Boston Metal Products/(name to be determined), initially to import and distribute and later to manufacture and distribute, material handling and storage equipment for the food industry	US	A	x	x	x		x			x		x
27. Cana-Copy Ltd./(name to be determined), to sell, lease and service office copiers	US	A	x	x	x	x	x					x
28. Clarion Shoji Co. Ltd./(name to be determined), to import, distribute on a wholesale basis, and to service automobile audio and communications equipment	Jpn	A	x	x	x	x	x				x	x
29. J. Gerber (Canada) Ltd./(name to be determined), to be engaged mainly in the export of Canadian manufactured goods and products	US	A	x	x		x	x					x
30. Heublein, Inc./(name to be determined), to blend and market, either directly or through joint ventures, pre-mixed cocktails	US	A	x	x	x		x			x		x
31. Koninklijke Van Kempen and Begeer N.V./(name to be determined), to manufacture and sell souvenir spoons and miniatures	Ne	A	x	x	x	x	x			x		x
32. Le Grand-Livre-du-Mois Ltée/(name to be determined), to distribute French language books through formation of a book club	Fr	D										

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33. Vernon S. J. Lockie/(name to be determined), to import, finish and distribute Welsh wood carvings, and to distribute wood carvings produced by Canadian native people	UK	A	x	x		x	x			x		x
34. National School Services Ltd./(name to be determined), to distribute sportswear to schools	US	A	x	x	x		x					x
35. Jose A. Oliverira and Edgar J. Gaffer/(name to be determined), to sell picture frames and provide custom framing services	US	A	x	x			x			x		x
36. Ontario Paint & Wallpaper Limited and Dekofab N.V./(name to be determined), to manufacture, import and distribute vinyl, suede and textile wallcoverings	Bel	A	x	x	x	x	x			x		x
37. Playtex Ltd./(name to be determined), to manufacture and distribute toiletries	US	A	x	x	x		x			x	x	x
38. Raufast S.A./(name to be determined), to distribute footwear, clothing and accessories under the tradename "Kickers"	Fr	A	x	x	x	x	x			x		x
39. Sasco Cosmetics Inc./(name to be determined), initially to market and later to manufacture skin care, make-up, hair care and other cosmetic items	US	A	x	x	x		x			x	x	x
40. Scovill Industries Limited/(name to be determined), to import, sell, warehouse and, ultimately, assemble and manufacture Yale and Norton brands of locks, door closers and security devices	US	A	x	x	x		x			x		x
41. T.D.I. Timesharing Limited (U.K.)/(name to be determined), to design and develop applications software for financial analysis	Gibr	D										
42. Torcan-KDK International Co. Ltd./(name to be determined), to manufacture and market box fans, electric heaters and oscillating fans	Jpn	A	x	x	x	x	x		x	x		x
43. C.A. Warner, Michael Henry Hancox, Jeffrey Lloyd, Robert Stanley Harris and Anthony Michael Brooks/(name to be determined), to manufacture and distribute roll forming and related metal fabricating equipment	UK	A	x	x	x	x	x		x	x		x
COMMUNITY, BUSINESS AND PERSONAL SERVICE INDUSTRIES												
44. 101036 Canada Inc./(name to be determined), to provide geotechnical services for off-shore oil and gas projects	US	A	x	x			x		x			x
45. Acrita International Limited/(name to be determined), to provide export management services and to engage in the export of goods from Canada	UK	A	x	x	x	x	x					x
46. Alsthom-Atlantique/(name to be determined), to rent and service turbodrills	Fr	A	x	x	x	x	x	x		x		x
47. CACI, Inc. - Commercial/(name to be determined), to sell computer software services	US	D										
48. Computrans Inc./(name to be determined), to provide computer-assisted translation services	Fr	D										

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49.	Expomat Canada Ltée/Ltd./(name to be determined), to organize international trade shows specializing in products and services related to the building and construction industries	Fr	A	x	x	x		x			x		x
50.	Far East Hotels and Entertainment Limited/(name to be determined), to construct and operate a hotel and apartment complex	HK	A	x	x	x		x					x
51.	Graphic Scanning Corp./(name to be determined), to be engaged in the operation of a radio paging service	US	D										
52.	N/C Drilling Inc./(name to be determined), to provide a precision drilling and routing service for printed circuit boards	US	A	x	x	x	x	x			x		x
53.	Sports Unlimited, Inc./Entertainment Passbook, Inc., to distribute discount coupon booklets	US	D										
54.	The Werner Erhard Charitable Settlement/(name to be determined), to conduct personality development and training courses	UK	D										
55.	TTI Geotechnical Resources Ltd./(name to be determined), to provide geotechnical services to the petroleum and mining industries	US	D										

* Indicates deemed allowance

KEY TO COUNTRY ABBREVIATIONS*

Alg	Algeria	Hai	Haiti	Ne-A	Netherlands-Antilles
Arg	Argentina	Hun	Hungary	Nor	Norway
Austl	Australia	Inda	India	Pan	Panama
Aus	Austria	Indo	Indonesia	Phi	Philippines
Bahs	Bahamas	Iran	Iran	Pol	Poland
Bahn	Bahrain	Iraq	Iraq	Por	Portugal
Bel	Belgium	Ire	Ireland	PRC	Peoples' Republic of China
Ber	Bermuda	Isr	Israel	SAF	South Africa
Bra	Brazil	Ita	Italy	Sing	Singapore
Chile	Chile	Jpn	Japan	Sp	Spain
Cze	Czechoslovakia	Kor	Korea	Swe	Sweden
Den	Denmark	Kuw	Kuwait	Swi	Switzerland
Ec	Ecuador	Leb	Lebanon	Syr	Syria
Egy	Egypt	Liech	Liechtenstein	Tai	Taiwan
ES	El Salvador	Lux	Luxembourg	Trin	Trinidad
FRG	Federal Republic of Germany	Mal	Malaysia	Tur	Turkey
Fin	Finland	Mex	Mexico	UK	United Kingdom
Fr	France	Mor	Morocco	US	United States
Gibr	Gibraltar	NZ	New Zealand	USSR	Union of Soviet Socialist Republics
Gre	Greece	Ne	Netherlands	Yug	Yugoslavia
HK	Hong Kong				

* In addition to country abbreviations, there is NrC, which means non-resident Canadian.