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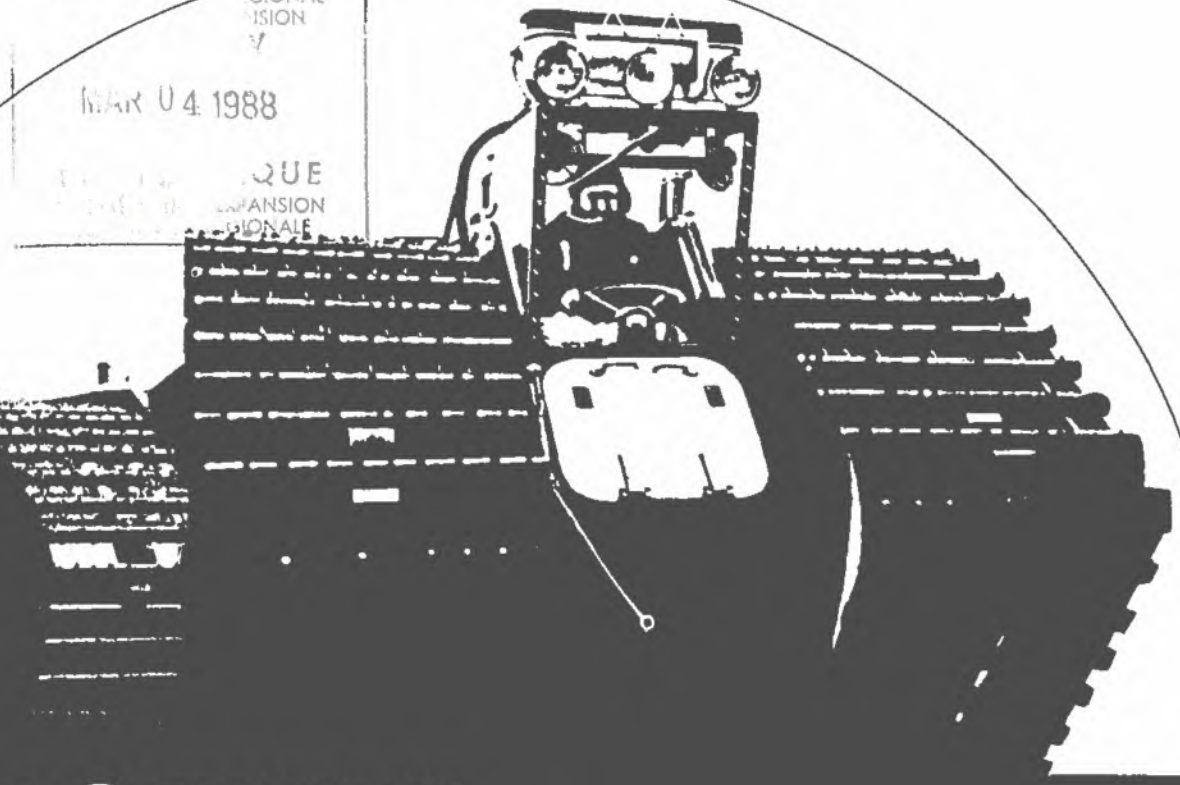

Arktos Conquers Arctic Travel Hazards

It was a moment of triumph for Richmond-based Watercraft Offshore Canada Ltd., in June, 1986, when the company's unique vehicle crawled off the ice at Tuktoyaktuk after navigating 200 km down the Mackenzie River and over the Beaufort Sea ice fields from Inuvik, without any outside assistance. Five years and $2 million had gone into the development and construction of this prototype of the world's first amphibious, articulated crawler craft designed as an escape system able to cope with extreme arctic marine conditions.

Aptly named Arktos, Greek for polar bear, the full-scale prototype vehicle has been created by a dedicated Watercraft team, who have spent the last six years perfecting their Arctic Escape System.

Preparation for the design and construction of Arktos was exhaustive. A world wide technology search was carried out, technical papers were studied and years of laboratory work and model testing followed.

"From a total of 63 concepts we reviewed, the Arctic Escape System is a combination of about the 12 best of these contenders," says Bruce Seligman, president and founder of Watercraft. "Others have spent much more time and money than we have on trying to develop similar vehicles but they have had very little success."

Designed for Safety

The 15-tonne fully equipped and loaded Arktos embodies all the engineering, fabricating and equipping technology required to make it a safe, reliable means of transporting people involved in arctic-related occupations such as resource exploration and Coast Guard and military patrols. The Arctic Escape System was conceived to maneuver a path through the notoriously treacherous rubble fields that build up around offshore structures and man-made islands in the Beaufort Sea.

The vehicle consists of two enclosed units linked together by an articulated beam. Each unit has identical drive trains which are controlled by a pilot seated in the front unit. Propulsion is generated by a track system or by water jets — or a combination of both. A computer-controlled data acquisition system installed in the front unit of the original Arktos

Continued on page 12 . . .

DRIE IN BRITISH COLUMBIA

Government of Canada
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Regional Industrial Expansion
Expansion industrielle régionale

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Marketing

- for outstanding creativity and innovation in all aspects of marketing, with special emphasis on market research, planning and market success.

Entrepreneurship

- for outstanding achievement by the owner/manager in starting, taking over or substantially changing an independent business venture.

Labour/Management Co-operation

- for outstanding achievement in implementing changes with a significant impact on the work force. This award is given jointly (dual trophy presentation) to representatives of the employees and management.

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Invention

- for an outstanding breakthrough of scientific or technical significance, contributing to the development of a process, product or technology with commercial potential (but not yet on the market).

Industrial Design

- for the use of outstanding design by the manufacturer of a Canadian product.

Small Business

- for outstanding achievements in management, marketing, innovation and other management skills, by independently owned and operated businesses (i.e., not franchises) with annual sales of less than $5 million.

Entry questionnaires are now available. Find out how you can win an award in one or more of the program's eight performance categories.

Contact your nearest DRIE office, or send in your business card with this coupon to:

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Tel (604) 666-2255 (Vancouver)
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The deadline for entries is April 15, 1988. VAN.

Western Diversification Program Launched

Canada's four western provinces have enormous wealth and vitality, founded on the resources of agriculture, forestry, mining and lake and coastal fisheries. Throughout this century they have contributed to the rapid development of the country.

The West remains vulnerable, however, to the uncertain demands of international markets and the fluctuation of prices for its products. The result has been the creation of a "boom and bust" economy which has had damaging effects on employment growth and social stability.

To counter these periodic ups and downs of the marketplace, and to broaden and strengthen the economic base of the West, the federal government has set up a $1.2 billion investment fund under the Western Diversification Initiative, with headquarters located in Edmonton and offices located in Winnipeg, Saskatoon and Vancouver.

The Western Diversification Program (WDP) is a part of the Western Diversification Initiative announced by the Prime Minister on August 4, 1987. Funding for approved diversification projects will be delivered under the Program.

Eligible Projects

The most important element of the Western Diversification Program is its flexibility. The essential requirement which will determine the acceptability of proposals under the Program will be the contribution each project or activity would make to the diversification of the Western economy.

A key feature of the Program is that service industries and resource-related industries will be eligible for funding. Moreover, the definition of who may apply has been expanded to include non-profit business organizations.

Here are some examples of the kind of projects that will be considered for funding.

In the general area of support for business, projects or activities which involve the initiation, promotion or expansion of enterprises will be eligible. In addition, projects that contribute to the enhancement of the business climate or to the development of business will be considered, as will proposals for the modernization or expansion of existing industrial facilities.

Research and development is also an area of interest. More specifically, projects related to the commercialization of the results of research and development activities, and those related to innovation, will merit consideration. Projects involving systems or software development, new product identification and development, or productivity improvement will also be eligible.

John Hansen

Projects and activities in the general category of domestic or international market development also fall within the terms of reference of the Program. For example, proposals related to the promotion and acceptance of Canadian standards and specifications will be considered, as will such projects as the organization and presentation of trade shows and seminars.

Ineligible Projects

While the Program is broad and flexible, certain activities fall outside its intent. The following are some types of activities which will *not* be eligible for funding.

The Program will not fund projects where the economic or employment benefits would apply primarily outside of the western provinces. Projects designed to replace existing capital or operating commitments of federal, provincial or municipal government departments, agencies or crown corporations are not eligible for support; neither are proposals to assist the commercial operations of financial institutions.

The Program will not assist projects designed to create municipal infrastructure or foster urban redevelopment. Nor will it support projects of a social or personal service nature. It will not fund the purchase of retail franchises or the expansion of retail stores.

In the case of commercial or industrial projects, the Program cannot support proposals in situations where the applicant's net equity position is unreasonably low. Proposals which involve sustaining a business through restructuring, recapitalization or refinancing by way of operating loans will not be considered. Neither will projects related to the transfer of a plant, its owners or workers, unless additional business activity or employment in western Canada would result.

It should be emphasized, however, that the principles of the Program will be developed further through experience and may be adjusted to serve emerging needs.

John Hansen, Acting Assistant Deputy Minister of the Western Diversification Office in Vancouver, was asked recently to provide more details about the WDP.

Q: How will the federal government ensure that each of the four western provinces gets an equal share of Western Diversification funding?

A: The fund is for western Canada. It has not been allocated by any formula among the four provinces, and I don't expect it will be. Decisions for assistance will be taken on the merits of specific projects as they contribute to the economic development and diversification of the west. Based on indications so far, there are exciting projects in the works for all over western Canada.

Q: There have been reports about the tremendous interest which has been expressed in the Initiative in terms of more than 20,000 calls received and over 900 proposals submitted. What are you doing about the proposals which are already in your offices?

A: Many of those proposals have been referred to existing programs in other federal departments. The ones which are left are being assessed to determine if they are eligible for WDP funding. Moreover, those which are defined as eligible are being assessed to find out if more information might be needed or if a decision can be made based on available information.

Q: Why do you refer people to other federal programs?

A: Part of our job is to ensure that westerners get full benefit of existing programs, therefore pathfinding is an important part of our mandate. There are many people who don't know about the programs the federal government has for funding projects in the west. We do not want to duplicate existing programs. If

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Ebco Seeks Bigger Slice of Aerospace Industry Market

A partially repayable federal contribution of $13,410,966 has given Ebco Industries Ltd. of Richmond the opportunity to take its aerospace operation expansion off hold and into reality. The $23 million project is expected to create 150 new jobs for Ebco Aerospace and generate $500 million in domestic and export sales over the next 10 years.

The federal assistance is being made available under the Defence Industry Productivity Program (DIPP) which is administered by the Department of Regional Industrial Expansion (DRIE). The objective of the DIPP is to develop and maintain strong defence-related industries across Canada. Developing advanced technology for defence-related products and production processes in defence-related industries is one of the program's major goals. It is used by companies in a wide range of industry sectors to assist viable projects aimed at domestic and export markets. These sectors include electronics, avionics, transportation equipment and engines, machinery, navigation equipment, metallurgy and materials and space technology.

Outstanding Growth

Ebco's aerospace division is yet another example of the foresighted management of a company that has continued to grow by marching with the times. In 1956, Helmut and Hugo Eppich founded the company — a tool and die shop — in a Vancouver garage. From that small beginning, the Eppichs have built a conglomerate of subsidiary companies employing over 800 people. The Ebco group, which includes highly successful Epic Data, chalked up revenues of nearly $65 million in 1987. Company prediction is that revenues in the next five years will reach $140 million per annum.

Recognizing that the aerospace industry was coming into its own, the Eppichs prepared to launch their expansion in 1981. Then the recession hit. Investors still viewed aerospace-related ventures as high risk and Ebco was unable to attract capital. It was not until early 1986 that the federal government's offer of a contribution created the right climate for the company to tap equity markets. By the end of 1986, all signals were go for the aerospace division expansion and construction was begun.

"We have provided computer numerical-controlled machining and prototype manufacturing for the aerospace industry for about eight years but now we will have one of the largest, most sophisticated, 5 axis-3 spindle Gantry Milling machine capabilities possible," says Helmut Eppich, Ebco's chief executive officer. "We will be able to machine very specific high precision aircraft parts for modern aircraft. We are really pioneering in a specialized field in B.C. because we can offer hitech capabilities that are rare."

The turning point for Ebco's reach for aerospace industry customers came when a large U.S. manufacturer was unable to obtain a vital prototype component for a defence system scheduled to be unveiled on a fast approaching date to international dignitaries. A special skill acquired when working on construction of the TRIUMF Cyclotron, which is now at the University of British Columbia, gave Ebco the ability to supply the needed component in a hurry.

"We were the heroes of the day," says Eppich, "and from that point on companies came to us to see what else we could do."

Aerospace Division

Ebco's 4,000 square metre aerospace division facility has taken shape in Delta on 3.2 hectares of the company's 22 hectare industrial building site. The plant is being equipped with the latest machinery technology can offer including four, 3-spindle, 5-axis gantry profilers on a 57-metre bed. Highly computerized, these profilers are capable of simultaneous production of several unrelated components, using a Direct Numeric Controlled (DNC) system.

The plant's design station is equipped with a McDonnell Douglas D-135 CAD/CAM which provides instantaneous dynamic image transformations and image rotations so that all portions of the engineering model can be viewed at the same time.

"We made several market studies and customer contacts and we found a strong need for the type of capability we will have," says Eppich. "We have planned a sophisticated specification-oriented plant which will produce parts of the highest quality imaginable. Because there are only about 350 profilers such as we have, in the world, our four machines will give us one percent of world capacity."

Ebco has already established its reputation for skilled, precision work with leading companies such as Boeing, Lockheed, Raytheon, General Electric, de Haviland and Hughes. The company received two of Boeing Company's prestigious Eagle Awards in recognition of its outstanding cost reduction and

Continued on page 5 . . .

With its new hitech machinery in place, Ebco is anticipating greater opportunities to expand services to the aerospace industry.

New Department Being Formed

On August 4, 1987, the Prime Minister announced his intention to create a new flagship industry department by merging the Department of Regional Industrial Expansion (DRIE) and the Ministry of State for Science and Technology (MOSST).

Robin Dodson, Regional Executive Director for DRIE in British Columbia, was interviewed recently about the status of the proposed Department of Industry, Science and Technology (DIST).

Robin Dodson

Q: Since the Prime Minister announced his intention to create the new industry department (DIST), we haven't noticed much change. What has happened?

A: When the Prime Minister announced his intention to form DIST, he presented a challenge to his Ministers to develop a design for an operating department that would work to ensure the effective integration of advanced technology and competitive industrial capacity. As a result, a great deal of work has been undertaken in the past six months on the steps necessary to establish the new department. This exercise included establishing an operating relationship with the new agencies responsible for regional development in Atlantic and Western Canada (ACOA and WDO).

Q: Is it just a name change, or will things really be different?

A.: The government has made a fundamental change in its approach to industrial, scientific and technological development policy in Canada. The new department will act in full partnership with the private sector, the service community, and other levels of government to promote international competitiveness and industrial excellence; to renew and rebuild our scientific, technological, managerial and production base; and to bring together in a concerted way the talents of Canadians to guarantee Canada's place in the first rank of industrial and commercial nations in the twenty-first century.

Q: What will be the mandate of the new department?

A: All of the activities of the department will be targetted on international competitiveness and industrial excellence. The department will foster the development of strategic technologies — biotechnology, information technology, and advanced industrial materials; examine the needs and opportunities of various industrial sectors to determine, in partnership with industry, what must be done to increase their international competitiveness; and work with Canadian business to promote Canadian enterprise through market development services. The department will also have responsibility for Native economic development and for regional development activities in Ontario and Quebec.

Q: DRIE was only in existence for four or five years. Why is it necessary to reorganize again?

A: DRIE was created from the merger of Industry, Trade and Commerce (ITC) and Regional Economic Expansion (DREE) in 1982. However, the experience of the past five years has demonstrated the difficulty of pursuing a regional and industrial development

Continued on page 11 . . .

PATA '90 Meetings

The 1990 Conference of the Pacific Asia Travel Association (PATA) will be held in Vancouver from April 22 to 25, preceded by the PATA Travel Mart in Edmonton from April 16 to 19.

These events are the Pacific Rim's major tourism industry meetings as PATA represents 35 national governments, 50 international airlines and many hotel chains, travel agencies, cruise firms, visitor associations and development corporations.

The meetings in western Canada mark the first time Canada will have hosted this important conference. They are expected to attract an estimated 2000 tourism decision-makers and generate close to $4 million in revenues. It will be an ideal opportunity to showcase western Canada to the Pacific Asia region.

Delegates will be able to visit the Canadian Rockies, including the Winter Olympics '88 facilities. At least seven post-conference tour options will be provided.

Ebco Seeks . . .

Continued from page 4

quality performance in producing a huge 3.6 metre-in-diameter test tube. Also, Epic Data Inc., a subsidiary and computer system manufacturing company, is the only company to receive Hughes Aircraft awards on two occasions.

Now the company is looking at greater opportunities to expand services to commercial, domestic and military aircraft manufacturers and also to space shuttle and space station programs.

"We anticipate being able to start production work in early 1988," says Eppich. "We already have customers waiting for us to show that we can do the work competently within tolerance and specifications. Once we've gained a foothold, we expect our aerospace business will grow rapidly."

Contact: *Helmut Eppich,*
Chief Executive Officer,
Ebco Industries Ltd.,
7851 Alderbridge Way,
Richmond, B.C. V6X 2A4

Canada Awards for Business Excellence

B.C. Companies Recognized for Performance

Three B.C. companies, recognized for outstanding performances in 1987, have been presented with Canada Awards for Business Excellence: Lamford Forest Products and the International Woodworkers of America, Locals 1-118 and 1-357, a Gold Award in the Labour/Management Co-operation Category; Canadian Pizza Crust (Western) Ltd., a Bronze Award in the Entrepreneurship Category; and International Hard Suits Inc., a Bronze Award in the Invention Category.

Gold, silver and bronze trophies are also awarded annually for small business, productivity, marketing, industrial design and innovation.

Lamford Forest Products and the International Woodworkers of America, Locals 1-118 and 1-357

At Lamford Forest Products of New Westminster every employee is a shareholder. Conversely, in order to become a shareholder one has to be an employee.

According to Brian Friesen, treasurer and controller for Lamford, the framework for the employee owned and operated company was created in the summer of 1984 after the company's predecessor went bankrupt and almost 300 people lost their jobs. Some of these former employees believed the operation was still viable and drew up an operating strategy which they presented to officials of their union. The outcome was that management and union decided to join forces to buy the company.

After completion of a lengthy negotiating process and the securing of a complicated financing package, Lamford Forest Products began operations in January, 1986, with one shift. Two months later, another shift was added and, according to Friesen, operations have run at full capacity ever since without any layoffs.

Total participation of everyone in the company is Lamford's prime ingredient for success. This participation is achieved through innovative work and profit-sharing arrangements, through various communication vehicles and through daily interaction between shareholders within the workplace and on the board. The success of Lamford's operation strategy is mirrored by the fact that the company is already exceeding its forecasted performance levels.

Henrietta Virga is congratulated for her achievement by The Honourable Frank Oberle, Minister of State for Science and Technology.

On hand to proudly accept a Gold Award are (left to right) Ed MacDonald, IWA Local 1-118, Don McMillan, President and CEO of Lamford Forest Products, and Herb Karassowitsch, IWA local 1-357.

Canadian Pizza Crust (Western) Ltd.

By decentralizing management and focussing on what the company does best, Henrietta Virga reclaimed a share of the frozen pizza crust market for a faltering Richmond company.

Incorporated in 1970, as part of the Virga Pizza Crust Company of the United States, the company produces pizza crusts and sauces for restaurants, homes and institutions in Canada and the western United States. It was in serious financial difficulty when the founder's daughter, Henrietta Virga, took over as president in 1984. She recognized two major problems causing the company's difficulties: operations were far too centralized which led to inconsistencies in customer service and administration; and entry into the finished pizza market caused customers to drop off because they felt the company was competing with them.

Virga subsequently bought out and split the company from its parent corporation, renamed it Canadian Pizza Crust (Western) Ltd., built her own management team and assumed personal responsibility for marketing and administration. She pulled out of the finished pizza business and embarked on a campaign to win back former clients. She also lent the company a significant

International Hard Suits' Newtsuit has revolutionized deep sea diving.

amount of money to modernize its plant.

Virga's strategy has paid off. The company more than doubled its sales in a two-year period and created 25 new jobs in the process. Canadian Pizza Crust is also chalking up success in the export market and has opened a subsidiary in California in order to serve the large American market.

International Hard Suits

International Hard Suits Inc. of North Vancouver has revolutionized commercial diving by designing the Newtsuit, a lightweight atmospheric diving suit that provides a safe, practical and economic means of conducting effective work at depths to 300 metres.

According to Phil Nuytten, president, researchers have tried for many years to develop a diving suit that can cope with pressure on the human body, which is a major concern in underwater work. Not only does the Newtsuit maintain internal atmospheric pressure at its working depth, but also it allows the diver unprecedented movement. Based on improvements to existing atmospheric diving suit technology and a breakthrough in flexible joint technology, this freedom of movement is unique to the Newtsuit.

"Until now, a truly effective level of diver dexterity in a pressure-proof suit has not been possible," says Nuytten, who sees his invention helping Canada to hold a world leadership position in submersible technology.

Currently, deepsea divers, who may work only for four or five hours underwater, must be supported by sizeable crews and bulky on-deck equipment. In addition, they may have to spend up to nine days in special decompression chambers which slowly acclimatize them to the pressure changes. With its ability to completely protect the diver from ambient pressure, the Newtsuit can save both time and cost as well as provide greater safety for divers.

National Tourism Awareness

The 1988 National Tourism Awareness Week is scheduled to run from Monday, May 16 to Sunday, May 22, leading up to the Victoria Day weekend which is the unofficial start to the summer tourism season. The slogan for 1988 is "Canada Grows with Tourism. Celebrate National Tourism Awareness Week, May 16-22, 1988."

Special ARDA

Hazelton Flower Shop Blooming

When Gerry and Cheryl Sebastian decided to buy a bigger home in Hazelton in October, 1986, they also acquired an attached flower shop and had to make a decision as to whether they would take over the business or not.

Cheryl Sebastian, a member of the Hagwilget Band with a teaching degree from the University of British Columbia, decided to put her teaching career on hold, have more time to spend with her two children and tackle the florist business. In order to buy the business, she applied for and received a Special ARDA contribution of $5,857 from DRIE towards the purchase price and related expenses. Rather than make a change, it was decided to keep the shop's existing name—Boule's Flower Shop.

Without any previous knowledge of the florist business, Sebastian managed the quick career change by training with the previous owner for several weeks and attending workshops in Prince George and Vancouver.

"I read lots of books and experimented on my own, too," she says.

The shop itself is built onto the basement of the house. Besides the display area, there is a work area, storage space and a cooler for keeping the flowers fresh. The business is open from Monday to Friday from 10 a.m. to 6 p.m.

"Because the area we serve is so large, we provide only a limited delivery service," says Sebastian. "Most people call in or phone first for special orders and then pick them up. Things like wedding arrangements have to be ordered ahead so that I have the time to get the requested flowers sent in order to make the bouquets."

Competition is not a factor in the success of the flower shop, which is the only outlet of its kind in Hazelton and the surrounding district. The nearest florists are at Smithers to the east and Terrace to the west. The market area directly serviced is from Moricetown to Kitwanga with approximately 8,000 residents.

Recently, Cheryl Sebastian decided to resume teaching and is currently in charge of the primary grade at the Kispiox Elementary School in Kispiox. A person has been employed full time to work in the shop.

"The business has had its ups and downs in the little more than a year that we've had it, but overall it has shown growth," says Sebastian. "We are hoping that growth will continue."

The Special ARDA program is designed to provide people of Indian ancestry in rural areas of British Columbia with new and better opportunities to improve their economic circumstances.

Special ARDA involves both levels of government, status and non-status Indians, and Metis people in a cooperative and comprehensive approach to Native economic development.

Microelectronics and Systems Development Program

The Department of Regional Industrial Expansion has developed the Microelectronics and Systems Development Program (MSDP) as part of the InnovAction strategy to improve the development, transfer, application and diffusion of new technologies.

The MSDP will provide financial support to Canadian microelectronics and systems development companies for technologically advanced projects.

The products and systems developed with the support of the program will, in turn, enhance the international competitiveness of the manufacturing, processing and service sectors.

Projects for which companies seek support under MSDP must involve the development of strategic systems based on advanced microelectronics and software for application in the manufacturing, processing and service industries.

Projects will be supported only under the MSDP if certain mandatory criteria are met. The applicant must demonstrate that the project will enhance: the international competitiveness of Canadian companies using the systems and technologies under development; the international competitiveness of companies undertaking the development.

For further information about the MSDP and details on how to apply, contact the nearest DRIE regional office or phone the Business Information Centre at 666-2255 (Vancouver) or 1-800-663-0433 (toll free).

Snow Maker Extends Ski Season

The recently installed snow making system at Whistler and Blackcomb Mountains takes over where nature leaves off.

With the help of one of the ski industry's most advanced snow making systems, Whistler and Blackcomb Mountains can anticipate a four to six week extension of their ski seasons. It is projected that in the first year of the system's operation, these two areas will attract an additional 90,000 skier visits which will generate an extra $13.5 million in revenue.

A joint federal-provincial low interest loan of $3.2 million towards the $4.5 million snow making system was announced last fall. Application for the loan was made by Whistler Mountain Ski Corporation and Blackcomb Skiing Enterprises through the Tourist Industry Development Agreement (TDA). The federal government, through DRIE, is providing half of the loan.

First Phase

The first phase of the Boyne airless, snow making system, installed last fall, will ensure regular skiing from the ski runs to Whistler Village.

"Part of the system we have installed already on a permanent basis," says Sandy Boyd, Whistler Mountain's vice president of operations. "Because of the timing of the loan, we could not do the whole system — and do it properly — in time for this season."

The first phase installation on Whistler is spread over the south and west sides of the mountain and consists of 15 guns and 41 hydrants. Blackcomb's first phase of the system includes 70 hydrants spread out over a 20 hectare area on the lower levels of the mountain. This installation was timed to coincide with the $25 million lift expansion undertaken in 1987.

Multiple Benefits

At the official announcement of the TDA funding last October, Whistler's Mayor Drew Meredith pointed out that the snow making ability boosts the resort's image in a number of significant ways.

"One of the things it is actually going to do is ensure that we will retain our claim to having the highest vertical drop in North America," he said. "It will also serve as a catalyst for another $500 million in investments over the next five years. New hotel construction will double the number of rooms in Whistler over the next three years."

With the snow making system in operation, the resort can now offer a guaranteed 180-200 days of skiing each season. The estimated impact is the equivalent of a 6.5 to 12 percent increase in skier visits "realized in about 50,000 extra guest rooms booked per year".

Bernard Valcourt, federal Minister of State for Tourism and Small Business, emphasizes the need to stay competitive in the international tourism marketplace. "Today's travel world is one huge marketplace with the best market researchers and the best advertising brains in the game. We must be prepared — as our competitors are — to play in the big leagues. We must set our tourism product apart from that of other travel destinations. It is one thing to encourage visitors to Canada and another thing to make sure they are not disappointed when they get here."

The Boyne snow maker, built by Snow Machines Incorporated, is the world's quietest snow making gun. It is much quieter than the most widely used air/water systems — an important factor since the snow making immediately above Whistler Village is often carried out at night in order to take advantage of the freezing temperatures which are necessary for the process.

Sandy Boyd estimates that the ability to make snow boosted the Whistler Mountain ski traffic by 20 percent over the recent Christmas holidays.

He adds, "If you consider the total number of skiers and the amount spent in the resort by each skier per day, it won't take long for the system to pay for itself."

Marketing Seminar

A seminar titled "Using Independent Agents and Sales Reps to Market in the U.S." will be presented on March 23, 1988 by U.B.C. Executives Programmes. Roger W. Howe will lead the seminar which will be held from 8:30 a.m. to 4:30 p.m. in the E.D. McPhee Conference Centre at The University of British Columbia. Fee: $395 (team rate $345 per person). To register, send your business card and registration fee to: Executive Programmes, 2035 Main Mall, Faculty of Commerce and Business Administration, The University of British Columbia, Vancouver, B.C., V6T 1Y8 or call (604) 224-8400.

Small Business Loans Help Metropolitan Expand

A multi-million dollar operation and one of the most progressive printing houses in western Canada, Metropolitan Press Ltd. of Vancouver is chalking up an enviable track record in the highly competitive printing industry. In 11 years, the company has grown from a staff of two working with a small multilith press to a staff of 30, a well-equipped shop complete with six-colour press and a prestigious clientele that keeps growing.

The B.C. company is solely owned by George Kallas, one of the original founders, whose evident enthusiasm for his craft is one of the ingredients for Metropolitan's success. Another ingredient is the pride in workmanship that staff members feel because they are given the opportunity to participate as part of a team.

"Everyone is encouraged to list ideas for changes and improvements," says Kallas. "Then, once a month, members from production, sales and management meet to discuss these ideas and, if they are accepted, find the right people to implement them. In other words, we see how we can help each other."

Kallas is also quick to point out that the company would not have been able to expand its equipment without financial assistance along the way. On two occasions, this assistance came from Business Improvement Loans under the federal government's Small Business Loans Act (SBLA) which is designed to help new and existing small businesses obtain intermediate term loans up to $100,000 from chartered banks and other designated lenders to help finance specified fixed asset needs.

"With our first loan we bought a large two-colour press," recalls Kallas. "Three years later we applied for another small business loan and acquired a four-colour press which increased our capabilities."

Capabilities Increased

With the installation of the state-of-the-art six-colour Miller press two years ago, Metropolitan has shown steady growth and has gained recognition locally and internationally. The New York office of one of the largest advertising agencies in the world was so taken with the quality of Metropolitan's work, which was done for it through a local design company, that the agency subsequently chose Metropolitan to do its own promotion printing. One of Metropolitan's first assignments for the agency was the reproduction of a uniquely packaged game aimed at the agency's self promotion.

Classified as a library quality printer by the federal government, Metropolitan has been commissioned by all levels of government to supply brochures, booklets, newsletters and posters that find their way to both national and international destinations. The company produces presentation folders for the real estate industry, brochures and books for the University of British Columbia, high quality books of art, annual reports, travel brochures and even accurate colour lithographs from canvas — just to name a few areas of its collective expertise.

Metropolitan's six-colour press enables the company to offer exceptional print options.

Outstanding Products

One of the company's largest contracts was for a run of half a million cookbooks illustrated with living colour menu items. Three hundred thousand attractive, five panel fold-out tourism brochures featuring a die cut of the Vancouver skyline rolled off the press last year. One of the most outstanding pieces of work Metropolitan has run off is a 20-page booklet co-produced by five of B.C.'s largest companies in the high-technology electronics sector. The 10-colour presentation, printed in both English and French, has been distributed nationwide as a promotion to attract hitech specialists to B.C. The graphic reproduction in this booklet is so accurate that the photos appear to stand out from the pages.

One of Metropolitan's recent achievements is a set of full-colour posters promoting the 1988 Winter Olympics being held in Calgary.

Twenty-five Awards

In the last two years, Metropolitan has won 25 awards. That kind of positive reaction could foster thoughts of growth for growth's sake but George Kallas approaches the future with caution.

"Our capabilities rival any high quality printer in the world. That is our competitive advantage and we are proud of it," he points out. "What we want to do is fine tune ourselves for maximum quality and service.

"It's a very exciting business to be in but you have to like it, and everyone — from the salespeople to the shippers — has to have their hearts in it in order for it to be successful."

Contact: *George Kallas,*
President,
Metropolitan Press Ltd.,
1435 East Pender Street,
Vancouver, B.C. V5L 1V7.

Government and Industry Embark on Joint Marketing Program

The shake and shingle industry in British Columbia got a shot in the arm recently with the announcement of a major federal government initiative to support a cooperative five-year market development program.

A federal contribution of $9.45 million from the Western Diversification Fund plus $11.55 million from Pacific Northwest producers will create the $21 million program aimed at increasing demand in the United States for red cedar shakes and shingles. Since 80 percent of the world's supply of western red cedar grows in B.C., the program is expected to have an increasingly positive effect on British Columbia's economy.

The market development program is a joint venture between the Government of Canada and industry organizations in both Canada and the United States.

The Fraser Valley Independent Shake and Shingle Producers Association represents approximately 130 Canadian firms producing some 75 percent of output currently sold in U.S. markets. These producers, together with 160 American firms, are also members of the U.S. Red Cedar Shingle and Hand Split Shake Bureau, which has operated successfully in Washington state for many years. The experience, reputation and resources of the Bureau are being made freely available to the Fraser Valley Association as it undertakes this promotional activity on behalf of the entire industry.

In announcing the federal contribution, Western Diversification Minister Bill McKnight said: "We have seen an erosion of the U.S. market for shakes and shingles as a result of an aggressive marketing campaign by producers of substitute roofing materials. This initiative reflects the fact that the federal government is convinced of the long-term strength of the shake and shingle industry in British Columbia."

The federal government's response to the industry's need is both gratifying and reassuring to members of the Association which was initiated 15 years ago when a shortage of operating railway boxcars caused problems for shingle shippers.

"We formed a group to negotiate with government and the railway and we got the boxcars we needed," says Ralph Kinross, secretary/treasurer of the Association and chairman of the Bureau's board. "Now we are pulling together to build up our industry. It is surprising what you can do when you get a group working together."

Jim Arthurs, co-chairman of the Association, has been appointed a member of a steering committee, along with representation from the B.C. regional office of the Department of Regional Industrial Expansion. The committee has been set up to guide and control the direction of the program.

Gerry St. Germain, MP for Mission-Port Moody (right), and Bill McKnight, Minister of Western Diversification (centre), take a look at a shingle/shake producing operation.

Program Planned

"We have to get an education program going that will reach the mills, wholesalers, architects, roofers, consumers and particularly the regulatory officials," emphasizes Arthurs. "Out of the total program, about 50 percent of the budget over the five years will go into print and media-type information and the rest will fund projects such as trade shows and lobbying in the right places in the U.S."

The thrust of the marketing program will concentrate the first year in California which is the biggest user of cedar shakes in the western United States. Texas, the biggest user of shingles, is the planned target for the second year. The strategies for the last three years of the funding will depend on the industry's progress in increasing market share and on the perception of its marketing needs as they identify themselves.

"Initially, we have to work to hold our current market share," says Arthurs. "Then we have to increase that share. If we can get the industry back to at least 1978 levels, we can create or recover up to 1,500 direct jobs in the industry in B.C. and generate hundreds of new jobs in logging, transportation and other support industries."

Biotechnology Featured

A recent issue of the Prommex *First Choice* publication on biotechnology has been developed by Prommex in cooperation with DRIE, Investment Canada, the National Research Council and External Affairs. The material is targetted at investment development and provides an overview of Canadian capabilities in the area of biotechnology.

Copies of the publication can be obtained by phoning the Business Information Centre at 666-2255 or toll free 1-800-663-0433.

Marketing Canada in Japan

Japan is currently assessed as the market having the greatest potential for visitor growth to Canada. However, continued and increased marketing efforts will be needed in the face of strong competition from the traditional Japanese vacation spots in Guam, Hawaii and mainland United States. Other, stronger competition can be expected from Australia and New Zealand, which have registered impressive visitor gains in recent years.

Analysis of a recent Tourism Canada/United States Travel and Tourism Administration (USTTA) study on Japan is currently under way to identify particular market segments and their needs/wants. This can then be matched with existing products available in Canada and will also provide direction for the development of new products to offer to this high-potential market.

Tourism Canada's program for Japan includes a communications effort that shows Canada as a desirable vacation destination, stressing the beauty and scale of our natural and urban surroundings, and activities within those surroundings. This advertising campaign is directed to a young female/honeymooner audience as well as the "silver age" target segment (men and women over 50), working and/or retired. The overseas ski market is an additional recipient of the motivator message. Our 34.8 percent gain in visitors from Japan in 1986 suggests that our efforts are on track. Another gain of 34 percent in the first six months of 1987 reinforces this impression and allays some of the post-EXPO 86 concerns.

Co-operative marketing ventures are key to all tourism promotion activities in this and other primary markets. The impact and value of our 1986-87 advertising program in Japan was nearly doubled through the $635,000 in co-operative and co-scheduled activities generated by our $772,000 advertising investment in the marketplace. Similarly, our partners' contributions to the operational programs (Visit Canada — Media and Trade, Product Testing Tours, Travel Influencer promotions, Trade/Consumer shows and newsletters) are crucial to their success. Currently, our most active partners are the three western provinces, Ontario/Quebec and CAIL.

In 1987-88 the bulk (78.5 percent) of Tourism Canada's marketing activities budget in Japan will be directed to the touring (culture and nature, culture and comfort) segment of the Tokyo and Osaka markets. Additionally the "outdoor" ski product will be supported by the "Big Ski" print ad campaign. A new non-ski winter touring program will be expanded in conjunction with Canadian and Japanese product/package partners. This winter touring program was originally developed for a young Japanese audience but has generated surprising interest from the older (silver age) segment. Needless to say, this demand has generated new interest from travel wholesalers, which should in turn result in expanded joint programming. The outlook for an increased share of Japan's growing outbound visitors' market appears relatively bright for 1988.

New Department

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approach at the same time within the same department. As a result, the government created the Atlantic Canada Opportunities Agency (ACOA) and the Western Diversification Office (WDO) with specific mandates for addressing the economic development potential of Atlantic Canada and the West. DIST will focus its efforts on competitiveness, technological excellence, and an enhanced role for scientific research and development within the Canadian economy.

Q: Will there be a regional office of DIST in British Columbia?

A: There will be offices in each province which will be a principal point of contact for business. These offices will be the service-oriented delivery arm of the department, providing ready access to its activities. They will also serve as contact points through which we will keep up to date on business intelligence and maintain communications with industry.

Services will include the provision of information, interpretation, advice, referrals, counselling, and other forms of support. Services could involve a report on foreign market opportunities, brokerage of a new technology from a foreign source, networking, trade fairs and missions, investment prospecting, access to procurement opportunities, and many others. In all cases, services will be based on the needs of industry identified through consultation.

Q: Will any new programs be created to reflect the mandate of the new department?

A: The department will be looking at new forms of programming to better support its mandate of national industrial competitiveness. Such programs will be consistent with Canadian international trade obligations, and will stress opportunities for companies and consortia to take advantage of specific technological and sectoral opportunities both at home and abroad. Programs will be introduced only after extensive consultations, and could equally address technological capability across sectors, particular opportunities within sectors, and the unique innovation requirements of small and medium-sized firms.

Q: What will happen to the incentive programs DRIE has been offering in British Columbia?

A: The Industrial and Regional Development Program (IRDP) is scheduled to expire at the end of June, 1988, under the legislation which created it in 1983. The Canada-British Columbia Agreements on Industrial Development and Small Business Incentives have been transferred to the Western Diversification Office (WDO). The Canada-British Columbia Tourist Development Subsidiary Agreement remains the responsibility of DIST.

Q: Why is DRIE still administering incentive programs that were supposed to be transferred to the Western Diversification Office?

A: DRIE will continue to administer IRDP and the Industrial Development and Small Business Agreements on behalf of WDO until it has established its own administration to take over these responsibilities.

Q: Which federal department will be responsible for international trade?

A: International trade remains the responsibility of the Department of External Affairs (DEA). DIST will continue to deliver trade development programs (such as PEMD) and services on behalf of DEA to Canadian exporters.

Q: What about tourism?

A: The importance of this dynamic sector to Canada's economic performance is reflected in the retention of Tourism Canada within DIST's organizational structure. Tourism programs and services will continue to be offered through DIST offices in each province, including the Canada-British Columbia Tourist Development Agreement in B.C.

Q: Will the new set-up have any impact on small business?

A: Development of entrepreneurship is essential to achievement of the DIST mandate. The organization of the department is specifically designed to bring the services and programs of the new department closer to small businesses throughout the country. As well, small business policy and advocacy within government remains the responsibility of DIST, as represented by the Minister of State (Small Businesses and Tourism).

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Regional Office

Department of Regional Industrial Expansion
P.O. Box 49178, Bentall Tower Four
1101 - 1055 Dunsmuir Street
Vancouver, B.C. V7X 1K8
(604) 666-0434

District Offices

Department of Regional Industrial Expansion
200 - 990 Fort Street
Victoria, B.C. V8V 3K2
(604) 388-3181

Department of Regional Industrial Expansion
706 Permanent Tower
299 Victoria Street
Prince George, B.C. V2L 5B8
(604) 561-5158

Business Information Centre

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(604) 666-2255 (Vancouver)
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Canada

Western Diversification

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there is no other source of federal, provincial or municipal funding, and if a project fits within the framework of the principles of western diversification, we will assess it for funding under the WDP. The funds available must be used strategically and for maximum effect. Our office will be mainly involved in "topping-up" or "last-dollar" financial assistance.

Q: When you say that the most strategic projects will be funded, what do you mean?

A: We refer to strategic projects as those that particularly meet the diversification objectives of development of new products, new export opportunities, different markets, additional value added to existing products. In other words, projects that will result in bringing new wealth into Canada, or generating new wealth through research and innovation, rather than simply redistributing or recycling money within the country. Any project must, of course, be able to demonstrate the potential for net economic benefit to western Canada.

Q: What does diversification mean?

A: Generally speaking, the diversification of an economy means making it less dependent on its traditional industries and products. Diversification can be brought about in many ways, some of which are:

a) helping traditional industries develop new products and the markets in which to sell them;

b) encouraging the development of new industries; and,

c) providing assistance for research and development activities which could lead to the growth of new industries, products or product lines.

Q: How do I apply?

A: If you have an idea which you think fits under the Program, contact the Western Diversification Office at:

Suite 138, Granville Square
200 Granville Street
Vancouver, B.C.
V6C 1S4
(604) 666-6256

Arktos Conquers

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provides instant information on such things as stability, track tensions and loadings in the structure itself.

Arktos, built to accommodate 50 persons, operates even at – 50°C in high winds and easily negotiates ice, water, icebreaker tracks or muskeg. Fully occupied, it can maintain a speed of 10 kph on land and four knots in water for a minimum of 24 hours.

Project Funded

Funding for Watercraft's development and testing of its Arctic Escape System has come from both industry and government.

"This project has been mainly funded and technically assisted to date by eight major North American resource and transportation companies as well as the Canadian government departments of Industry, Trade and Commerce, Regional Industrial Expansion, Energy, Mines and Resources, Transport and National Defence," says Seligman. "The prototype underwent water trials from the Canadian Coast Guard Search and Rescue Hovercraft Unit based at Vancouver International Airport."

A 1983, $200,000 federal incentive provided under the Enterprise Development Program, which was managed by the Department of Industry, Trade and Commerce, helped Watercraft in completing scale model tests.

A 1985, $400,000 federal incentive provided under the Industrial and Regional Development Program (IRDP), which is administered by DRIE, assisted Watercraft in producing the initial prototype. According to Seligman, a large portion of all funding has been used to pay salaries and provide jobs.

Production Starts

Recently moved into a facility with just over 1900 square metres of space, Watercraft is ready to begin production of its vehicles. Currently, the company is working on a unit being built to Canadian Coast Guard specifications for use in conjunction with Coast Guard icebreakers.

"We also have a larger vehicle than the Arktos on the drawing board," says Seligman. "In fact, we are looking at a number of different derivatives both larger and smaller. A sophisticated production vehicle like the original prototype Arktos will cost the customer around half a million dollars. We will be using standard components as much as possible to simplify both operation and maintenance. We will also provide training at our plant and have a crew of service engineers ready to travel offshore.

"When we get into full production, our current staff complement of nine will rise to at least twenty," he adds, pointing out that Canadian and American suppliers — who supply almost all parts and materials used by Watercraft — will also benefit. "As a 100 percent Canadian controlled private corporation, we believe in using every Canadian resource we can."

Contact: *Bruce Seligman,*
President,
Watercraft Offshore Canada Ltd.,
10611 River Drive,
Richmond, B.C. V6X 1Z2.