

Canada Commerce

Summer 1986



*Fashion With Flair
from Québec*

*Business Opportunities
Sourcing System (BOSS)*

**CAPE
BRETON**



Statistics
Canada

Statistique
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You may not need a lot of books
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The Market Research Handbook 1985-86, Catalogue No. 63-224 (02878), is available for \$75.00 in Canada (\$90.00 elsewhere) from Publication Sales and Services, Statistics Canada, Ottawa, Ontario K1A 0T6, (613) 993-7276.

Canada



Canada Commerce

The Honourable Michel Côté
Minister of Regional Industrial Expansion

The Honourable Bernard Valcourt
Minister of State (Small Businesses and Tourism)



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Summer 1986**
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Correspondence to:
Canada Commerce (BCOM)
Department of Regional Industrial
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Telephone:
(613) 995-8900

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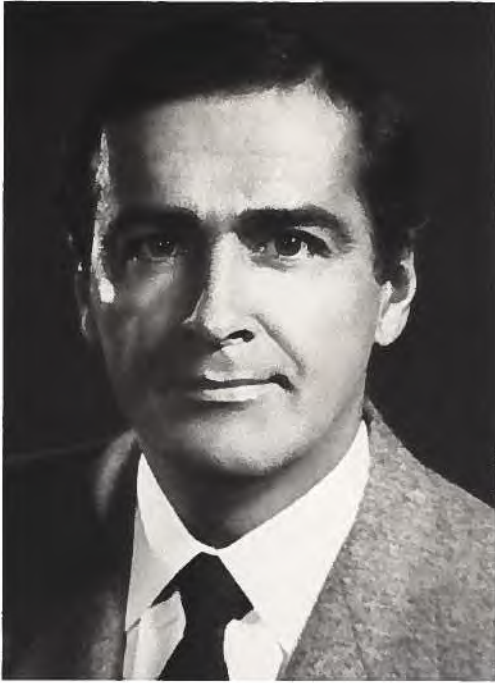
**Regular
Features:**
Business Review

Canadian
Companies and
Products —
four-page centre
spread.

List of Regional
Offices — inside
back cover.

EDITORIAL

This issue of *Canada Commerce* highlights DRIE’s continuing interest in Cape Breton Island with a special section devoted to the island containing articles which emphasize its development potential. With the announcement of *Enterprise Cape Breton*, early in December by the Minister of Regional Industrial Expansion, the island has become a prime focus of DRIE’s development and assistance policies. *Enterprise Cape Breton* has been described as an agency designed to provide one-stop shopping for investors interested in DRIE and Devco programs available in Cape Breton.



**The Honourable Michel Côté
Minister of Regional Industrial Expansion and
Minister Responsible for Canada Post Corporation**

On June 30, 1986, Michel Côté, Minister of Consumer and Corporate Affairs and Minister responsible for the Canada Post Corporation, was named Minister of Regional Industrial Expansion while retaining his responsibility for the Canada Post Corporation.

Born in Québec City in 1942, Mr. Côté graduated from Laval University in 1967 with a degree in accounting and has been a member of the Order of Chartered Accountants of Québec since 1969.

Mr. Côté was elected to the House of Commons for the first time on September 4, 1984, was appointed Minister of Consumer and Corporate Affairs on September 17 and, on August 20, 1985, took on additional responsibilities as Minister responsible for the Canada Post Corporation.

Prior to his election to the House of Commons, Mr. Côté was associated with the accounting firm of Thorne Riddell, Poissant, Richard since 1974 and, in 1982, became the partner responsible for business development. Before that, he was with Samson, Bélair and Associates. He had also been Vice-President, Finance, of Giffen Recreation Ltd. and its subsidiaries and, in 1972, founded the accounting firm of Richard, Côté and Co.

Mr. Côté has been a member of various community and professional associations. He was President of the Chamber of Commerce and Industry of the Québec City region, a Director of the Québec City Winter Carnival, and Vice-President of the Québec Ramparts hockey club. He has also been active in voluntary work for the Canadian Red Cross Society and Centraide-Québec.



**The Honourable Bernard Valcourt
Minister of State (Small Businesses and Tourism)**

On June 30, 1986, Bernard Valcourt, Member of Parliament for Madawaska-Victoria, New Brunswick, was named Minister of State (Small Businesses and Tourism).

Born on February 18, 1952, at Saint-Quentin de Restigouche, New Brunswick, Mr. Valcourt was educated at the Collège Saint-Louis-Maillet and the University of New Brunswick.

Mr. Valcourt was first elected to the House of Commons in the general election of 1984. He has served as Parliamentary Secretary to the Minister of State for Science and Technology and to the Minister of National Revenue. He has also served on the Standing Committees of Finance, Trade and Economic Affairs, Justice and Legal Affairs and Miscellaneous Estimates.

A lawyer, Mr. Valcourt is a member of both the Canadian Bar Association and the New Brunswick Lawyers Association.

Business Review

Import Profiles

Following are the current releases in the series *Import Profiles* from DRIE:

Cabinets for TVs, radios and phonographs (38-85); golf equipment: bags, carts (not powered), gloves, club grips (39-85 to 42-85); marble, shaped or dressed (43-86); flashlights and lanterns (44-86); unexposed X-ray film (45-86); ski boots (46-86); catheters (47-86); rubber belts and belting, V-type (48-86); hinges, butts and parts (49-86); padlocks — keys and combination (50-86); ski bindings and fittings (51-86); electric ceiling fans (52-86); commercial laundry washer-extractors (53-86); badminton and tennis rackets (54-86); cooking utensils, stainless steel, household (55-86); sprayers, agriculture, new (56-86); furniture casters and casters for commercial and industrial equipment (57-86); computer plotters (58-86); dinners, pre-cooked, frozen (59-86); computer terminals (60-86).

To obtain your copy of a specific profile, contact: Publications Distribution Centre, DRIE, 235 Queen Street, Ottawa, Ontario K1A 0H5; Tel: (613) 995-5771.

European Communities/Canada Sign Thermonuclear MOU

A Memorandum of Understanding (MOU) on co-operation in the area of controlled thermonuclear fusion has been signed by Robert Joyce, head of the Canadian Mission to the European Communities (EC), and Willy De Clercq, EC commissioner responsible for External Relations. The MOU will remain in force for five years.

The arrangement calls for exchange of information and participation in scientific meetings organized by either party. Exchange of experts and conducting of experiments, studies and common projects are also foreseen.

For further information, contact: Finn Olesen, Head, Press and Information Service, Delegation of the Commission of the European Communities, 350 Sparks Street, Suite 1110, Ottawa, Ontario K1R 7S8; Tel: (613) 238-6464; Telex: 0534544 EURCOM OTT; or Mrs. B. Léger, Science and Technology Advisor, Western Europe Programs Division, Department of External Affairs, Tel: (613) 993-6817.

Conference Roundup

September 21-27 — Canadian High Technology Week

An international showcase of electronic products, ideas and achievements will highlight the first *Canadian High Technology Week*, scheduled for September 21 to 27.

Events during the week are intended to promote the increased development and application of high technology in Canada. The private sector, both within and outside Canada, will be encouraged to participate.

The *Canadian High Technology Show* and the *National Technology Conference*, to be held in Toronto during the week, will expose Canadian firms to the latest developments in electronics and provide a valuable forum for the exchange of views and ideas between government and the private sector.

For further information, contact: Janice Waugh, Canadian High Technology Week, Tel: (613) 731-9850; Chummer Farina, Department of Regional Industrial Expansion, Tel: (613) 995-3741; or Les Detre, Ministry of State for Science and Technology, Tel: (613) 990-6527.

International Food Show

Food Pacific '86, Canada's International Trade Show on Food, will be held in Vancouver's B.C. Place Stadium, August 29 to September 2. More than 700 exhibitors and 25 000 buyers are expected.

For further information, contact: Food Pacific '86, 165-10651 Shellbridge Way, Richmond, British Columbia V6X 2W8; Tel: (604) 276-2277.

Fisheries Council of Canada

The major meeting point for Canada's seafood industry, the 1986 Annual Convention of the Fisheries Council of Canada will be held at the Hilton Harbour Castle Hotel, Toronto, September 2 to 4.

For further information, contact: *The Bulletin*, Fisheries Council of Canada, 77 Metcalfe Street, Suite 603, Ottawa, Ontario K1P 5L6; Tel: (613) 238-7751.

Certified General Accountants

The Certified General Accountants Association of Canada (CGA-Canada) will hold its 1986 Annual Conference in the Hotel Hilton International, Québec City, September 16 to 20.

For further information, contact: Director of Public Affairs, CGA-Canada, 740-1176 West Georgia Street, Vancouver, British Columbia V6E 4A2; Tel: (604) 669-3555.

Telecommunications Energy Conference

For the first time, Canada will be host of the Annual International Telecommunications Energy Conference (INTELEC), to be held in Toronto's Royal York Hotel, October 19 to 22. Previous conferences have been held in Washington, London, Tokyo, New Orleans and Munich.

For further information, contact: Norman N. Siomra, C & D Power Systems, 9 Bradwick Drive, Concord, Ontario L4K 2T4; Tel: (416) 669-4400.

Canadian Institute of Mining and Metallurgy

The Canadian Institute of Mining and Metallurgy (CIM) will be hosting a number of meetings in August and September:

August — The 25th Annual Conference of Metallurgists, Hilton Harbour Castle, Toronto, Ontario, August 17 to 20; 10th International Coal Preparation Congress, Edmonton Convention Centre, Edmonton, Alberta, August 31 to September 5.

September — A CIM International Coal Preparation Exhibition will be held September 2, 3 and 4 in conjunction with the 10th International Coal Preparation Congress in Edmonton; International Symposium on Coal Transportation, the Hyatt Regency Hotel, Vancouver, British Columbia, September 12 to 16.

For further information, contact: Denyse B. Crawford, Information Officer, The Canadian Institute of Mining and Metallurgy, Suite 400, 1130 Sherbrooke Street West, Montréal, Québec H3A 2M8; Tel: (514) 842-3461.

“Made in Québec” Means Fashion With Flair

Since as far back as the 17th century, Québec has been synonymous with style. The inhabitants of New France were known for dressing stylishly and for the care they took in creating their wardrobes.

The reality of that far-off era is very different from what people generally believe. Historians tell us that domestic fabrics were not at all popular and that Canada's elegant fashions were of European inspiration and design. Merchants did a roaring trade in imported fabrics from England, Spain, France and the Netherlands.

The abundance of furs resulting from the active fur trade and the arrival of fabrics and fashion accessories, such as brooches and buckles, provided everything colonists needed to keep themselves in style. “Les Canadiens” responded to the local climate by borrowing and adapting the fashions of countries such as Poland and Russia, whose harsh winters resembled those of New France.

In the 18th century, a multitude of tailor shops sprang up in Montréal and Québec City.

It's no surprise, then, that Québec has maintained and developed its passion for fashion, its talent for creating innovative styles and its entrepreneurial spirit in the apparel industry. Today, Québec's fashion industry is wide-ranging, encompassing men's, women's and children's apparel, all-purpose and specialty outerwear, furs, accessories, jewelry and footwear.

The Figures Speak for Themselves

According to the latest statistics, Québec, and especially Montréal, continues to be a major Canadian fashion showcase.

With 1 500 firms representing 70 per cent of Canada's fashion industry, the value of goods manufactured in Québec totalled 62 per cent of Canadian output in 1984 (see Table 1). In the same year, Québec alone accounted for 56 200 of the 95 000 workers in the Canadian apparel industry.

Over 60 per cent of manufacturers and firms offering related services in the fashion industry are concentrated in the

Montréal area, while contractors providing 25 per cent of all labour in the province's apparel industry (close to 15 500 jobs) are located throughout Québec.

Seventy-eight per cent of the firms in the apparel industry are small and medium-sized businesses with fewer than 200 employees. The majority of jobs are found in the women's apparel sector (40.4 per cent), followed by men's apparel (18.6 per cent), the fur sector (12.7 per cent) and, in almost the same proportion, children's apparel (12.3 per cent) (see Table 2).

Québec ships 78.4 per cent of its exports to the United States, at a value of \$175 419 000 (57 per cent of Canadian apparel exports). The current market recovery promises a bright future for the industry, considering Québec's production capacity, its unique fashion design and the exchange rate between Canada and the United States.

Micheline Boucher



Leighton Barrett



Table 1 ESTIMATED APPAREL MARKET
(in thousands of dollars), 1984

	CANADA	QUÉBEC
Value of shipments	4 309 300	2 666 419 (61.9%)
Value of exports	307 111	175 419 (57.1%)
Value of domestic shipments	4 002 189	2 491 000 (62.2%)
Value of imports	1 729 078	
Estimated Canadian apparel market	5 731 267	
Proportion of domestic shipments	69.8%	
Proportion of imports	30.2%	

SOURCES: Reference document, Socio-Economic Conference on the Apparel Industry, Québec Department of Industry and Commerce, March 1985. Québec Bureau of Statistics.

A Style All Its Own

Québec is a bridge between Europe and America. Its cosmopolitan blend of cultures has led to the development of a unique perspective in all creative fields, including fashion. This novel approach has resulted in the manufacture of garments and accessories noted for their

Fur Council of Canada

original style while meeting the requirements of North American consumers, who look for warm, practical, quality apparel at affordable prices.

The Québec fashion scene has been bustling with activity since the early 1980s. The introduction of new designers, the recognition of veteran de-

Table 2 DISTRIBUTION OF EMPLOYMENT IN THE QUÉBEC APPAREL INDUSTRY

Women's apparel	40.4%
Men's apparel	18.6%
Fur apparel	12.7%
Children's apparel	12.3%
Sportswear	8.3%
Lingerie	3.5%
Outerwear	1.8%
Leather apparel	1.5%
Others	0.9%

Source: Québec Apparel Productivity Centre, Montréal, Québec.

signers, the technological revolution, the desire of manufacturers to produce apparel that meets current fashion criteria and the dazzling performance of the fur sector, all combine to make Montréal the centre of renewed interest in Québec fashion. This increase in activity has boosted enrolment in fashion institutes.



Special Feature

Other signs attest to the enthusiasm of buyers for products made in Québec. For example, attendance and sales at the Canadian International Fur Fair have increased continually since the first fair was held at Place Bonaventure in Montréal. Orders resulting from last year's fair totalled more than \$43 million and the fair itself was attended by 8 000 buyers, an increase of 30 per cent over the previous year.

Québec-made products have gained recognition on the national and international fashion scene, thanks to the innovative style of Québec designers and the quality of manufacturing.

Fashion promotion and apparel or textile productivity centres have been created to support the recovery of the fashion industry and to increase its productivity.

The Québec Apparel Productivity Centre (Le Centre Québécois de Productivité du Vêtement), a non-profit organization established in 1983, is responsible for helping Québec's apparel industry become more competitive. To achieve this, the centre offers services such as technological information and training, diagnostic counselling, and workshops on topics such as exports, computer-assisted design and manufacturing, and better industrial management.

Protexile, The Québec Textile Productivity Centre (Le Centre Québécois de Productivité du Textile), was estab-

lished in 1984 and is responsible for promoting, developing and improving the competitiveness of Québec's textile industry. Protexile works with all segments of the textile industry, from fibres to dress fabrics.

The third of these non-profit centres, **Le Centre de Promotion de la Mode de Montréal or Mode Montréal**, was created in the fall of 1984. Its main objectives are to encourage consumers and distribution networks to buy finished products from Québec's fashion industries, to promote the recognition and use of new talent, to strengthen Québec's image as a leader in fashion, and to open up new domestic and foreign markets.

Starting with the 1986 spring-summer collections, Mode Montréal will publish biannual guidebooks to Québec fashion — catalogues of who does what in Québec.

All of these centres operate with diminishing grants that have allowed them to structure, organize and plan their services and to take steps to achieve their goals. Each centre is expected to achieve autonomy through membership campaigns in every segment of the industry.

Designers and Their Products

More and more, recognized designers such as Michel Robichaud, Léo Chevalier, John Warden, Jean-Claude Poitras, Debbie Schuchat, Micheline Boucher, Leighton Barrett, Lorraine Beauchamps and Marielle Fleury are signing agreements with manufacturers to produce, for a greater number of consumers, collections that reflect current trends at affordable prices.

Ready-to-wear apparel made in Québec is available in a wide selection of styles for men, women and children at reasonable prices with a guarantee of excellence for consumers who want to keep ahead of fashion.

This can be seen in such stunning creations as: Michel Robichaud's latest collection manufactured by Modes Départ Inc.; Jean-Claude Poitras' latest collections for Franck Importations and Sawyer; Micheline Boucher's marvelous knits for Auckie Sanft; Debbie Schuchat's sportswear for Moda Donna; Lorraine Beauchamps' elegant gowns for Daymor; Leighton Barrett for Leighton Barrett International; John Warden's lingerie for Hanna; and Marielle Fleury's Utex raincoats.



The same phenomenon has occurred in the children's apparel industry. Manufacturers have noted and met the greater demand for stylish, top-of-the-line products made with the same care and attention as apparel for adults.

According to the Children's Apparel Manufacturers' Association, "The children and their parents look intently for a brand-name label to 'ensure' that a garment is fashionable. . . . One problem in the children's fashion market is the conflict between lower-cost imports and domestic garments.

"While the major retail chains are the heaviest importers, it is the domestic industry that leads in fashion. In fact, buyers for the chains have problems being up-to-date with their import lines because of the very long lead times necessary for importing.

"As a result, it is the domestic manufacturers who are up-to-the-minute with fashion and who dominate this part of the market. . . .

"Despite a declining birth rate, the absolute number of children continues to grow, while smaller families ensure that more money is spent on each child. This combination means more demand for goods and higher fashion goods with brand or designer names."

Furs That Are Hard to Resist

Close to 80 per cent of all Canadian fur products are manufactured in Québec.

Jean-Claude Poitras





Leather Clothing and Lingerie

Many Québec manufacturers are in the forefront of fashion. Even if they do not have a designer label, they have not neglected their homework.

Québec men's and women's leather apparel has style, colour and quality — and a popularity that knows no border. Some major manufacturers have been exporting for several years, marketing their products under different labels for American consumers.

There is a greater demand for lingerie on domestic and foreign markets due to changes in people's lifestyles. More leisure time, the disappearance of strict social conventions and a constant concern for appearance help to give momentum. International trends are studied, changes in styles noted and products adapted to markets. There are several interrelated segments — pyjamas, sleepwear, dressing gowns, house dresses and foundation garments.

With some 60 manufacturers, the demand for low-priced, utility products and products for young women is being met. The latest trends (dorm shirts and romantic styles) confirm a clear development in taste and manufacturers are responding to this trend.

Innovation Is a Must

Few Canadians realize the innovations that textile firms must make to provide

apparel manufacturers with fabrics that meet fashion requirements.

Some textile firms give manufacturers advice on how to follow trends, print exclusive designs on request, and help manufacturers to find applications for modern textiles. Others carry out intensive research in foreign countries to offer a competitive product.

Fashions for Men

The Québec men's apparel sector is recognized in North America for its manufacturing quality. Suits, pants, sports jackets and shirts are manufactured by semi-skilled workers at some 355 factories.

Products are offered whose reputation for quality in the medium- and high-priced ranges has earned numerous contracts and long-term agreements to produce private labels.

Full Speed Ahead

The current excitement in the Québec fashion industry is the result of a multitude of talents, manufacturers, designers and enthusiasts of the unique Québec style.

This excitement is not merely a passing phase; it mirrors the enthusiasm and determination of an industry that has not forgotten Montréal's long-held position as a fashion capital of North America. □

This sector's worldwide recognition is based on the legendary quality of Canadian furs and the calibre of its specialized work force.

The Québec industry numbers 178 firms, provides 1 528 jobs and ships goods at a value of \$191.4 million.

This sector is expanding vigorously thanks to the talents of designers and manufacturers. The major buyers of fur goods are, in descending order, the United States, Federal Republic of Germany, Switzerland, Britain, France, Italy and Japan.

Several organizations are working together to sustain this momentum. The Fur Council of Canada, the Canadian Fur Trade Development Institute Inc., the Master Furriers' Association and the Retail Fur Council of Canada are the associations that have contributed the most to stimulate this sector.

For four days every year, the City of Montréal welcomes buyers from around the world to the Canadian International Fur Fair, second only to Frankfurt for the number of fur professionals who attend and the value of orders taken.

In 1985, 15 countries took part in this event and an equal number were expected to participate in 1986.

For further information on Québec fashions, please contact:

Mode Montréal (Le Centre de Promotion de la Mode de Montréal)
2175, rue de la Montagne
Montréal (Québec)
H3G 1Z8
Tel: (514) 288-2412

Québec Appareil Productivity Centre (Le Centre Québécois de Productivité du Vêtement)

555, rue Chabanel ouest
Bureau 800
Montréal (Québec)
H2N 2H8
Tel: (514) 384-9760

Protexile, Québec Textile Productivity Centre (Le Centre Québécois de Productivité de Textile)

3000, rue Boullé
Saint-Hyacinthe (Québec)
J2S 1H9
Tel: (514) 778-1870

Fur Council of Canada (Le Conseil Canadien de la Fourrure)

1435, rue Saint-Alexandre
Bureau 1270
Montréal (Québec)
H3A 2G4
Tel: (514) 844-2833

Canadian Fur Trade Development Institute Inc. (L'Institut de développement de l'industrie de la fourrure canadienne inc.)

1435, rue Saint-Alexandre
Bureau 1265
Montréal (Québec)
H3A 2G4
Tel: (514) 288-6609

— by Barbara Ulrich, Mode Montréal
Special contributor to *Canada Commerce*



MOU Signed with Household Furniture Manufacturing Industry

Designed to address current problems and prepare for the future.

As a step in the development of a modern and more competitive furniture industry in Canada, the Canadian Council of Furniture Manufacturers (CCFM) and the Department of Regional Industrial Expansion (DRIE) signed a Memorandum of Understanding late last fall.

The objective of the memorandum is to create a forum whereby the CCFM and the Government of Canada have an opportunity to discuss and react to each other's proposed initiatives in areas such as marketing, export and research and development in the manufacture of household furniture.

MOUs have been designed to improve Canada's trading opportunities in an increasingly competitive marketplace, both foreign and domestic. They are available to individual firms or duly formed industry sector associations or councils.

While an MOU does not impose a legal obligation on a firm or association, it is recognized that both parties will respect the policy objectives set out in the memorandum.

To carry out these objectives for the furniture industry, a Consultation and Co-ordination Group has been set up as the operating body. It consists of:

- the Canadian Council of Furniture Manufacturers, represented by its president and executive vice-president or alternates;
- representatives of the three bodies that make up the Council — l'Association des fabricants de meubles du Québec Inc., the Ontario Furniture Manufacturers Association and Furniture West Inc.;
- the Department of Regional Industrial Expansion, represented by the director of the Consumer Products Group and the manager and staff of the Furniture Division. The department will also supply secretarial services as required by the Consultation and Co-ordination Group.

For the past number of years, according to Jerry Doyle, executive vice-president of the CCFM, the industry has been adopting new techniques and, where possible, more modern and automatic equipment.

"We believe this MOU is most timely," Mr. Doyle commented. "Our industry is just now embarking upon a very ambitious national promotional program which has as its objective creating a greater awareness in the eye of the customer of the inherent good value of Canadian-made furniture.

"We are also, at present, in the process of developing a voluntary flam-

mability program for upholstered furniture that would be acceptable to the Department of Consumer and Corporate Affairs and consumer interests, and which would virtually eliminate the incidence of household fires ignited by cigarettes in these products.

"Current low interest rates augur well for the future of our industry," Mr. Doyle continued, "and most of us at present feel that the future looks bright.

"Crucial to our industry, however, will be future government actions related to free trade with the United States. Other issues related to GATT, sales tax and corporate income tax are also very much on our minds.

"In view of these matters and considerations, we feel strongly that formalizing arrangements for our industry and the government to review important matters of mutual interest is most appropriate on a regular basis. We look forward with enthusiasm to our future deliberations."

As a result of past deliberations and diagnosis of the current industry situation, the following points have been agreed upon:

Consultation

An awareness of the changes within the industry should be maintained and new problems and opportunities identified

through consultation. Meetings should be held regularly on both a national and regional basis.

IRDP

The Department of Regional Industrial Expansion's Industrial and Regional Development Program (IRDP) can play a major role in developing a more competitive furniture industry.

IRDP assistance should be used to encourage plant modernization projects, particularly those involving the most technically advanced production equip-

ment and machinery. Assistance should be provided where it is necessary to achieve economies of scale enabling the applicant to become competitive and to develop export markets.

Import substitution opportunities, while they exist in some specific product areas, are quite limited and generally not considered significant enough to justify expansion.

Export Marketing

Particular efforts should be made through the Program for Export Market Development (PEMD), trade fairs

and exhibitions. Assistance should be provided where it is necessary to achieve economies of scale enabling the applicant to become competitive and to develop export markets. Competitiveness of the Canadian industry in recent years has been assisted by the favourable exchange rate with the United States and the existing tariff structure. Either or both of these favourable conditions could be seriously affected in the face of freer trade on the one hand or a drop in the value of the American dollar on world markets on the other.

Another development which affects the furniture market is the low rate of family formation anticipated over the next few years — a factor which has a direct bearing on furniture demand.

While the furniture industry is fragmented in most furniture producing countries of the world, the situation in Canada has deteriorated over the last decade as the number of small firms has continued to increase.

The effects of fragmentation are further aggravated by the high degree of product diversification within establishments. This, in the past, has led to short production runs, reduced plant efficiency and higher production costs.

However, more firms are now purchasing pre-assembled units, such as frames, chairs, etc., to finish and add to their suites.

Another problem for the industry has been the inroads made by imports from Asia which have grown from five to 20 per cent. On the other hand, exports from the U.S. have declined from 65 per cent of all imports to Canada in 1976, to 43 per cent in 1984.

The recently signed MOU has been designed to help overcome some of these problems and improve Canada's trading position in a competitive market. ☐

— by Robert J. McDonell
Canada Commerce



A new Memorandum of Understanding (MOU) was signed late last fall by André Bissonnette (left), Minister of State for Small Businesses, on behalf of the Department of Regional Industrial Expansion (DRIE), and by Bruce R. McPherson (right), president of the Canadian Council of Furniture Manufacturers, on behalf of the industry.

ment in conjunction with efficient plant layouts. This assistance should be made to establishments with good management capabilities or to those determined to acquire the necessary structure or services to achieve North American standards of competitiveness.

Modernization

Assistance should be given as risk sharing in support of well developed overall management strengthening and modernization programs based on sound financial practices and well-structured domestic and export marketing strategies, rather than in response to sudden and short-term market opportunities.

Present and Future Demand

Since there is sufficient industry capacity to satisfy present and expected future demand, the IRDP should not be used for the establishment of new facilities and production capacity expansion unless it is the result of significant pro-

ductivity improvement or is necessary to achieve economies of scale enabling the applicant to become competitive and to develop export markets. and missions, market studies and seminars to encourage the development of sound export marketing plans and the pursuit of sustained export activities by Canadian companies.

The furniture industry in Canada employs approximately 23 000 and last year shipped \$1.3 billion worth of goods, approximately 90 per cent to the domestic market and 10 per cent to the U.S. market.

While supplying a major portion of the domestic market, the Canadian industry is characterized by small operations which are slow to adopt new production technology because of the high cost of automation. As a result, productivity in Canada is estimated to be between 20 and 25 per cent lower than that achieved by its larger competitor, the United States. It is, therefore, becoming increasingly important for Canadian firms to acquire or develop advanced technology to avoid a widening of the productivity gap.



A Major Tool for Business and Industry

- *It provides Canadian companies with the marketing edge needed to increase sales and profits.*
- *It is the management tool that can help Canadian companies expand and gain access to new domestic or foreign markets.*
- *"It" is BOSS!*

The Business Opportunities Sourcing System (BOSS), a computerized data bank established by the federal Department of Regional Industrial Expansion (DRIE) in co-operation with participating provincial governments, is one of the principal listings consulted by Canadian and foreign purchasers seeking Canadian goods and services.

In 1977, the federal and provincial governments saw a need for a sourcing system containing information on Canadian companies, to be used by Canadian trade commissioners worldwide in support of export development.

The result was BOSS, established in 1980 with an initial listing of 2 800. Today, in 1986, it has on file more than 20 000 manufacturers, trading houses and service companies and the numbers are constantly growing. The system has also proved its worth in all markets, domestic as well as export. Such rapid growth shows just how useful Canadian suppliers have found BOSS in helping them find new markets.

Some of the reasons why subscribers and suppliers access or register in BOSS are:

- the great variety of industrial sectors listed in the system;
- the easy and efficient access to the system;
- the accuracy and abundance of data provided;
- the wide range of foreign and Canadian users and subscribers;
- the provision of this service free of charge to companies.

Coding is the Key

The system uses the Canadian International Trade Classification (CITC) code

for product identification and is cross-referenced to other classification codes, such as the Brussels Tariff Nomenclature (BTN).

The company and product information contained in BOSS is now available on-line via microcomputers, as well as in a catalogue, on computer tape and on microfiche. The printed catalogue was recently made available to private sector subscribers and is published semi-annually in January and June. Once it is determined that the published and/or on-line versions meet the needs of users and subscribers, the microfiche format will be dropped.

Sectoral indexes have also been published for *Canadian Health Care Products* and *Canadian Trading Houses*.

BOSS updates are done on a continuous basis with the on-line system providing the most current information available. Company and product information is updated annually for approximately 75 per cent of those listed while, on request, the rest are updated every second year.

Locating Canadian Suppliers

More than 1 000 regular users now use BOSS to locate Canadian suppliers. This number does not include users who may consult BOSS occasionally, for example, to find potential suppliers for new product lines or for plant start-up.

In fact, in addition to the advantages of being registered in BOSS, companies can also consult the data base when they want to "Think Canadian" and locate Canadian suppliers of goods and services.

The BOSS client base is evenly divided between governments (federal, provincial, municipal) and the private

sector. Subscribers include certain Chambers of Commerce and purchasing departments of large corporations and Canadian-based multinationals, such as Stelco Inc., Noranda, Ontario Hydro, Versatile Davie Inc., Esso Resources Canada Ltd., McDonnell Douglas, Hughes Aircraft and Northrop, to name only a few.

By using the system, these companies can identify competitive Canadian manufacturing and service companies — helping in the effort to substitute Canadian for imported goods and services when price and quality are comparable.

Thinking of Exporting?

There are more than 170 Canadian embassies and consulates around the world whose trade commissioners use BOSS on a regular basis to identify potential Canadian suppliers for export markets.

In order to meet the growing needs of Canadian trade offices abroad, the system has been provided on-line to a number of trade offices on a trial basis. Based on the results of the test and the needs of the different trade offices, computer access to the system will be expanded.

In the meantime, however, all trade offices will continue to identify Canadian suppliers of goods and services through the BOSS catalogues of companies and products.

Future of BOSS

As the demand for BOSS increases and client needs change, the system will be further refined and expanded. One important future step will be to offer other areas of sourcing besides manufacturing and trading houses.

For example, last fall over 10 000 selected service companies were invited to join BOSS. These companies are currently being entered in the system and about 4 000 will be registered by this summer.

As soon as the data base is expanded, appropriate service sector catalogues will be published to complement the BOSS manufacturing catalogue.



tic matching of demand and supply with a communications capability.

This system will improve communications on marketing opportunities with Canadian companies, and will act as a clearing house for opportunities/sourcing matching to encourage new companies to broaden their market base.

Such a system would give Canadian suppliers a significant competitive advantage over other foreign suppliers since it would instantly find Canadian companies having the potential to meet the demand of particular buyers.

Marketing Campaign

In order to promote BOSS's new features and to increase the private sector client base, DRIE has launched an aggressive, targeted marketing program.

One of the first steps will be to encourage the purchasing departments of the top 200 industrial consumers to become subscribers and users of BOSS and, if they are Canadian-based companies, to register in BOSS if they have not already done so.

Numerous improvements to the program — such as the on-line system, specialized catalogues, and a larger list of registrants, including services industries — will make BOSS a more useful tool for all its clientele.

However, it is important to realize that BOSS is a dynamic system ready to change and improve in response to client needs. As part of the ambitious development program planned for 1986, additional improvements will be introduced in the months ahead and future changes will be planned based on feedback from users.

If you are a Canadian company and wish to register in BOSS, simply write to the address below, or consult your nearest DRIE Regional Office. ☐

For more information, please phone collect at (613) 992-9128 or contact:
Business Opportunities Sourcing System (BOSS)
Department of Regional Industrial Expansion
 235 Queen Street
 Ottawa, Ontario
 K1A 0H5

— by Suzanne Benoit
Market Development Branch
DRIE

As part of the BOSS expansion, there will be an intensive review and important screening of the data base to ensure that companies not on the system are contacted and eventually included in the data base.

This review will be carried out in conjunction with the sector branches and regional offices of DRIE, Chambers of Commerce and Boards of Trade, and the provinces. Every attempt will be made to convince companies to register in BOSS, and to encourage major industrial consumers to use the system for procurement.

Increasing the Number of Product Categories

Another feature of the BOSS expansion will be the broadening of the product code to permit a finer breakdown and more accurate product sourcing.

It will double the number of product categories used in BOSS and will

break the “not elsewhere specified” (NES) category into specific product designations.

User Programming Capabilities

On-line users are now able to gain access to the BOSS information directly and many have the capability to manipulate particular information of interest to them.

For example, on-line users can request a listing of all Canadian companies, located in a particular province, which export a product into Europe or elsewhere. More detailed analyses of the data are available on request from the analysts at BOSS headquarters.

Market Opportunities System (MOS)

In the near future, DRIE's Market Development Branch (MDB) will be looking into developing a Market Opportunities System. It will be run parallel with BOSS to include automa-

ArrowHead Metals: Strategy That Makes "Cents"

These days, hundreds of companies are making money from the popular belief that thin is in — fitness clubs and manufacturers of frozen low-cal dinners, running shoes and leotards. An established Canadian company has profited from this trend in a different way, one that makes a lot of "cents".

ArrowHead Metals Limited of Toronto is the first and only Canadian producer to manufacture copper and copper alloys in gauges as thin as .019 mm (0.00075 inch). Now that's thin!

The company's unique Ruesch/Sendzimir Z High mill is designed especially for high volume production of ultra-thin copper strip and foil.

Claude G. Belanger, ArrowHead's field sales manager, says there is a trend towards thinner, lighter and smaller materials in all types of manufacturing, including the copper alloy industry.

"Ultra-thin strip solves the problems of weight and cost associated with the use of copper metals, while retaining their excellent characteristics," says Belanger. "They are used in everything from light switches to roofing materials."

Ever since the automotive industry (which makes up 40 per cent of ArrowHead's business) started away from heavier, bulkier metals in its manufacturing techniques, ArrowHead has thinned down to meet the requirements.

For example, in automotive radiators and heaters, copper strip less than half the normal thickness is replacing heavier gauge materials and even aluminum.

"Rolling mills were limited to 0.0025 inch (0.06 mm) thickness and our customers wanted materials that were thinner. We decided we would be the ones to meet that demand," says Belanger.

"With the increasing demand for our state-of-the-art production methods, it's surprising that our only serious competition comes from one company in Sweden," adds Bill Nimmo, the company's manager of Metallurgical and Technical Services. "And we definitely have the edge considering how close we are to the world's largest market, the U.S."

In fact, until 1978, ArrowHead was a subsidiary of the giant U.S. Anaconda Company. Now, as an independent Canadian company, its exports to the U.S. have skyrocketed.

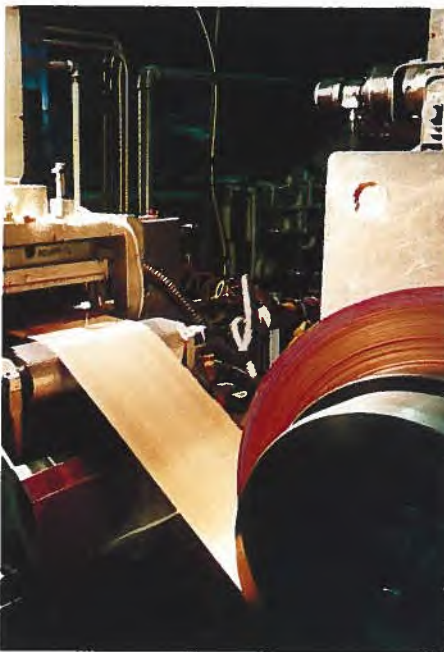
"It was only when we became a fully Canadian company that sales to the U.S. really took off," notes Belanger. The tremendous results achieved in that market provide a springboard for the company to plunge deeper into the world market.

ArrowHead Metals has been producing copper and copper alloy products for most industries for more than 60 years and now adds the ultra-thin products of the brand new Ruesch mill (named for the famous New Jersey company). Its recipe for success comes from its willingness to adapt to work demand.

The company supplies the world's manufacturers, fabricators and installers with materials such as sheet, strip, rod, bar and custom-made shapes in a broad range of coppermetals, offering one of the widest selections of mill forms and properties currently available from a single source.

"We are a fully integrated mill," boasts Belanger, "and cast all our own alloys."

The result of this unique, self-contained environment (under which every aspect is carefully controlled) is simply a superior product.



"The casting shop produces virtually all the feed materials for our rod and rolling mills," says Nimmo. "Over 40 different alloys are produced and cast right here."

ArrowHead people perform all general maintenance functions for the entire facility. An extensive machine shop provides parts, tools and repair abilities, its staff of well-trained employees representing just about every trade in the country. Dies are also made right on the premises.

The ArrowHead laboratory, with its in-house metallurgists and lab technicians, can carry out exact chemical analysis of any product to ensure compliance with customer specifications.

"There is even an atomic absorption spectrophotometer which checks for impurities such as lead and iron," smiles Nimmo.

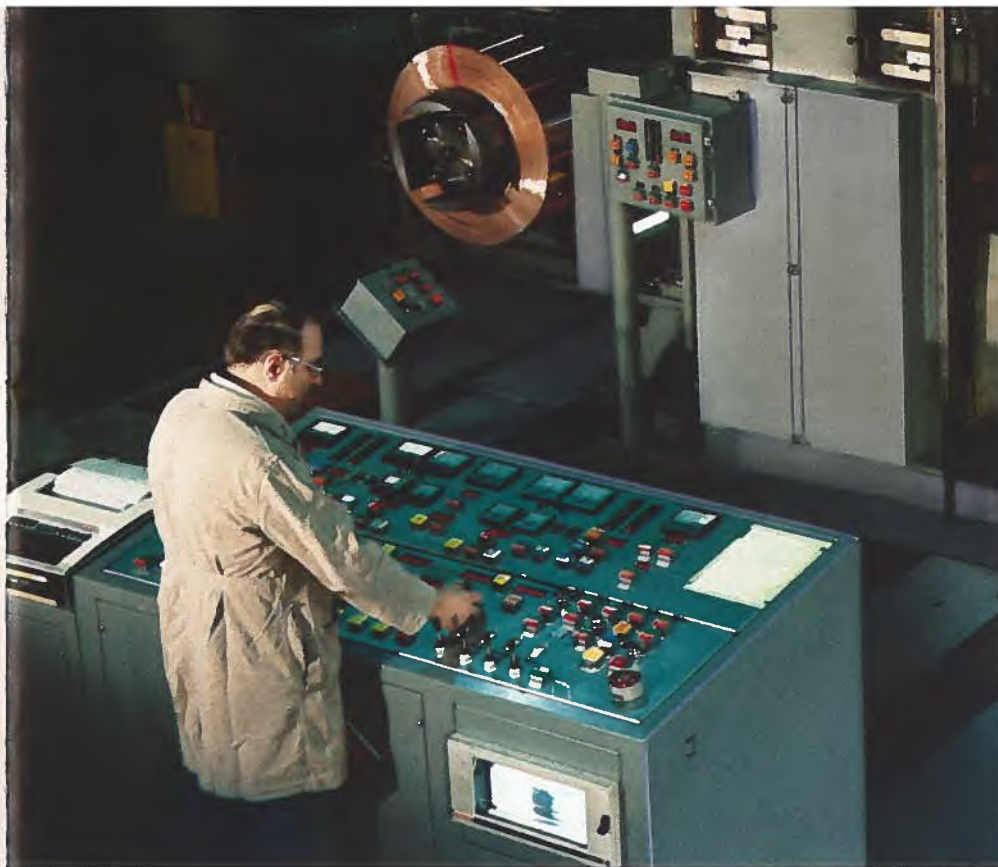
By having everything at its fingertips, this shining model of efficiency can serve a variety of clients who in turn produce a variety of everyday products. The electrical industry is an excellent example.

According to Belanger, "Our rod mill provides rods, bars and wire, raw materials used widely in all facets of the electrical industry — switch gears, fuse boxes, printed circuits, almost everything. Copper is an excellent conductor."

That doesn't mean you'll only find ArrowHead supplied products in the hardware store down the street. The company's star line-up includes clients like General Motors and Blackstone Corporation in the U.S. as well as a large number of companies in the ever-growing automotive aftermarket manufacturing industry.

In fact, you're probably carrying a little bit of ArrowHead with you right now. There's a good chance that some of the pennies in your purse or pocket came from the company through one of its most high-profile clients, the Royal Canadian Mint.

"We are perhaps the largest supplier of raw material to the Mint for the production of pennies," says Nimmo. Motioning towards the window overlooking the expansive plant, he adds, "Almost all the pennies in Canada start right there."



“Our export department serves users, wholesalers and importers around the world,” says Nimmo. “In Canada, ArrowHead products are available, along with technical assistance, through metal service centres coast to coast.”

“Our people are tuned in to world business and are aware of changing conditions that affect the supply of raw materials as well as the market for our many products,” notes Belanger.

The name of ArrowHead has obviously been spreading, but the main reason for recognition in recent years remains the Ruesch/Sendzimir mill. The thermal performance of copper, the speed and accuracy with which it can be formed, its simple, well proven soldering techniques, and ease of repair make this thinner material a cost-effective answer to problems of weight and performance facing manufacturers.

With precise computerized gauge control, the mill maintains accuracy with minimum operator intervention. The product is rolled to exceptionally fine tolerances, an assurance that the material will respond consistently during subsequent processing.

With a closer tolerance capability, clients can specify lighter gauge requirements. This yields savings as the strip has more length per unit, more metres per kilogram (feet per pound).

The new mill shows no sign of slowing down, and neither does ArrowHead.

“We’ve protected a market that most of our competitors have lost, simply by adapting to changing market demand,” says Bob Kay, ArrowHead vice-president and general manager. “Exports to the U.S. have been on the rise since the plant opened.”

“We’re planning to gain a strong foothold in foreign markets over the next few years,” adds Kay, “and we’re forecasting bigger things to come.”

ArrowHead Metals is a prime example of a company that saw a need, and provided the right product at the right time. With current trends continuing, so will the company’s profits. ☐

For more information, please contact:

Claude G. Belanger
ArrowHead Metals Limited
 260 Eighth Street
 Toronto, Ontario M8V 3E1
 Tel: (416) 259-6611
 Telex: 06-967643

Although its operation covers a 15.8-hectare (39-acre) site in Toronto and serves more than 70 countries, ArrowHead’s success is due in large part to the “esprit de corps” that has all employees taking pride in their work. “Everyone here cares,” says Nimmo proudly.

“If you walk through the plant you can sometimes find management right under the machines with the maintenance crews,” chuckles Belanger. “Everyone here gets their hands dirty so they really know what’s going on. Most of management stay out of their offices and are right on the plant floor.”

Company executives have recently rolled up their sleeves and introduced a sophisticated computerized scheduling system to attain and maintain optimum efficiency.

This advanced Optimized Production Technology (OPT) system has eliminated costly inventory that can sometimes drag a growing company down. Other firms taking notes can learn from this kind of efficiency.

And while management is concerned with what’s going on within the plant, it also cares about what’s going on above and below. ArrowHead has demonstrated a deep concern for Canada’s environment.

“Over a million dollars were invested to install a structural bag house that eliminates airborne emissions from the casting operations,” explains

Belanger. “Air sampling stations and a stack monitor make sure the system is operating efficiently at all times.”

Other environmental safeguards include a prize-winning acid treatment plant, a mill water recirculation system, and controls to conserve electrical output.

The company feels a responsibility to protect the natural resources from which it draws its raw materials. “ArrowHead finds what has to be done and takes immediate action,” says Belanger.



Leadership in Canadian Business — A Pressing Need

Canada's growth and prosperity traditionally have depended upon the nation's competitive ability in export trade. In a recent report by the European Management Forum, an independent think-tank, Canada ranked seventh among 28 industrialized nations in overall competitiveness.

This may sound like a reason to celebrate, but there are ominous clouds on the horizon. While Canada was rated 10th in productivity, we were ranked last, or 28th, in productivity growth, and 23rd in responsiveness to foreign market conditions.

Today we are faced with low commodity prices, increasing substitution for our raw materials in manufacturing, more Third World competition, increasing protectionism by our trading partners and shifting market demands. If our prosperity is to continue, clearly we must make substantial improvements in our competitive position.

This challenge requires a response from every Canadian, in both private and public sector organizations. Every

individual must decide to be part of the solution and not part of the problem. We must strive for excellence.

Achieve Enterprises Ltd., a Mississauga, Ontario company, is in the business of addressing this problem. Specializing in organization and human resource development, Achieve Enterprises was founded in 1978. Its president, Art McNeil, envisioned the need to help all employees apply better leadership practices in the day-to-day execution of their jobs.

Today Achieve Enterprises works with more than 200 major private and public sector organizations. The company also offers its program and processes to smaller firms through its new public seminar division, the Achieve Performance Centres.

The following are some of the company's recommendations based on its years of experience.

The Leadership Difference

In his book *In Search of Excellence*, today's most widely read management

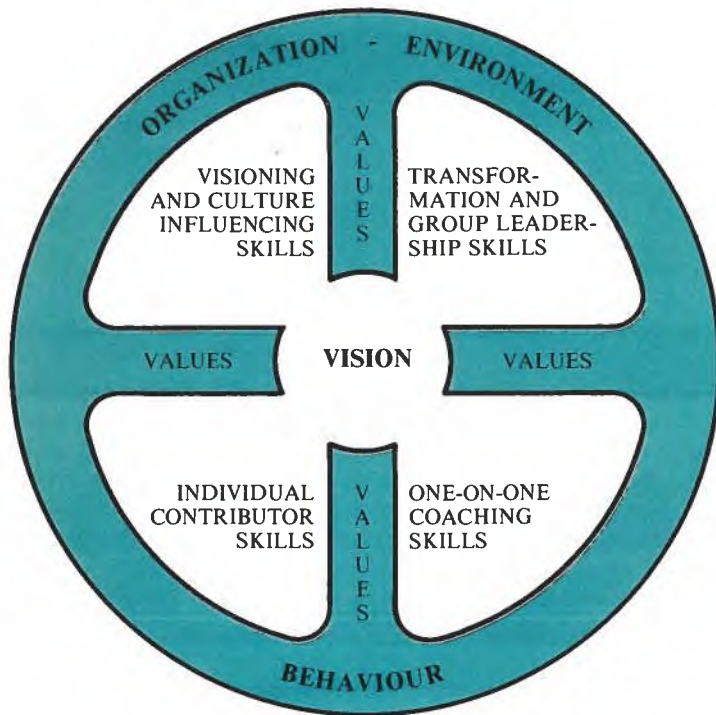
book, co-author Tom Peters noted that "excellent companies have excellent leaders".

The concept of leadership has two popular interpretations. The first and traditional interpretation is the *role* of leadership, with all its assigned power, as in the case of the chief executive officer (CEO) or divisional manager. The second and more contemporary interpretation is the *action* of leadership — the power assumed by those who take initiative to move people from one position to another.

History is full of examples of people who have demonstrated leadership skills — Mohandas Gandhi, Winston Churchill, John F. Kennedy and Lee Iacocca, to mention a few. In industry, some companies are especially recognized as leaders because they have a firm understanding of what they believe in and where they are headed, and employees from all organizational levels have a personal commitment to leadership. This is called Vision Integrated Performance[®] (see illustration).



VISION INTEGRATED PERFORMANCE®



Vision Integrated Performance uses the basic building blocks of superior performance — vision and values plus four levels of leadership skill — to bridge the gap between good intentions and concrete results.

Vision and Values

Leaders are not infallible. They are distinguished by *how* they do things, not so much by what they do. All leaders share two common elements — a vision of a preferred future (where they are going and what it will be like when they get there), and a shared set of common beliefs or values (the rules they will follow in getting there).

For example, Campbell Soup Company Ltd.'s vision is:

“Campbell Canada is a dynamic, market-oriented, growth company excelling in the ‘well-being’ business — that is, providing Canadians with nutritious and tasty foods while helping them enjoy a healthy, active and vigorous lifestyle.”

Campbell Canada's core values are:

- *An obsessive desire to satisfy customers and consumers.*
“...products and services of the highest possible quality and best possible value.”
- *A passion for creative risk-taking.*
“Innovation is the hallmark of all leading companies. . .”

- *A profound respect for people.*
“What better way to engender positive motivation, abiding loyalty and lasting satisfaction among all who work with us. . .”

Westinghouse Canada Inc.'s Electronics Control and Distribution Products division states its vision as:

“To achieve financial and innovative excellence through a joint focus — externally by leading the industry in understanding and responding to our customers’ needs, and internally by building an environment that encourages excellence in our people, productivity, quality and creativity.”

Westinghouse Canada's core values are:

- “Meeting customer commitments is our highest priority.”
- “People should be treated with trust, respect and fairness.”
- “The quality of what we do must continually be improved.”

The degree of consistency between the stated or implied values and the actions of the corporate executives and

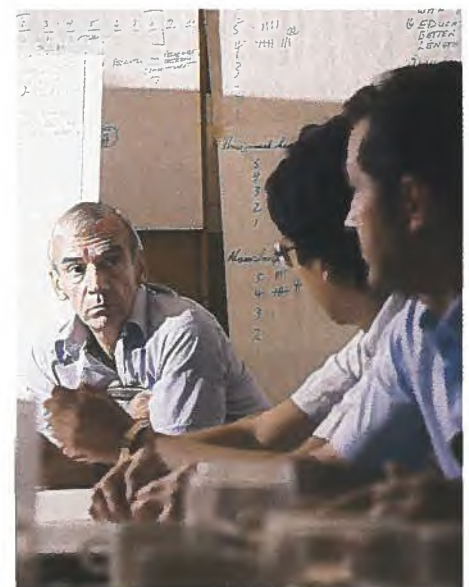
The role of the middle manager has undergone great changes in the past 10 years; “downsizing” has drastically reduced ranks.

senior managers determines the organizational environment. The organizational environment, combined with the interpersonal skills of individuals, determines employee behaviours — how employees treat other employees, clients, suppliers, shareholders and the community.

Are dealings based on trust or suspicion, sharing or concealing, innovation or status quo? Are employees committed to their jobs or are they just going through the motions?

Leadership skill is exercised at four levels of the organization — individual contributors, supervisors, middle managers and executives.

American researcher Daniel Yankelevich has found that the work ethic is indeed alive and well in North America. Today people want more out of their work than just a paycheck — they want to be key players in helping the business grow. Business leaders who can tap this energy are using their human resources to their greatest potential.



In order for employees to participate to the full extent of their capacity, they need to learn how to:

- get their point across, participate in meetings and be team players;
- deal with negative situations and resolve issues with others;
- build strong, lasting relationships with supervisors and co-workers.

Supervisors

Supervising with a carrot and stick is no longer acceptable. Punishment and reward techniques may force compliance but also cause distrust.

In order for supervisors to build employee confidence and team spirit, they need to learn how to:

- transmit the corporation's vision and values to their employees;
- explain the corporation's expectations of the employees;
- thank employees for being valuable contributors in a way that does not seem artificial or manipulative;
- help employees solve productivity, quality and behaviour problems to help them become aligned with the corporation's vision and values.

Middle Managers

The role of the middle manager has undergone great changes in the past 10 years; "downsizing" has drastically thinned the ranks. Those remaining find themselves in new situations with obsolete skills.

Today's middle managers must understand the corporation's vision and values (the "where we're going and how we'll get there"). They must blend together the physical and human resources to satisfy market opportunities in a manner consistent with the corporation's value system.

Most traditional management seminars, technical systems and motivational programs fall short of preparing middle managers for these tasks. In order to communicate the corporation's values and build teams and coalitions to move toward the stated vision, middle managers need to learn how to:

- build teams and coalitions and influence results through more than just reports;
- get power and control by empowering and developing team and coalition members;



- defer credit and share recognition as methods of motivating and empowering team members;
- lead rather than manipulate.

Executives and Senior Managers

Executive officers are responsible for defining the corporate vision and clarifying its core values. The successful ones foster an organizational climate that allows employees to feel enthusiasm for their organization and its products.

This is accomplished by executives who:

- encourage innovative action and experimentation at all levels of the organization;
- keep in touch with the people behind the statistics: employees, customers, suppliers, and whoever else is important to the organization;
- exist for the customer — innovate to meet customers' needs and provide real and perceived service and quality;
- foster individual commitment by delegating authority, sharing information, training and recognizing commitment;
- instill unique values by clarifying and communicating them to the whole organization through daily actions.

All of these skills sound like common sense. However, common sense does not always translate into common practice. We already *know* more than we *do*.

In a recent issue of *The Pryor Report*, a management newsletter, publisher Fred Pryor differentiated between bosses and leaders:

- Bosses drive their people . . . Leaders coach them.
- Bosses inspire fear . . . Leaders, enthusiasm.
- Bosses say, "Get here on time" . . . Leaders, "Get there ahead of time".
- Bosses fix the blame for the breakdown . . . Leaders fix the breakdown.
- Bosses say, "Go" . . . Leaders say "Let's go".
- Bosses use people . . . Leaders develop them.

The next several years will be watershed ones for Canada. Will we become masters — or victims — of the massive changes sweeping the international marketplace?

The key to future prosperity is leadership — by every employee. 🇨🇦

For further information, please contact:

**Achieve Enterprises Ltd.
Westfield Business Court
6315 Shawson Drive, Suite #7
Mississauga, Ontario
L5T 1J2
Tel: (416) 673-3377**

**— by Walter Nymark
Montreal Regional Manager
Achieve Enterprises Ltd.**

CANADIAN COMPANIES & PRODUCTS

Companies wishing to take advantage of this feature may do so without charge simply by sending sufficient material on product or service for no more than 100 words and a glossy black and white photograph to Canadian Companies & Products, *Canada Commerce* (BCOM), Department of Regional Industrial Expansion, Ottawa, Ontario K1A 0H5. As *Canada Commerce* is produced in both official languages, please send material in both languages if it is available.



New Ticket Issuing and Management System

SADA Computer Engineering Limited of Ottawa has recently introduced TICKETOUCH®, a state-of-the-art ticketing system that uses touch screen technology for menu item selection. The system may be used by any organization that issues different kinds of tickets from the same point of sale.

TICKETOUCH® provides summary reports for better management control and a statistical analysis package for better management planning. TICKETOUCH® comes as a stand-alone system or as a software package that can be installed on most mini- and micro-computers.

Multi-Purpose Industrial Containers

Ultimex Inc. of Lachine, Québec, offers a modern and thrifty solution to handling, storing and shipping problems. The company's containers are strong, foldable and stackable. They protect and store more product and virtually reduce (if not eliminate) the unrecoverable costs of wood pallets and carton boxes.

Built for capacities of 450 kg (1 000 lb.), 900 kg (2 000 lb.) and 1 800 kg (4 000 lb.), Ultratainers are available in standard sizes compatible with the transportation industry.



Non-Woven Floor Maintenance Pads

EMPRO Manufacturing of Bramalea, Ontario, introduces a specialty grade of Empro brand non-woven floor maintenance pads for ultra-high-speed floor burnishing machines. Innovative technology has been developed to produce EMPRO's new pad, which can be used on floor machines that operate with up to 2 000 rpm.

A complete line of non-woven floor maintenance pads made from polyester and nylon fibres, plus hand scouring pads and scrubbing sponges are available from EMPRO, which has sales worldwide.



Technical Documentation and Training Services

The Publications and Training Divisions of Transportation Technology Limited (TTL), Kingston, Ontario, provide services to industry, commerce and government. These services include writing, illustrating, editing and producing technical literature for operating, servicing and maintaining high-technology products and systems; technical training of personnel to perform operating, servicing and maintenance tasks efficiently; and creating and producing presentation material to support customers' products and services.

TTL's technical and training staff have extensive experience in such high-technology industries as aerospace, urban transportation and energy resources.



Reliance Electric Provides AC Drives to Ottawa Airport

Reliance Electric Limited of Kitchener, Ontario, is implementing a \$250 000 contract for 29 adjustable frequency AC drives destined for the newly-renovated Ottawa airport. With these drives the airport will be able to operate fans and a few pumps at optimal speed rather than fixed speed, with considerable savings in electrical energy. Calculations indicate that this investment in energy savings will pay for itself in less than 18 months.

New Line of Executive Furniture

The Pettitt Collection of executive furniture from SunarHauserman of Waterloo, Ontario, is a new offering of conference/executive tables, executive credenzas and corner units and high-back chairs. Tables feature the company's layered base in chrome and brushed brass finishes with top finishes in mahogany, cherry and marble or with leather inlay. The credenza units may match or accent tables in sizes from 53-cm (21-in.) square to 230-cm (91-in.) long units for executive office or boardroom use.



Largest Tanker Built for Québec Carrier

What its builder calls the biggest on-road, dry-bulk tanker-trailer in North America has been delivered to a Québec transportation firm by the Montréal shop of Bedarco McGruer Inc. The four-axle, all-aluminum unit was designed to haul plastic pellets or other light density products.

The tanker-trailer holds slightly more than 80 m³ (2 800 cu. ft.) of cargo and is 15 m (48 ft.) long, 4 m (13½ ft.) high and 2.5 m (8½ ft.) wide. Empty, it weighs about 9 500 kg (21 000 lb.).

Cost-Efficient Stainless Instrumentation Tubing

Associated Tube Industries Limited (ATI) of Markham, Ontario, introduces its BRS 75 welded instrumentation tubing. A streamlined manufacturing process yields savings up to 40 per cent over seamless tube. Dimensional control is greater for welded tube than for seamless tube as eccentricity is virtually eliminated and wall dimensions are closely controlled. Tube meets or exceeds ASTM/ASME A/SA 269 specifications.

ATI's BRS 75 is available in straight lengths and coils up to 915 m or longer. ATI also manufactures stainless steel, nickel, nickel alloy, titanium and duplex alloy tube, pipe and fabricated tubular parts for the automotive, chemical, petrochemical, petroleum, pulp and paper and instrumentation industries worldwide.



Laser Rangefinders from OPTECH Inc.

A high-technology company specializing in laser and electro-optical technology, OPTECH Inc. of Downsview, Ontario, introduces its Model 60 and Model 501 laser rangefinders. The rangefinders have a variety of distance measuring applications and were designed to be portable for either ground-based or airborne operations.

OPTECH offers other standard units and develops customized systems to meet particular requirements. The company has also specialized in major laser radar system development for a variety of industrial, government and university users.

For further information about the companies, products and services listed, please contact:

SADA Computer Engineering Ltd.
1213 Bordeau Grove
Gloucester, Ontario
K1C 2M6
Tel: (613) 830-4305

Ultimex Inc.
1050, avenue Pacific
Lachine (Québec)
H8S 2R2
Tel: (514) 366-4390
Telex: 055-62171 MTL — Local 480

EMPRO Manufacturing
80 West Drive
Bramalea, Ontario
L6T 3T6
Tel: (416) 457-5650
Telex: 06-97645

**Transportation Technology
Limited**
P.O. Box 160, Station A
Kingston, Ontario
K7M 6R1
Tel: (613) 384-3100
Telex: 066-3357

SunarHauserman, Ltd.
One Sunshine Avenue
Waterloo, Ontario
N2J 4K5
Tel: (519) 886-2000

Reliance Electric Ltd.
678 Erie Street
Stratford, Ontario
N5A 6W1
Tel: (519) 271-3630
Telex: 069-55116

Bedarco McGruer Inc.
5730, Place Turcot
Montréal (Québec)
H4C 1V8
Tel: (514) 933-7551

**Associated Tube Industries
Limited**
7455 Woodbine Avenue
Markham, Ontario
L3R 1A7
Tel: (416) 475-6464
Telex: 06-986871
Cable: Aticanco

OPTECH Inc.
701 Petrolia Road
Downsview, Ontario
M3J 2N6
Tel: (416) 661-5904
Telex: 06-217577

"Canadian Companies & Products" is a service provided for the benefit of the Canadian business community. While **Canada Commerce** attempts to verify the information published therein, the Crown assumes no obligation or liability with respect to either the products described, or the accuracy of product descriptions contained in this section.

A Key to Export Markets — PEMD

Trying to penetrate export markets is a touchy business that requires all the help a company can get if it is going to be a success. That's where the Program for Export Market Development (PEMD) comes in.

PEMD is a many-faceted program to assist Canadian manufacturers and food processors to sell their products abroad. It includes help in exploring export possibilities, market research and sales promotion in other countries. It is administered by the Department of External Affairs through the regional offices of the Department of Regional Industrial Expansion across the country.

Two young and aggressive Saskatchewan companies have taken advantage of PEMD and are now not only successfully selling their products abroad but actively seeking new markets.

B & D's Airfoil Chaffer Russia Bound?

In the heart of the great combine harvesters rolling across the steppes of the Soviet Union in the near future could be a key Canadian-made component that separates the wheat from the chaff — an airfoil chaffer.

Aiming to add this prestigious feather to those already adorning its export cap is the Craik, Saskatchewan, firm of B & D Equipment Ltd., fast becoming a farmland byword in the northern United States and Australia.

But before tackling the Soviet market at a trade fair last fall, says General Manager Geoff Booth, the six-year-old company had solid prospects of entering the combine business in France with its renowned airfoil chaffer.

Exports Factor of Success

"There is no question that exports have been the main factor in our success," says Booth whose boss, B & D owner Bert Wildfong, travelled to Australia a year ago for two agricultural machinery shows. "That's how we got into Australia in the first place, only a year or so ago. And it was at the Paris trade fair in March 1985 that we found the French very interested in our product. The trade fair is the only way to go."

Booth points out that Canadian participation in one of 1985's big shows in Australia, Ag-Quip, was sponsored by the federal Department of External Affairs. "So our expense really is getting there and back." Bert Wildfong also took in a second Australian show, Farmfest.

In 1985 Booth moved some 3 400 of his airfoil chaffers at around \$500 apiece. Of these, a good 75 per cent were for export markets.

"It's at the point now where we just can't keep up with demand. We've actually had to turn down orders. And most of this is due to exports. So if France, Russia and the others come through, we'll sure have to consider expansion."

Modest Beginning

All this had a modest enough beginning, Booth recalls. "A fellow from Idaho, Ray Stueckle, came up in 1979 and gave a series of lectures on combines, rebuilding concaves (the threshing mechanism), and showed us his special method.

"We started developing his ideas in 1980 and began to build our own. Before we knew it, our concaves were all over North Dakota. The U.S. has always been a large part of our market. They've a lot more machines there and, of course, the exchange rate on the dollar helps."

In 1982, B & D borrowed another idea, this time from California. This was the airfoil chaffer, the heart of the combine harvester which separates the grain from the chaff.

This proved the real launching pad for growth. From an initial investment of \$250 000, the chaffer now provides some 70 per cent of activity at the plant, which employs an average of 17 workers over the year.

"In 1984 we went to a trade fair in Australia. We were sure our chaffer was going to take so we sent over 200 samples. First thing, we had a distributor and were shipping out our first container load of 300."

The airfoil chaffer will have to be adapted to suit the French and Russian equipment, Booth explains. "This virtually means redesigning. But we know what their machines require and we can handle it."

Both in France and the Soviet Union there is considerable interest in the B & D chaffer for the harvesting of sunflowers whose seeds produce cooking oil and other derivatives, says Booth.

"But again, this is right up our alley. They've been widely used for this in the U.S. North Dakota produces about 15 per cent of all the world's sunflower seeds and France is into this in a big way, too."

Buyers Impressed

What impresses export buyers, he points out, is the ability of the Canadian-built chaffer to almost double capacity of the harvesters in current use. This especially interests the Russians, who are by far the biggest sunflower seed producers of all.

Booth and the team at B & D know they're contributing to Canada's impressive export record, some 30 per cent of everything produced today, representing \$112 billion in 1984 and climbing.

The company takes advantage of whatever government assistance is appropriate to its marketing thrust. The Russian trade fair, says Booth, saw the firm there under the group umbrella of the Program for Export Market Development (PEMD).

As for the future? "The only word I can use is super. We never expected that all this would take off so quickly," Booth adds. □

**For further information, contact:
Bert Wildfong or Geoff Booth at (306) 734-2601.**

Beline — A Vision of Exports

When John Bourne gazes across the lonely prairies of Saskatchewan, he has visions of the vast Russian steppes; the flatlands of Egypt; the fertile fields of France; the sun-baked Australian Outback; the coastal strip of Chile; the food producing areas of Mexico and Argentina; or the endless plains of China.

And everywhere he envisions agricultural cropland under production — vegetables, corn, potatoes, grapes, hops and even pineapples. He also sees his granular chemical applicators hard at work, dispensing herbicides, insecticides, fertilizer or seeds.

Since he launched the firm of Beline Manufacturing Co. Ltd. in the Saskatchewan town of Kindersley, not far from the Alberta border, “almost as a hobby”, back in 1962, Bourne has watched the company grow into an exporter of about 1 000 applicators a year mainly, at this time, to the United States.

Half the Plant's Production

Exports represent about half the output of the Beline plant, which employs 40 workers. The balance is absorbed by the domestic market at prices ranging from \$700 for the smallest unit to \$8 000 for the largest.

Bourne travelled to Australia a year ago to speak to dealership representatives about attending three agricultural

equipment trade fairs. His plans at the time called for taking in similar shows in Argentina and Chile before going to China.

He finds government aid, such as the Program for Export Market Development (PEMD), invaluable in helping out this vital overseas exposure.

“We have to work very closely with the firms which produce the granular chemicals,” Bourne explains. “Our product is not much good unless these are available to be dispensed, and their products need our applicators.”

Thus, to help break into an overseas market, he says, chemical companies usually co-operate in promotion by offering initial free product. Beline will then reduce its equipment cost in proportion.

Exports Field for the Future

“Exports are without question the field for the future,” Bourne says. “The U.S. is already a giant market and there is a huge need in the Soviet Union. I am confident we'll be there.”

Bourne has already travelled to the Soviet Union and found the prospects encouraging. He also has demonstrated his product's abilities under local conditions a couple of times in Egypt.

Just about everywhere, he has found a demand for granular chemicals to enhance crop production. “But, unfortunately, at present most of those

countries where the need is greatest are the least able to afford the cost.”


Bourne himself broke into the Australian market on a sales mission several years ago. The potential there is enormous, he feels. French farmers have also grown to like the Canadian-built applicators.

Different Challenges

“Each market offers different challenges. For example, if potential demand is great enough, it helps to induce chemical companies to set up plants in the area to avoid expensive shipping.”

Bourne is particularly proud that his Kindersley plant handles the entire applicator manufacturing process, including the electronic control circuitry which permits operation while driving a tractor.

“About the only things we have to buy are components such as transistors and chips. We do all the assembly and preparation for installation ourselves.”

With sights set high and the entire food-producing world as a target, what began as Bourne's “hobby” promises to keep adding to Canada's improving export sales record. 

**For further information, please contact:
John Bourne at (306) 463-6491.**



FAILTE: Welcome to Cape Breton

The office is hot and muggy this August afternoon. It's four o'clock, and you've been struggling with a knotty business problem. Not enough left of the day to do much more. And there's a breeze out there. . .

In minutes, you're at the helm of your boat. Slip through the cluster of tiny, beautiful islands to that little unfrequented cove. Snorkel for oysters and mussels in the warm salt water. Pour two glasses of white wine

and enjoy the steamed mussels and fresh oysters together while the silent herons fish in the shallows and a flock of ducks lectures you noisily about invasion of privacy.

You're back on your mooring at nine — and suddenly the solution of that problem is clear. The office is only minutes away. By eleven, you've worked it out. And there's still time for a nightcap at the club, where a fine new local band is playing.





Where, you ask? Cape Breton — Canada's most attractive place to invest in the middle of what is considered one of the biggest, richest markets on earth, the North Atlantic triangle.

The climate for business was boosted dramatically on May 23, 1985, when federal Finance Minister Michael Wilson announced a Cape Breton Investment Tax Credit. The next day, Sinclair Stevens, Minister of Regional Industrial Expansion, was in Cape Breton to declare "a whole new era for the island".

"A whole new era for the island" is foreseen as Cape Breton Island gears up its resources and assets for potential investors.

In July 1985, the Cape Breton Investment Tax Credit, originally set at 50 per cent, was raised to 60 per cent and another measure — topping up assistance — was introduced. Topping up assistance allows the Department of Regional Industrial Expansion (DRIE) to enhance all its programs to 60 per cent of approved capital costs.

What this means for a potential investor is that these two incentives, together with the Industrial and Regional Development Program (IRDP), can provide up to 84 per cent of project costs. It's a package no investor can afford to ignore.

In addition, federal-provincial agreements, loan financing, marketing assistance, training subsidies and research and development incentives are available to increase the attractiveness of a business venture in Cape Breton.

But life is not just tax credits and balance sheets, and Cape Breton's attractions are not limited to financial incentives. They extend to a hardworking, loyal labour force, major ports, a rich social life and cultural heritage and fine recreational amenities.

In the early 1970s, economists were predicting that Cape Breton would have lost half its population by the middle of the decade. The economists were wrong!

Cape Breton Loyalties

Most Cape Bretoners have stayed. Cape Breton loyalties do not show up in econometric models but, says John Campbell who employs 65 people at Cape Breton Offshore Fabricators, they have economic effects.

"These people really want to be here," he says. "They really want to hold jobs and raise their families here. And there aren't that many jobs, so they really want your company to succeed. If you treat them like dignified human beings, they're the most loyal, devoted, hard-working employees you can find anywhere."

For someone who understands it the Cape Breton culture is a source of real strength.

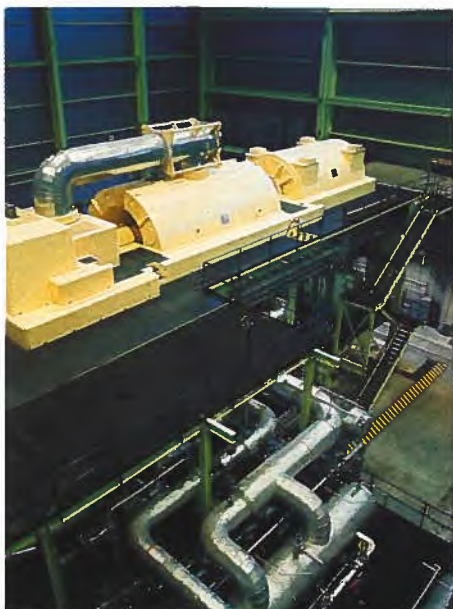
Cape Bretoners are accustomed to the support of a close community which has raised the barter system and "lending a hand" to a high art, and which cherishes a tradition of self-reliance based on hunting, gardening, fishing and cutting one's own firewood. Someone who is perceived as doing something for the good of the community can tap an immediate and impressive fund of goodwill. Doors open, facilities are found, people pitch in and things get done.

Sydney, the island's major centre, is a port city of 30 000 people. Yet 130 000 of the island's 180 000 people live nearby in the industrial area built on top of the great Sydney coal field, which stretches out under the sea perhaps as far as Newfoundland.

Because of the surprisingly broad variety of people drawn to the area, Sydney also has the widest mix of ethnic groups to be found anywhere in the Maritime provinces. Cape Breton's people are overwhelmingly Scottish, French and Micmac Indian, but Sydney's population also includes representatives of Ukrainian, Polish, West Indian, Jewish, Lebanese, Irish, Italian and many other ancestries.

The effect is a surprising richness of social life. Sydney has the only real delicatessens and decent bagels in eastern Nova Scotia. It has an astounding array of public and private clubs, from the West Indian Cricket Club to the Cedars of Lebanon Club, from rock lounges to steelworkers' taverns. Like most multicultural communities, it has a strong musical tradition which regularly spawns choral societies, rock bands, Scottish concerts and satirical musical revues.

And because the city is 200 years old — but has not been subjected to massive redevelopment — it has a unique architectural heritage with several downtown residences and other buildings dating back to the 18th century and many from the early 19th century. The restoration movement which has transformed Gastown, Old Montréal and the Halifax waterfront has barely begun in Sydney. Real estate prices are low and the opportunities are boundless.



Cape Breton's next most populated area is the Strait of Canso, which includes the towns of Port Hawkesbury, Mulgrave, Antigonish and Canso and one of the finest ports in North America. The strait's ice-free port is one of the largest and deepest on the East Coast.


The federal-provincial Strait of Canso agreement, signed under the Economic and Regional Development Agreement (ERDA), supports the Strait of Canso Industrial Development Authority (SCIDA). SCIDA is charged with promotion of the strait and infrastructure projects, such as the development of a marine industrial park at Mulgrave, considered necessary to attract private sector investment.

Other areas of note on the island are the popular Fortress of Louisbourg, where Parks Canada has recreated a spectacular attraction, and Baddeck, the home of Cape Breton's most famous Scottish immigrant, Alexander Graham Bell.

Baddeck has become a favoured port for the international yachting community. The prestigious Cruising Club of America has held several assemblies in the area and maintains one of only two "stations" outside the United States in Baddeck. (The other is in Bermuda.) Baddeck is the jump-off point for most visitors to the Cabot Trail, a spectacular cornice road along the Gulf of St. Lawrence and over the mountains

through Cape Breton Highlands National Park to the beaches of Aspy Bay and Ingonish.

Ingonish itself is a major tourist destination, with a fine golf course and a handsome full-service lodge owned by the provincial government. Cape Bretoners favour Ingonish not only in the summer, but in the winter as well, when the ski hill at nearby Cape Smokey offers some of the best downhill runs in the province.

Add skiing, sailing, golf, music, loyal workers, plus an attractive place to invest, and a "whole new era for the island" is in the offing. 

DRIE Nova Scotia

DRIE assistance to Cape Breton Island has been enhanced to entice investors to one of Canada's most attractive markets.

Heavy Water Workers Try Making It on their Own

In late October 1985, Bernie LeBlanc sat in his tiny office in the dungeon beneath the old gym at the Isle Madame District High School in Arichat, Nova Scotia. He didn't know it, but he was about to be presented with the Navy League of Canada's prestigious Meritorious Service Award. His sea cadet corp, 235 Arrow, was the best in the Maritimes in 1985.

But what was on his mind was his job at the Atomic Energy of Canada Limited (AECL) heavy water plant at Point Tupper, one of two plants on Cape Breton Island that were shut down in an effort to cut the federal deficit.

LeBlanc adjusted his thick glasses, pushed back on the metal chair squeezed into the space between the wall and the steel desk, and said he was thinking about starting his own protective services company.

What got him thinking so hard about it and checking out the details before making a leap from employee to potential employer, was a small business management course put on by the Federal Business Development Bank (FBDB) and sponsored by AECL for displaced workers.

"It sure makes you think," LeBlanc said.

At the other end of the island, Dave Muggah was a technologist at the Glace Bay plant for 13 years. He went into business for himself three years prior to being laid off. He now has four on the payroll of his heating and air conditioning company.

Muggah went into business without the help of a formal training program and had to learn about running his own show the hard way. "I learned the way most people did — asking questions, making mistakes and hoping I didn't make them again. The old school of hard knocks. It's the easiest one to get into."

With the announcement by federal Finance Minister Michael Wilson that the plants would close, the usual efforts to find replacement employment began. The training facilities at the two plants were turned into job-search centres as workers attended classes in how to find work, upgraded their skills and had résumés typed and mailed. The Crown

corporation even funded travel to distant Canadian locales for workers with job interviews they otherwise could not afford to attend.

Some workers found jobs. AECL spokesman Terry Allen says the engineers seemed to go the quickest of all but the overall success rate was low.

In an effort to improve the stability of his own business venture, Muggah took an FBDB course. He came away impressed and, in anticipation of the wholesale economic displacement expected to follow the closures, decided the Crown lending and training agency could help Cape Breton's heavy water plant workers.

Peter MacNeil's job is to find groups and individuals who would benefit from FBDB seminars. He and other staffers at the FBDB's regional office in Sydney talked about how to get involved in the heavy water plant layoffs. The next day, Dave Muggah walked in with a four-page proposal outlining his ideas on heavy water worker retraining.

In addition to providing capital for Canadian businesses that can't raise money elsewhere, the federal bank also offers small business management seminars and one-on-one advice for entrepreneurs. But never before has a major pre-layoff training effort been undertaken.

Dave Muggah was obviously interested as were, in short order, the FBDB and AECL. What no one predicted was the employee response — 82 so far from Glace Bay have taken the intensive one-week course along with another 50 at Port Hawkesbury where 70 more are on a waiting list.

"They are interested. You can tell by the way they dive into exercises and that makes you feel good as an instructor," FBDB's Dana Alaffe said after handing out diplomas to the first class at Port Hawkesbury.

Alaffe says the training effort has been positive for all parties involved — the two federal Crown corporations and the AECL employees about to be displaced.

But how many of the 200 employees who will eventually take the management course will also take the plunge



Dave Muggah, a technologist at the AECL plant

into private enterprise? "Hopefully, not all of them," FBDB instructor Dan Daley says.

Ten per cent is considered a reasonable success rate, Daley says, and warns that potential entrepreneurs would do well to look for specific needs to fill first, rather than setting up shop and then hunting for markets.

"A particular need has to exist," he says.

"We'd rather see somebody know what they're getting into and not get into it, rather than go ahead without knowing and fail," Alaffe agrees.

The statistics bear out their concerns. Between one-half and one per cent of Canada's 900 000 businesses go under each year.

Small businesses are receiving greater attention as factors in Cape Breton's economy.



Glance Bay, makes the transition from laid-off worker to entrepreneur.

But even those who don't go out on their own will benefit, says Glance Bay training supervisor Frank Teague. "Many people want a better handle on how businesses operate. If they find jobs, it makes them better employees."

The island's economy has been dominated by large operations, such as the heavy water plants, and financial, social and cultural disruptions have followed each time a large industry either departs or ceases operation. As a result, the small business sector has been receiving ever greater attention.

"We need a lot more of the small businesses that employ between 10 and 60 people," Muggah says. "Then the major ones can come and go with less impact."

As the politicians continue their attempts to attract businesses to Cape Breton, the spin-offs from the FBDB courses continue. Ralph DeCoste, a lab technician from the Port Hawkesbury plant, researched much of this article as part of his on-the-job journalism training while fellow worker Harry Ryan took some of the photographs submitted with the manuscript.


Port Hawkesbury plant worker Max Lavangie decided to get into the services station business, although he moved to the Halifax area to do so.

Dave Muggah is now talking about a co-operative venture among the AECL entrepreneurs that will help them cut costs for health insurance and secretarial services.

Muggah is already convinced not only that the course helps but that some worn out myths are finally being exploded.

"It's the worker of Cape Breton, the supposedly militant unionist, who is becoming the entrepreneur," he says.

And in spite of the rules-of-thumb that say, of the 10 per cent of the FBDB graduates who go into business, four out of five will be out of business within three years, Muggah is confident things can be different here.

"It's a gamble for anybody at any time. What we're doing is changing the odds." 

— by George Butters
Special to *Canada Commerce*

Joe Shannon — Cape Breton Entrepreneur

It's not easy to get a handle on Cape Breton businessman Joe Shannon.

Shannon, a self-made millionaire who has risen in 20 years from driving a tanker truck to owning half a dozen highly successful businesses, doesn't like to talk about himself.

"I'm not the only businessman in the strait," he says. "Why don't you talk to somebody else?"

But Shannon, 43, is an anomaly. Cape Breton, after all, is best known for its endemic unemployment and reliance on make-work government grants, not as an incubator for successful, self-made entrepreneurs.

A Sydney native, Shannon moved to Port Hawkesbury in 1964 as the owner-driver of a tanker truck for Wells Transport Ltd.

"I drove from Port Hawkesbury to Sydney," he said. "We were based in Port Hawkesbury because of Gulf Oil's ocean terminal at the Strait of Canso. Then we began to expand into mainland Nova Scotia."

And continued to expand.

By 1973, Shannon had bought Wells Transport. Today the company, now Seaboard Liquid Carriers Ltd., has 29 trucks carrying bulk oil, coal, sulfur and gypsum throughout Atlantic Canada.

His businesses multiplied during the 1970s to include a construction company, a retail tire outlet, a pipeyard for the offshore, a paving company and a cable TV franchise that services communities from Inverness to Petit de Grat to Canso and Mulgrave.

"I guess we've survived," Shannon says. "If you've got a product people want at a price they'll pay, people will buy it, whatever it is."

That pragmatic philosophy pervades much of Joe Shannon's work. Slim, efficient, casual in his manner, he is best known for a practical approach and an appetite for hard work.

"He has a great deal of common sense," says Lars Anderson of Stora Forest Industries, the strait area's largest industry. "He's demonstrated to the rest of us all the opportunities that are there."

Former Port Hawkesbury Mayor Art Langley agrees. "He (Shannon) doesn't mind working hard and long," Langley says. "Anyone who works that hard is bound to succeed."

Shannon himself sees long-term commitment as an asset. "A lot of fast buck artists came down here," he said. "Quick kill people. They never lasted."

Those "fast buck artists" came to the Strait of Canso at the same time Shannon did, in the 1960s, when the Canso Causeway was completed and Port Hawkesbury became the focus of development efforts.

Governments have recently offered various incentives to industry. For most businesses, setting up shop or expanding means reliance on grants and loans or tax credits. Shannon is unique here as well.

"We don't sell to government," Shannon says evenly. "We don't depend on anybody."

When the federal government wanted someone to overhaul the Cape Breton Development Corporation (Devco) Shannon was the choice.

Shannon spent one whirlwind year at Devco. In the first six months, he swept away nearly a dozen vice-presidents, disposed of several struggling companies Devco had been supporting, and stripped away expensive executive perks.

In the next three months, he organized the corporation's first "Meet the People" campaign, holding a series of grassroots hearings across Cape Breton to find out what farmers, fishermen, foresters, and tourism operators, the recipients of Devco's programs, wanted.

For Devco, such receptiveness was a new experience. Devco personnel were leery of the meetings; they expected nothing but complaints. But Shannon set a relaxed, conversational atmosphere in the meetings and Cape Bretoners flocked to tell Devco what projects they thought the island needed.

"The meeting in Baddeck started at one in the afternoon and went to 1 a.m.," Shannon said. "I think all of Cape Breton was there. If you create the

right atmosphere, there's a tremendous willingness to participate in discussion."

Much of that discussion was incorporated into Devco's five-year industrial development plan. The plan split Devco's coal and development divisions and freed up a lot of Devco money for private enterprise. "Before, it was going around in circles in-house."

In 1955, when the Canso Causeway first connected Cape Breton to mainland Nova Scotia, it created a side effect few had foreseen. The causeway blocked the drift ice from the north and Port Hawkesbury found itself transformed from a small town cut off from the rest of Canada all winter to the surprised custodian of one of eastern Canada's largest, deepest, ice-free ports.



Joe Shannon's year overhauling Devco produced a five-year development plan.

Planners were delighted. Development of such a valuable asset shouldn't be left to natural growth — it should be developed. They drew up plans to transform the quiet country town with gravel streets into an up-to-date community for up to 20 000 people, complete with new roads, water and sewage systems, schools, recreation facilities, zoning, industrial commissions . . . and dreams of prosperity.

Gulf Oil built a refinery and ocean terminal. Nova Scotia Forest Industries (now known as Stora Forest Industries, a subsidiary of Stora Kopparberg of Sweden) built what is still the province's largest pulp and paper mill, employing 1 000 people. AECL built a heavy water plant. Developer John Shaheen planned a refinery for Mulgrave across the strait.

A number of entrepreneurs arrived to service the new industries.

But the dream lasted only a few years. Growth came, but in much smaller doses than planned. Gulf closed down in 1980, Shaheen's refinery never materialized, and AECL closed its heavy water plant. As time went by other businesses stayed away, drawn to Halifax and central Canada by larger markets, cosmopolitan living, and a more favorable business climate.

Port Hawkesbury, now home to 3 500 people, and the site of Atlantic Canada's finest deep-water port, its closest port to Europe and the Venture gas fields, is at present almost empty of ships.

But Joe Shannon still sees a bright future.

"Transportation costs are going up," he says. "They're going to be a bigger percentage of costs. The only way to reduce costs is to use water. Eventually, people will realize that."

And Halifax, with its deep, ice-free harbour? Shannon feels Halifax is too crowded to grow any further.

"Look at the container terminal at Fairview. It's past two bridges. The huge container ships have to thread the needle through military shipyards, off-shore boats, little boats and oil tankers going to the refineries at Dartmouth. They put hundreds of millions of dollars into that terminal and now they're having to build safeguards to protect the bridges.

"We (Port Hawkesbury) can handle the biggest boats ever made. We have tremendous turn-around room. There's the railroad system to Upper Canada, more room for backup storage. They've got to look at a lifetime. Look at the costs of land in Rockingham and Halifax against land in Mulgrave and Havre Boucher. That affects any difference in travel time to the strait."

Shannon is not just looking for small businesses to come to Cape Breton, either.

"I get tired of people talking small all the time," he said. "We get more development people from that wonderful place called 'Away' who come in here and tell us that big is not beautiful. How do you get the small without the big to service? The big industry is the heartbeat.

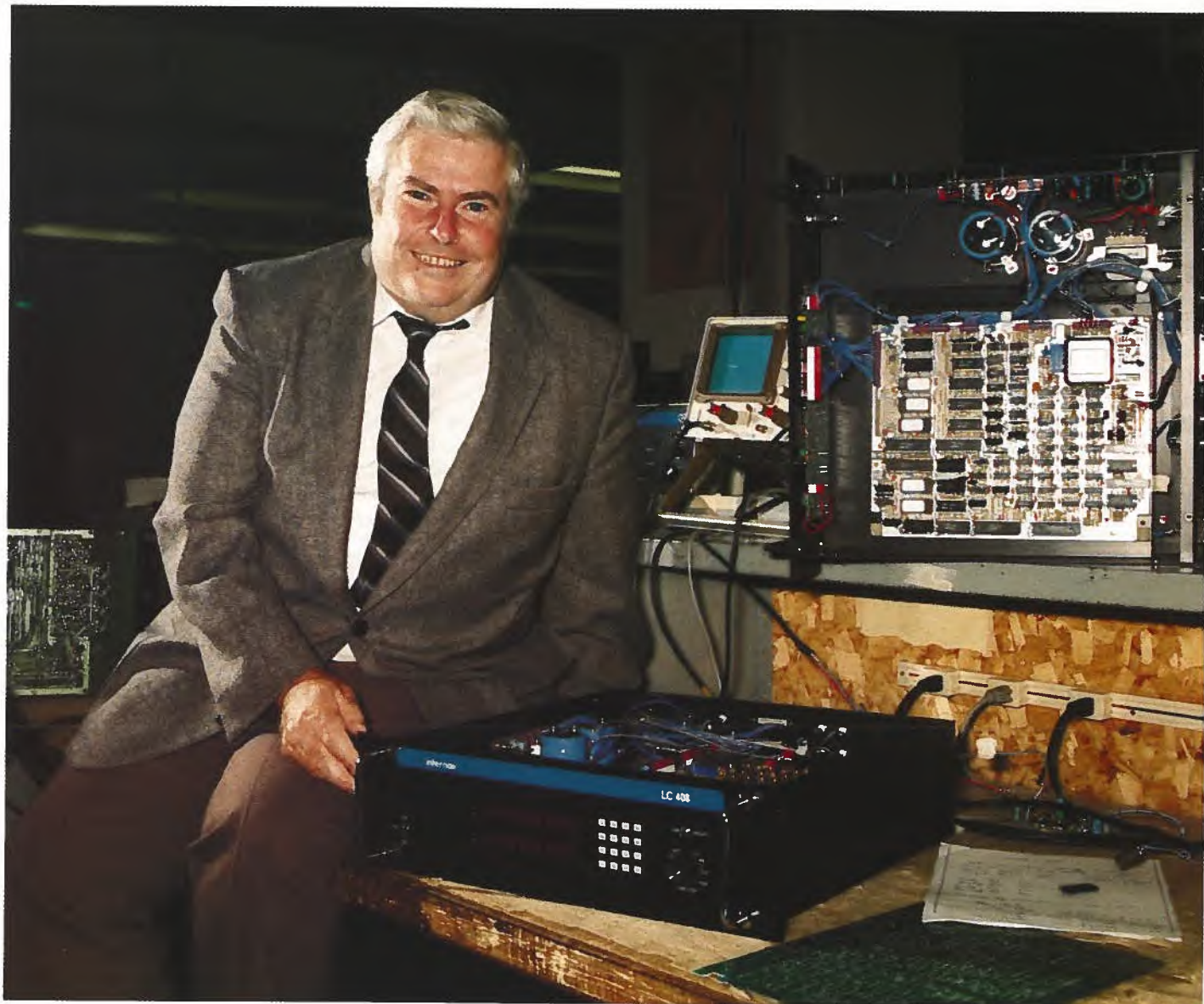
"We need a major industry here — one employing 1 000 people — or two or three or four medium industries."

And for all his independence, Shannon feels government has a vital role to play in Cape Breton. □

— by Anne Sherrington
Special to *Canada Commerce*

**Cape Breton businessman Joe Shannon
— a believer in the potential for business
in Cape Breton.**

*Cape Breton a great place
to “take on the world”, says
entrepreneur John Currie.*



John Currie, president of Micronav Ltd. and Internav Ltd. — a forward-looking native son who has created some sophisticated technology.

John Currie: Entrepreneur of Energy, Vision and Commitment

A tough, forward looking, native-born Cape Bretoner is convinced that his region's image can and must be changed. John Currie, president of Micronav Ltd. and Internav Ltd., is bent on sparking a high-tech manufacturing revolution in Cape Breton.

Currie's energy, vision and commitment are inspirations to others. His companies, which manufacture ultra-modern navigation equipment for marine and air transportation, are the clean, comfortable, "silicon valley" enterprises that were only dreamed about 10 years ago.

Since Currie first returned to his family's home in the mid-1970s, he has established a simple but effective formula. He takes advanced, mass-assembled products, with a relatively wide demand, and hustles them worldwide.

Thus, Internav Ltd. began manufacturing the "Loran-C" navigation system which quickly became standard equipment in most vessels. The "Loran-C" is small, reliable and easily shipped. As well, it can be manufactured by relatively unskilled workers.

"We have several competitive advantages. We concentrate on incorporating design changes as they evolve and we are keen on high reliability and ease of repair," Currie notes.

Internav seemed a natural. Cape Breton is strategically located for the east coast fishing industry, so a base market was available. Using an assembly line system, Currie could employ local Cape Bretoners. Rigorous quality inspection systems ensured consistent performance.

With the success of the "Loran-C" system, Currie turned his attention to a larger world-scale project. Once again it was a navigation project that took into account the realities of doing business outside Canada.

"The business person has to acknowledge that Cape Breton is always quite a way from major markets. If you have to move a ton of coal worth \$65 and it costs you \$40 to ship, you are in

trouble, but if your product is worth \$20 000 a ton and it costs you \$40 to ship, you are in fine shape," Currie claims.

The new project, produced by Currie's Micronav Ltd., is aimed at the world market. It is technologically up-to-date, in extreme demand, relatively cheap to move and easily assembled. The product, a Microwave Landing System (MLS) for airports, is being built just outside Sydney.

The MLS is a new standard adopted by the International Civil Aviation Organization. It is expected that, by 1995, most of the world's airports will have shifted from the now standard Instrument Landing System, which provides radio beam guidance to aircraft landing in poor weather, to the MLS. In Canada alone, 150 airports are scheduled for conversion.

The MLS is seen by experts as flexible, accurate and useful in boosting the efficiency of large airports and increasing access to small airports, regardless of weather conditions. At present, fewer than a dozen airports around the world use the MLS. One of them is Sydney, where a Micronav system is being tested by the Department of Transport.

The MLS has two elements — a ground transmitting unit and an on-board computer. There are eight companies working on the ground systems while a different group is working on the aircraft receiving systems. The ground equipment ranges in cost from \$350 000 to \$500 000 while installation costs might vary, depending on location, from \$50 000 to \$500 000. Worldwide, airport conversion is estimated to cost between \$3 billion and \$4 billion.

Micronav Ltd. has two key factors in its favour as it stalks the Canadian and world markets. It is the only Canadian manufacturer of an MLS system. Also, as an original designer and manufacturer, it is unhampered in its forays into other national markets and is able to introduce design modifications as required.

In 1985, the Department of Transport awarded a \$2.2 million contract to Micronav Ltd. to install a "showcase" system at the Pemberton, British Columbia, airport. The MLS is to be used to guide Air BC's Dash 7 STOL aircraft into the mountain-ringed airport.

Currie is ecstatic about the contract. "The Pemberton site will allow Micronav to demonstrate to Canada that we can supply this nation's needs. It will also prove to the world that Canada is a quality leader in supplying this equipment anywhere," he said.

When asked what share of the world market he anticipates securing, Currie smiles and asks, "How about if I'm looking to bite off \$1 billion?" He admits to being optimistic. "We are not giant killers. We are not going to put anyone out of business. The competition is and will continue to be tough."

However, Currie does insist that Micronav is competitive. "We have a proven product, up-to-date technology and a record of producing reliable equipment which is easily repaired."

He believes it is realistic to see annual sales of up to \$40 million a year for the next 10 years. This will mean opening two new factories and adding 300 to 500 employees.

John Currie's return to Cape Breton has meant more than just several hundred "high-tech" jobs for the island's hard-pressed economy. He has brought a new attitude to doing business and is active in local development associations.

"We have to be open to the world and the future. Cape Breton is a good place to live and work. Our labour force learns well and is more than willing to meet any challenge.

"Look around you!" he tells Cape Breton business persons. "We can compete in the 21st century. The new investment incentives for Cape Breton make this a great place to use natural advantages and take on the world." □

— by Peter Kavanagh
Special to *Canada Commerce*

Junior Achievers Prepare for the Future

Junior Achievement (JA) is an international organization, sponsored by industry, which is dedicated to teaching high school students the dynamics of business and entrepreneurial skills. From coast to coast, Canadian Junior Achiever teens meet one night a week from October to May to capitalize, operate and finally liquidate their own small companies.

In this way, young Canadians learn, by practical experience, to confront problems they will face when they enter the world of business and finance — problems such as those besetting Cape Breton Island.

Over the years, Cape Breton business development strategies have run the gamut from high profile branch plant operations and proverbial “fly-by-night” operators lured by short-term incentives that all too often left behind only empty buildings and expectations, to indigenous cottage craft industries that do not have a significant impact on the economy.

There are indications that private industry on Cape Breton will have a greater rate of success in the future thanks to the Junior Achievers, who have already gained the respect of prominent national business leaders.

Under the guidance of adult advisers, Junior Achievers form their own boards of directors, elect executive officers, decide on a product and then get down to the business of business. Capital is raised by selling stock at \$2.00 per share to parents, friends and neighbours. It is used to buy raw materials, lease equipment and pay rent for working quarters.

Every JA company experiences dilemmas in employee motivation, production, financial control and marketing. Companies pay wages, sales commissions, insurance, provincial and federal taxes (paid into a local JA fund for awards, travel and scholarships) and most other normal business expenses. In May, when the companies must liquidate, they pay off all bills, close their books, prorate assets and issue an “annual” shareholders’ report.

The Canadian Junior Achievement program began 30 years ago at the instigation of Ralph Baker, former president

of Standard Oil. Cape Breton’s JA was incorporated in 1981, primarily through the efforts of Dr. Rein Peterson, York University professor of entrepreneurial studies, who was at the time vice-president of long-range planning for the Cape Breton Development Corporation in Sydney.

Peterson, although no longer a resident of Cape Breton, is still a national JA director and speaks with fatherly pride of the remarkable achievements of the Cape Breton Junior Achievers.

“In only four years, the area has maintained a 97 per cent profit rate, whereas the national average only ranges between 60 and 65 per cent,” Peterson reports. “It is also the first district in Canada to have all its companies show a profit. In fact since 1981, there has only been one company not able to do this. The only other area to achieve this was London, Ontario, last year where Junior Achievement has been active for 20 years.

“Most notable of all and unprecedented in Canadian JA history, Cape Breton companies have twice won the prestigious national *Company of the Year* award.”

Georgina Day Taylor, the energetic director of Junior Achievement in Cape Breton, explains that, in addition to overall company successes, there have been many outstanding individuals in the Cape Breton program.

Cheryl Carver, a 19-year-old now enrolled in the business program at the University College of Cape Breton, has the self-confidence of a winner tempered with a dose of modesty, considering her achievements. She feels the JA program itself can change any high school student in a significant and positive way.

Cheryl was the president of Jatomic Enterprises, the 1984 national JA Company of the Year. She was also one of five Junior Achievers in Canada who received the annual *Touche Ross* scholarship for outstanding demonstration of leadership, interpersonal skills, inquisitiveness, an active involvement in organizations and a broad knowledge of current events.

In 1985, Cheryl was also selected as a panelist at the Canadian Business Leadership conference held in Toronto.

Cheryl Carver, Junior Achiever, president of Jatomic Enterprises.

Awards won by the Junior Achiever company, Jatomic Enterprises.

Cheryl Carver and some of her co-workers in Jatomic Enterprises.

The Kehoe sisters of Arichat with some of their Junior Achiever awards.

She joined such distinguished Canadian leaders as industrialist Sonja Bata; Dr. Douglas Wright, president of the University of Waterloo; Frank Stronach, well-known Canadian automotive entrepreneur; Mickey Cohen, former Deputy Minister of Finance; and Howard MacDonald, chairman and chief executive officer of Dome Petroleum.

Cheryl joined JA in grade 10 but left most of the active participation to more outgoing students. However, by grade 12, she recognized her own abilities and decided to run for president, beating out a male colleague in a tie-breaking vote.

In awarding the top prize to the Jatomic company, which manufactured a compartmentalized travel case for automobiles, judges cited the group’s ability to overcome operational problems expeditiously; its strong marketing skills and excellent reporting procedures; and especially its high regard for its employees. This sensitivity developed because all company executives were involved in all aspects of the company’s operations. Cheryl seemed to apply the Japanese philosophy of motivation to her own situation.

“There were absolutely no lines of distinction between management and labour,” she said. “We all had the same goals and wanted the company to succeed, so everyone worked hard to pull the project together. As president, I felt it was only natural to reward all the employees with bonuses when we did so well at the end of the term.”

Cape Breton Junior Achievers win top honours.

Cheryl would be considered an exceptional student, no matter where she lived, and there is a growing list of Cape Breton Junior Achievers who have outshone their counterparts across the country.


The Kehoe sisters from Arichat, a tiny Acadian fishing village with nary a traffic light to hint at urbanization, have both done exceptionally well in the program. In 1983, the older sister was the first Cape Breton president to achieve the *National Company of the Year* award, and this year the younger sister won the *Celanese Canada* essay and speaking contest for the Atlantic region and placed second in the nationals.

Beverly Dawe, from the coal mining town of Donkin, won the \$1 500 *Schulich Family* scholarship for entrepreneurship.

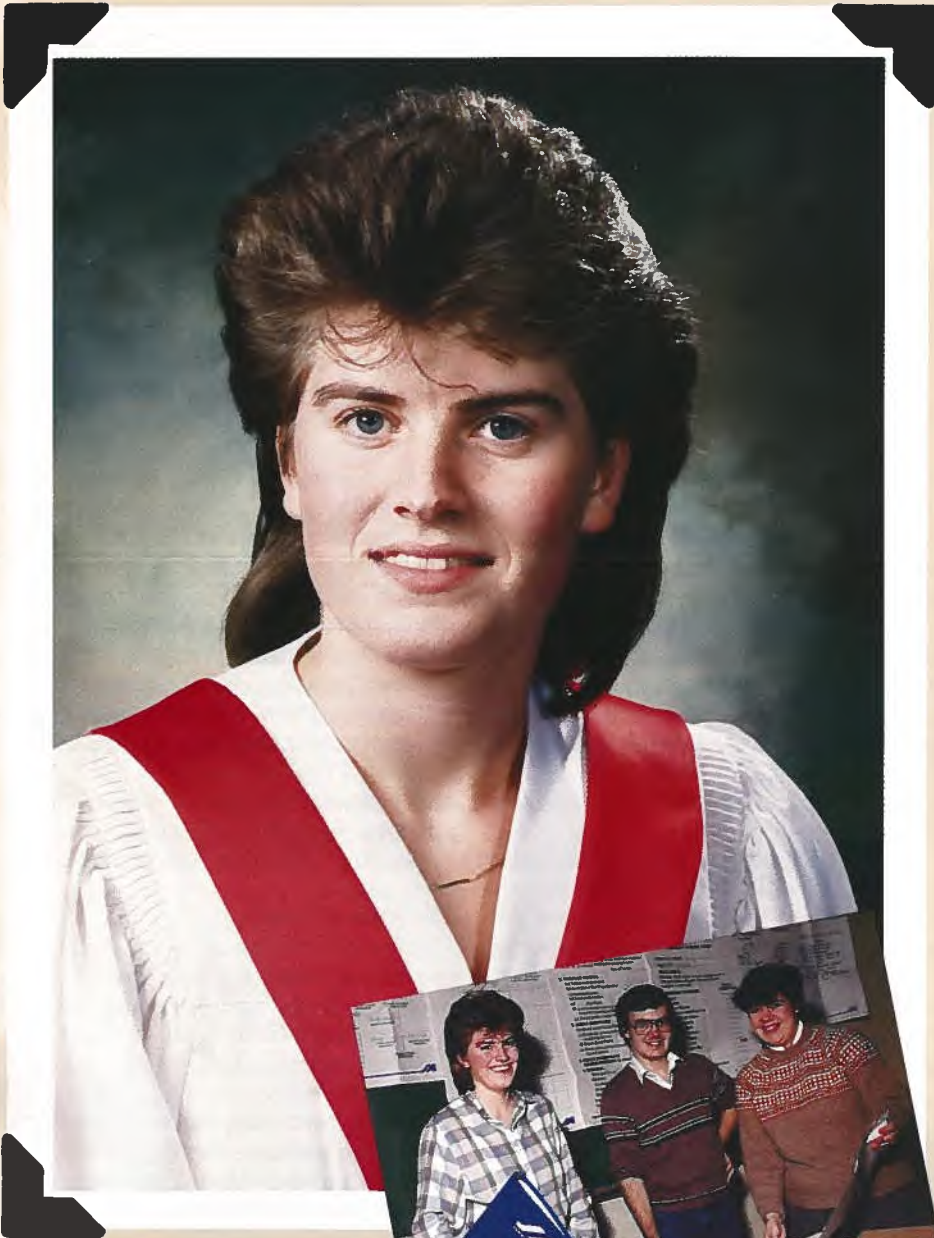
The list continues to grow, including regional winners and national award recipients.

Many people, including officials of the National Junior Achievement Association, have tried to explain the success of the Cape Breton young people. It may be due to the school system, the JA advisors, the community spirit, which has always been strong in Cape Breton, the amount of extra-curricular activities in Cape Breton schools compared with other centres, or even the predominance of females in the program.

Professor Peterson, who conducts weekly seminars at Babson College in Boston and at Harvard Business School, in addition to holding the Magna Chair of Entrepreneurial Studies at York, is not surprised by the Cape Breton super achievers. He cites the need achievement theory, developed through Harvard research, which has shown that entrepreneurs and females do best in a negative environment. He's not surprised by the success stories but rather by the speed at which this success has been achieved.

Theories and questions aside, Cape Bretoners can perhaps be hopeful that Junior Achievement has hatched enough of these young entrepreneurs to boost private industry in the region. 

— by Joan McDougall
Special to *Canada Commerce*



Tourism in Cape Breton — Room to Grow

If, over the decades, fate has sometimes been unkind to Cape Bretoners, nature has compensated by gracing the island with a remarkable beauty. The inhabitants are so captivated by their own turf that they refuse to leave it behind and newcomers are not long over the causeway before they, too, are extolling their adopted home as being without equal.

All this has not escaped the notice of the visiting public and Cape Breton already enjoys an active and vibrant tourism industry. But, as the resident tourism operators will tell you, the potential for more tourism development is enormous.

"When you travel elsewhere and see what they're selling, they have nothing on this island," says Louisbourg restaurateur Kurt Fulmer, whose first venture in the tourism business was a ski lodge in Vermont. "Fantastic things could be done here in the tourism industry."

Recent incentives established by the federal government to attract investment to Cape Breton are going to be particularly effective in the tourism industry, some observers say.

One of those observers is Eric Schibler, manager of financial services with Thorne Riddell. "Anyone who has been to Cape Breton and has seen the

beautiful scenery and some of the excellent tourism developments knows it has a natural advantage," he said.

"When you apply to that the government's assistance to businesses of up to 60 per cent and then add the 60 per cent tax credit, there are certainly some interesting possibilities for individuals and corporate investors."

The rich mosaic of mountains and seascapes, lobster suppers and fiddle tunes, miners and pipers alone makes Cape Breton a prime destination for tourists. But there are several outstanding areas that present attractive options for entrepreneurial development.

Sailing and the Bras d'Or Lakes

The Bras d'Or Lakes offer some of the best recreational sailing in North America. They boast all the benefits of ocean sailing without the problems. Warm, fog-free, salt waters provide safe but challenging sailing, surrounded by some very fetching scenery.

The focal point of the largely unsettled coastline is Baddeck, the village that Alexander Graham Bell, in an obvious exercise of good taste, chose for his home.

Baddeck has a cluster of first-rate tourism operations and the local entrepreneurs who run them see room for new attractions and facilities. Among them — a sailing school, boat charters and rentals, theatre and cultural festivals, fishing charters, scuba diving and bird-watching boat tours.

Louisbourg and Isle Madame

Parks Canada calls its reconstruction of the Fortress Louisbourg "Canada's most ambitious attempt to recall its past". As the country's largest historical reconstruction, Louisbourg outranks the development of the lower town in Quebec City and Ontario's Upper Canada Village.

Well over 200 000 people visited the site in 1980 and on some days as many as 2 500 people will tour the fortress. The sheer numbers suggest opportunities may be present for the entrepreneur. Only one 47-unit motel and a handful of guest houses are located in the town of Louisbourg. Visitors now travel 35 kilometres (22 miles) to Sydney to seek shelter.

Further down the coast from Louisbourg and sharing the unique French heritage is the picturesque Acadian fishing village of Isle Madame. Not only is this spot a painter's and photographer's paradise, but it is also a centre of Acadian life where the local population puts its culture on proud display. One could easily imagine a painting and photography school, a French-style auberge, deep-sea fishing charters, and restaurants featuring local cuisine.

The Cabot Trail

The Cabot Trail has always been considered a very special place. People have been drawn by unspoiled panoramas, spectacular cliffs plunging into the sea and by the trail's softer side, the lush Margaree Valley.

It is here that the bulk of Cape Breton's tourism development has occurred. There's a first-rate golf course, a ski resort and a lodge once described by *Cosmopolitan* magazine as one of the 10 most romantic spots in the world. There are inns exuding country charm, bed and breakfast facilities, beaches, trails and campgrounds by the sea. The people can be as spirited as a Scottish jig or as contemplative as the slow air of a lone piper.

In short, this part of the world provides the quality of vacation experience that market surveys say tourists want — a kind of "foreign mystique".

Yet the Cabot Trail offers plenty of room for entrepreneurs to develop existing attractions and create new ones.

Fortress Louisbourg: Canada's largest historical reconstruction.



Cape Smokey, already one of the best alpine ski hills east of Montréal, will be upgraded at a cost of \$1.3 million in preparation for the 1987 Canada Winter Games. Further up in the Highlands at Cape North a five-kilometre (three-mile) cross-country ski trail is being built and will also become part of the Canada Games legacy to the island.

Other natural resources provide ready-made opportunities for entrepreneurs. The Margaree River is one of the most beautiful salmon rivers in North America and begs for developments such as fishing and camping operations, guided canoe trips and cottages.

Throughout the Cabot Trail the geography inspires ideas — outfitting, horseback riding and riding schools, bicycle tours, farm vacations, wildlife



The Cabot Trail has long been a popular tourist destination.

reserves, seaside inns, art schools, restaurants featuring local cuisine . . . the list goes on.

Tourism in Cape Breton is entering a period of unprecedented opportunity for development. The natural advantage

is apparent and the federal assistance package is attractive. Tourism entrepreneurs would do well to consider the possibilities. ☐

— by Winnifred Desjardins
DRIE Halifax

What Entrepreneurs Say About Cape Breton

Scott MacAulay, Inverary Inn

Scott MacAulay runs the lovely Inverary Inn in Baddeck. It's the kind of place where visitors breakfast on Scottish oatmeal porridge and spiced applesauce before leaving the knotty pine atmosphere for a day of sailing or exploring the highlands.

MacAulay enjoys Cape Breton for the same reasons his guests do. "There are no traffic jams, no crime," he says. "There's beautiful countryside all around and when you're sailing, you're not bumping into other boats."

MacAulay has put on gourmet weekends, murder mystery weekends and plans to offer tennis clinic weekends. For him two tourism opportunities stand out — the Bras d'Or Lakes, which he calls "the best recreational sailing waters in North America"; and the Cape Breton/Scottish culture as expressed in music, dance and theatre.

Joe VanShaick, Bird Island Tours

Joe VanShaick considers himself "a builder of dreams". To that end he will go to great lengths to enhance the character of his bird-watching boat tour, including personally adopting the persona of an old sea captain. People come from as far away as the Soviet Union, New Zealand and Argentina to view a rarity — the nesting grounds of the puffin. What they get as a bonus is sight of

the bald eagle, the great cormorant, the razor-billed auks and other birds.

VanShaick makes it clear that when he's talking about Cape Breton, he's talking about "the most beautiful island in North America". "The scenery," he says "is unforgettable in any weather."

As for business, he could expand "about tenfold" before he gets to saturation. "People are more and more getting into nature."

Kurt Fulmer, The Grubstake

Kurt Fulmer and his partner Joe Schneidewind operate The Grubstake restaurant in Louisbourg in the summer and part company in winter; Schneidewind for another Cape Breton tourist operation, a ski hill, and Fulmer to his consulting business which is, not surprisingly, in the hospitality industry.

The Grubstake was built many years ago as the home of a ship's chandler and suffered through several incarnations as a pool room and a funeral parlor before it was given its present respectability as the home of oven-poached swordfish steaks and steamed broccoli with Hollandaise sauce.

Fulmer and Schneidewind established the restaurant as a summertime counterpart to their wintertime enterprise, a ski lodge in Vermont. Both are now year-round Nova Scotians and

believe that there is no place with more potential for tourism development than Cape Breton. "We can do a fantastic job with tourism here. Cape Breton has so much going for it; other places just don't compare."

David MacDonald, Normaway Inn

David MacDonald's belief in holding on to the traditional things of value and supplementing them with new ideas is reflected in his inn. The Normaway's architecture is reminiscent of a fine old English-style cottage and its tranquil and secluded setting in the Margaree Valley epitomizes a wholesomeness that MacDonald believes is characteristic of Cape Breton.

Yet MacDonald sees room for new types of tourism development — restaurants to cater to bus tours, for example. He describes the tourism industry on the island as being underdeveloped with plenty of room for growth. He can list a dozen properties that are begging for tourism development and claims that while the island "may not immediately attract the Princess Carolines of the world, it can expect to appeal to the North American executive class". ☐

— W. DJ.





Centre Bras d'Or Combining Talent with Business

Most of the nation turns to somebody else for entertainment. Cape Bretoners, on the other hand, are just as likely to entertain each other. Whether it's song, dance, theatrical performance, haunting poetry or any of a dozen other forms, Cape Breton culture is of the hands-on variety.

But times seem to be perpetually tough for a large segment of the population. In 1985, the Cape Breton Advisory Committee was set up jointly by the federal and provincial governments and among the ideas and schemes and points of view it encountered was Centre Bras d'Or.

"I feel we have, in the making, a major cultural industry in Nova Scotia," Dr. Donald Campbell said during a press conference to announce an arts festival as the centre's first major project. Dr. Campbell is chairman of the centre's board of directors and president emeritus of the University College of Cape Breton.

The board hired freelance producer Stephen MacDonald to put together a 14-day extravaganza. He did, starting with music and including crafts, dance and theatre.

The self-effacing reviewer, *Rise and Follies of Cape Breton Island*, sang of jobs for even the deceased and the seagulls when the offshore oil comes ashore. Taj Mahal overpowered his audience with the blues. CODCO

brought the irreverent humour of Newfoundland while the Atlantic Camerata Trio played Handel, Scarlatti and Bach. On the rear wall, a quilt large enough to cover a small house depicted the different cultures that live on the island — Scot, Acadian, Micmac, Italian, Swede, American and so on.

As the festival was being announced, however, executive director Silver Donald Cameron — a local author, journalist and businessman — was already looking ahead to the future. "The summer festival is only the beginning," he said.

The momentum was maintained with a series of workshops and public readings in the early fall of 1985 that included a visit by Australian poet Lee Murray, winner of a Canadian-Australian literary competition.

"With Centre Bras d'Or, we really mean business and I think the business community recognizes it because it is supporting us," Dr. Campbell says.

Indeed, the board of directors includes wealthy Sydney businessman Irving Schwartz, while Atlantic Canada Plus founder and promoter Harvey Webber lends regular support.

Schwartz's chain of highly promoted furniture and appliance stores has made his name a household word. Webber's so-called self-help plan for the region has altered traditional consumer buying patterns in favour of regional products.

The business-like approach, also favoured by board member Mister Justice F. B. William Kelly of the Nova Scotia Supreme Court's trial division, is the reason the board decided to engage Halifax-based consultants, DPA, to investigate what the centre should be, how it should operate, its building requirements and the market it would serve.

Campbell outlines the centre's objectives: "We have a unique focus — science and technology applied to the arts."

Board member Dr. William McGowan, director of the National Museum of Science and Technology in Ottawa, says the village of Baddeck is an ideal location for the centre. The village was the summer home of Alexander Graham Bell and boasts a national museum dedicated to the inventor.

"It's great to build upon what is already in existence here — a worldwide exchange of culture," McGowan says.

The business-like approach, though, calls for a setting of priorities, a funding system and a plan of action.


Campbell says he wants to establish "a superior communications facility" at the centre with state-of-the-art television and satellite capabilities. He envisions the day when the centre can provide seminars for the arts community.

Cameron says the consultant's report should be finished soon, thanks to the major contribution from the federal Department of Communications, help from the Department of Regional Industrial Expansion through a federal-provincial development agreement and the Bronfman Foundation and a surplus from the summer festival.

Board members are so sure of themselves and their idea, to create jobs and a cultural centre at the same time, that they are planning the 1986 Centre Bras d'Or Festival of the Arts.

As Mr. Justice Kelly put it: "The desire and the enthusiasm and the spirit of Cape Breton are very much alive."

With the Banff Centre School of Fine Arts as an example of what can be done, Cameron says the opportunities at Baddeck are limited only by the imagination and drive of the organizers. And, for his money, the goal is lofty.

"Our sense is that we are building a national institution." 

— by George Butters
Special to *Canada Commerce*

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