

# BUSINESS



## Bruce Strapp

**▲ MAGIC, MEMORIES** and fun was the message delivered by Walt Disney at the Festivals Ontario conference held recently in Sault Ste. Marie.

Well, Walt did not actually show up but the message was delivered from Orlando, Florida, by Disney University via video conference. This is the corporate philosophy of the Disney organization towards its patrons since it started in Walt and Roy Disney's garage.

Their dream started with \$500, and grew to a billion-dollar company of attractions on which the sun will never set. Not a bad philosophy to incorporate.

Sault Ste. Marie's strategy for tourism is focusing on what is obtainable in regards to supporting new and existing attractions, festivals/events, marketing and servicing.

The reason for this strategy is to create jobs for our citizens and to improve our quality of life. To be successful in this growing industry, the community is starting to recognize the benefits of and take a positive attitude about tourism. Tourist and visitor servicing is a key component that the community can really support.

We are not as large as Walt Disney World but we can embrace their attitude when it comes to being hospitable and friendly.

We Saultites are noted for our northern hospitality. We have put on some phenomenal events — the Labatt Brier and the Memorial Cup — which have given us notoriety among those who visited our city for these events.

For the visitors who will be coming in the future, we need everyone, all 80,000 of us, to promote the fun one can have in Sault Ste. Marie.

Memories of Sault Ste. Marie have to be the best for our visitors to attract them back again. Those visitors will share their Sault adventure with their family and friends and they will visit.

Many residents brag about the visitor amenities of the Sault, but how can all of us as citizens truly appreciate what the Sault has to offer unless we actually experience it ourselves.

How many things do we as individuals, friends or family, take for granted. Whether it is a swim at Batchewana Bay, a scenic lake side drive to Wawa, a down-hill ski at Searchmont, a fiery experience at the Canadian Bushplane Centre, or a visit to the wood carvings at the Northern Trading Post, small of our attractions remain a secret.

And don't forget our U.S. Sault where they can get a view from the Tower, or watch the big ships go through the locks.

Of course, our biggest attraction is the Agawa Canyon Tour Train. Have you taken a ride on the Agawa?

Residents of the Sault can enjoy and cherish the magic of our natural and cultural attractions as much as our visitors. How about taking your visiting friends and family? Give them a memory that they will truly enjoy. Of course you will remember these fun experiences the next time someone asks you what there is to do and see in the Sault.

Of course, my retailer friends will enjoy new wealth as tourism expenditures increase. Certainly the most important consideration is what type of product will they buy?

Well, their needs are similar to ours as residents but they might also wish to take a memento back with them after their visit. But remember, give them a memory to cherish.

What does a shopper cherish? Customer service, the best price, and of course if they are U.S. citizens, a fair exchange would make their day.

The exchange rate is a major incentive for U.S. visitors to visit your store. Pay their bridge toll, or give them a complimentary pass or a discount to one of our attractions if they purchase \$25 worth of merchandise. Of course, price your product accordingly.

Take off my hat to those retailers who package the GST. We hate to see taxes so why promote them? Make the price inclusive. Also, tell everyone about your business. If no one knows, no one will visit.

Tourism Awareness Week will be ongoing in June and the summer season of visitors will have begun. There will be plenty of opportunity to meet some of these new friends and it is important that they are made to feel welcome.

Information centres are abundant throughout the city. The main information centre (Ministry of Tourism & Recreation) is at the gateway site with all the information of the city, Algoma County, Northern Ontario, and the province.

Other information centres are at the Roberta Bondar Pavilion, City Hall, the Chamber of Commerce, our hotels, and the attractions themselves.

If you need information on what is happening in the Sault do not hesitate to drop into these sites. Remember, smile. You too can be a tourism information centre. Are you ready to take questions?

Bruce Strapp is the city's economic development officer.

## CBC lease may sink Cadillac Fairview liferaft

### Developer owes \$2.5M a year for empty lot

TORONTO (CP) — Cadillac Fairview, one of Canada's largest real estate developers, has hit a snag in its bid to avoid collapse.

The Canadian Broadcasting Corporation Cadillac says if it can't break a 98-year lease with the CBC, a life-saving restructuring deal will fall apart and the company could wind up in liquidation.

Cadillac signed the lease in 1988. It's paying \$2.5 million a year to rent some downtown Toronto land from the CBC.

Cadillac had planned to develop the site — but that was before the bottom fell out of the commercial real estate market.

"Market conditions are no longer favorable for the development," company spokesman Patrick

Howe said Thursday. "It's uneconomical in this marketplace."

But the developer is still paying \$2.5 million a year for another 92 years for an empty lot.

Cadillac, which is still under court protection from its creditors, also owes the CBC \$2.5 million in back rent and the two sides are quibbling over how much will be paid.

The CBC, because it's a Crown corporation, is not covered by the federal Companies' Creditors Arrangement Act and was not part of the restructuring.

Cadillac's creditors backed the restructuring plan three weeks ago on condition that the CBC claims are settled.

New York's Blackstone Group and the Ontario Teachers Pension Plan Board — key investors — will pull out unless the lease is cancelled.

"Blackstone and the Ontario Teachers in particular said, 'We are not putting money into the new Cadillac Fairview, to restructure it, and

becoming shareholders of this company if we have this long-term liability,'" said Howe.

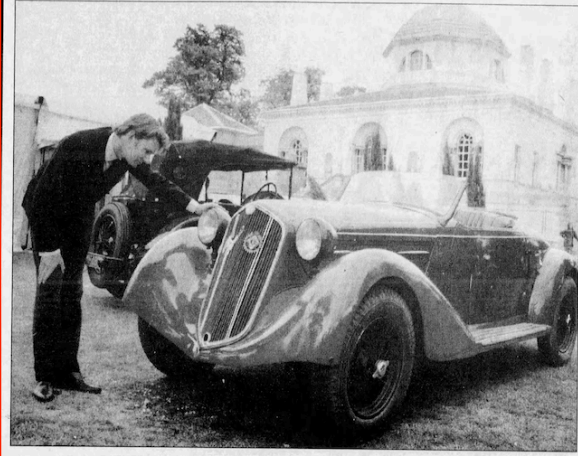
The two are putting up \$300 million for 31.7 per cent of the restructured Cadillac, as well as buying controlling interest in two shopping centres for \$81 million and refinancing 75 per cent of Cadillac's interest in TD Centre for \$101 million.

Cadillac chairman Charles Masson said in an affidavit filed in Ontario Court on Thursday that if the plan comes unravelling, "a liquidation of the assets... would follow."

"Such liquidation would result in substantial losses for all interested parties."

CBC was reluctant to discuss the possibility. "We are continuing discussions with Cadillac Fairview," said Tom Curzon, the CBC's spokesman. "We have no comment beyond that."

An Ontario Court judge ordered a hearing postponed until Tuesday to give the two sides time to negotiate.



**TIREKICKING** — Simon Kidson of Coys Auctioneers in London, England inspects a 1935 Alfa Romeo 6C 2300 owned by Italian dictator Benito Mussolini until 1939. The sports car was expected to fetch between \$190,000 and \$240,000 at a sale.

AP Photo

## Vegetable prices push U.S. consumer prices to year-long high

**Bad weather consequences expected to be short-lived**

WASHINGTON (Reuters) — U.S. consumer prices in April registered their biggest monthly increase since last summer, the government said Friday, as surging vegetable prices led an across-the-board advance.

The Labor Department said the consumer price index advanced 0.4 per cent last month. Airline fares climbed 3.4 per cent and the price of gasoline posted its first increase since January, contributing to the overall gains.

Lettuce prices skyrocketed 113 per cent, the biggest gain on record, due to heavy storms and flooding in California in March. But the flood-driven spike is likely to prove short-lived.

"We would expect those prices to ease back down," said Joseph Liro, chief economist at S.G. Warburg and Co. "This is very temporary and transitory."

Fresh vegetable prices climbed nearly 14 per cent, posting the largest monthly gain in more than

five years. Grocery store food prices jumped 1.1 per cent in April, while overall food prices rose 0.7 per cent after holding steady in March.

More than 80 per cent of the advance in food prices last month was due to a 7.5 per cent gain in the index for fresh fruits and vegetables.

But the closely watched "core" inflation rate, which factors out the often erratic food and energy components, also rose 0.4 per cent last month.

New car prices jumped 0.6 per cent and airline fares repeated a March gain of 3.4 per cent. But some economists said the strength in car prices and airline fares could also prove temporary.

"Already we've seen discounts by airlines and rebates by car companies in the context of soft demand," said Mellon Bank chief economist Richard Berner. "Consumers still remain pretty value-conscious — they hold out and wait for bargains."

## Hamilton ponders plan to be a recycling centre

By PAUL MITCHELL  
Hamilton Spectator

Hamilton region officials are looking into a Toronto businessman's plan he claims could make Hamilton-Wentworth a global environmental technology leader.

Roger Leroux, president of PR Euromark Ltd., has proposed regional council with a proposal to develop what he calls a Technopolis Centre to disseminate and provide a showcase for recycling technologies.

In addition, Leroux has proposed establishing three plastic recycling and associated plants in the region. Euromark's concept received a preliminary nod from regional council earlier this month and officials are now determining its viability.

"Mr. Leroux has some ideas we want to explore in greater detail," said Hamilton-Wentworth chair Terry Cooke. "The concept is very consistent with the objectives of the region and has potential, but it's at a very preliminary stage."

Leroux said part of his proposal for a plastic recycling plant is based on technology developed by the Ottawa-based National Research Council.

"We have technologies ready to go" through access to the NRC, know-how, he said.

However, an NRE spokesman cautioned that neither Leroux nor Euromark has an agreement with the agency to license its technology.

Leroux said his plan, which he maintains can be financed entirely through the private sector, will implement the region's strategy to foster environment-related industries as outlined in the Vision 2020 and Renaissance projects.

Hamilton-Wentworth's economic development director.

"Nothing is nailed down. The testing time will be within the next four to five weeks to see how the proposal fits with the business strategy. If the private sector expresses an interest, we'll proceed from there."

Leroux said an inspiration for his proposal comes from the Lyon-Rhone Alps region of France, which declared itself a "Plasticology Centre" a decade ago and has since seen the establishment of 600 plastic-related companies.

He said a similar "Technopolis" established in Hamilton-Wentworth could be a magnet to attract a cluster of technology-oriented recycling businesses here.

A native of Hawkesbury, Ont., Leroux said he founded his company in 1986 to help companies commercialize their developing technologies. He has also been involved helping Ontario's French-speaking communities prepare and finance economic development plans.

Leroux said he initially examined the possibilities of establishing his environmental Technopolis in Brantford, but turned to Hamilton when he became aware of the availability of possible sites such as the unused Canadian National Station on James Street North.

The centre itself, including the purchase of a building plus any related businesses, would be financed through joint ventures and other private investments. Leroux said he is already seeking potential investors in the Hamilton area.

The centre would provide a data base and communication unit to gather and disseminate global recycling technologies. Leroux said 27 communities, primarily in Europe, have shown an interest in participating.

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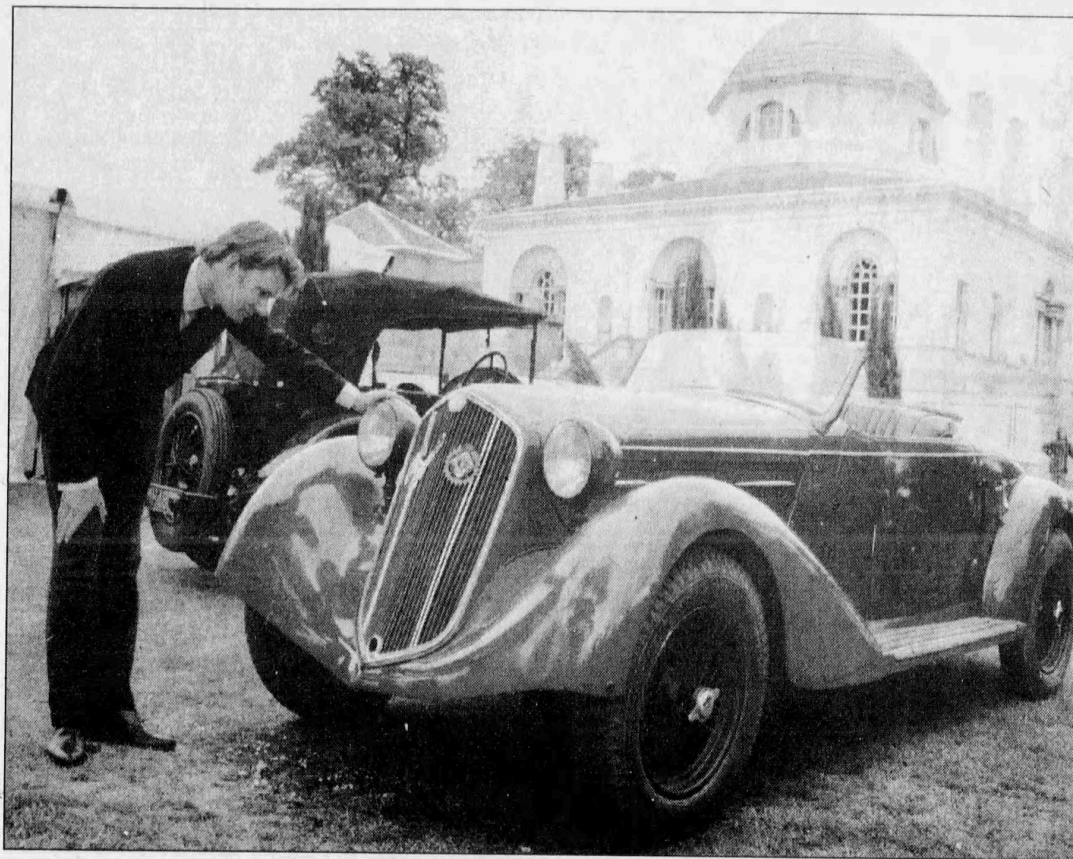
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*AP Photo*