

INSIDE BUSINESS

COMMENTARY • PEOPLE
BUSINESS NEWS IN BRIEF

NEWSMAKERS



Wes Lucas

Quebecor World has plan to hike performance

Quebecor World Inc. dropped to a "disappointing" loss of \$6.5 million in the most recent second quarter and its chief executive promised Tuesday a plan to rehabilitate the troubled printing firm.

"Quebecor World's second-quarter and year-to-date results are disappointing for a company of our leadership position and underlying strengths," president and CEO Wes Lucas said.

"Therefore, today I am announcing a five-point transformation plan that will improve our performance going forward."

The loss amounted to 11 cents per diluted share compared to a profit of \$9.5 million or breakeven diluted earnings per share in the second quarter of last year.

Included in the results were charges of \$31.4 million, or 21 cents per share, related mostly to impairment of assets and restructuring compared to similar charges of \$31.8 million, or 22 cents per share, in the same period of 2005.

Excluding the charges, the Montreal-based firm said its diluted earnings per share would have been 10 cents compared with 22 cents in the prior-year period.

Revenues for the three months ended June 30 slipped to \$1.45 billion from a year-earlier \$1.49 billion.

Quebecor World, part of the Montreal-based Quebecor Inc. media empire, is one of the world's largest commercial printers, but has been facing challenges in recent years.

The company said it plans to focus its restructuring on:

- Creating customer value;
- Developing its employees through "a comprehensive people-development program consisting of training, new processes and tools to build high-performance teams;"
- Improving execution of its businesses and instituting low-capital, high-return projects;
- Retooling its printing operations with "state-of-the-art technology in fewer but larger facilities;"
- Improving its financial flexibility and reducing interest costs by strengthening its balance sheet.

THE CANADIAN PRESS



Joseph Neubauer

Aramark welcomes higher offer

Food-service company Aramark Corp. on Tuesday accepted a higher \$6.3-billion offer to be bought by a group led by its chairman and several investment funds.

The buyout group includes chairman and CEO Joseph Neubauer, as well as investment funds managed by GS Capital Partners, CCMP Capital Advisors and J.P. Morgan Partners, Thomas H. Lee Partners and Warburg Pincus LLC.

Aramark has a history of jumping between public and private ownership. It had its stock market debut in 1960, but in 1984 a group of executives, including Neubauer, launched a management buyout to fend off a hostile takeover bid. Aramark then returned to the New York Stock Exchange in 2001.

Shareholders of Aramark, which provides food to sports stadiums, schools and hospitals, will receive \$33.80 a share in cash, up from the \$32 per share offer made by the buyout group in May.

Aramark had appointed a special committee to review that offer.

The sweetened takeover offer marks a two per cent premium over Aramark's closing stock price of \$33.05 on Monday on the New York Stock Exchange, and a 20 per cent premium over Aramark's stock price before the initial bid in May.

Aramark's stock has traded above the original offer of \$32 per share every day but one since May as investors expected a higher offer to emerge.

Deutsche Bank analysts previously said they pegged Aramark's fair value at \$35 a share.

Shares of Philadelphia-based Aramark shed 34 cents, or 1 per cent, to \$32.71 on the New York Stock Exchange as shareholders expressed disappointment about the final price tag, traders said. Including the assumption of \$2 billion in debt, the deal is valued at \$8.3 billion, Aramark said.

Aramark's second-largest outside shareholder, Eminence Capital, had called the original offer "grossly inadequate."

Eminence could not be immediately reached for comment Tuesday.

REUTERS



Cheryl Ravelo, Reuters

AROUND TOWN

Calgarian's design talent has him travelling worldwide



DAVID PARKER

I managed to catch Marcel Proskow after his return from Spain and before he left for Denver for a couple of days of meetings — great timing as he was able to share some interesting happenings at Maxam Design International.

That's a good name for his company, which focuses on retail design as its core business as it is being recognized far beyond the borders of this city and this country for its shopping centre experience.

Proskow cut his teeth some 25 years ago with the interiors for West Edmonton Mall and has since grown his studio to a specialized staff of 12 in Calgary and another five at Maxam's Vancouver location.

It's the 14th anniversary of Maxam and in that time it has been involved in numerous shops and shopping centres, but has more recently found a new niche in airport retail outlets.

The first contract won was with Hudson News, a U.S. company that had been hired to develop retail at the Calgary International Airport.

It has its own architects based in New Jersey, but used the services of Maxam to supervise the design, contract administration and construction of shops like Hudson News, National Geographic, \$15 Boutique and Euro Cafe.

That led to similar work at the Vancouver airport, and when the airport awarded the duty-free zone in its planned addition to Madrid-based Aldeasa, it recommended Maxam.

Tanya Clark, Proskow's project manager and key liaison on the Vancouver project with Aldeasa, accompanied him on the week-long trip to Madrid to get an understanding of the company's business and culture and to explain how they would introduce 40,000 square feet of new stores to the Vancouver airport adapted to Canadian standards.

Proskow also gets to travel to other countries where his work is valued.

He has just completed a project in Dubai, where he was responsible for designing a new, high-end shop, from the naming of the store to designing its shopping bags.

The Denver trip was to supervise the construction of the second phase of a three-village shopping centre called Outlets at Silverthorne that Maxam designed.

He is out and about, but Proskow's company is also active around Calgary with the designs of all Good Earth Cafe locations and has recently completed Brown Eyed Girl in



Marcel Proskow makes a brief stop at his Maxam Design International office in Calgary to consult with Tanya Clark, his project manager, before heading out of town, again.

Mission.

Retail can be fun and Proskow enjoys his niche, which has involved him in the International Council of Shopping Centres as a director for three years. He now serves as a governor of the committee to prepare examinations to earn a designation of certified design and development professional (CDP).

A portfolio of four large residential complexes that has been assembled by two local private investors over the past 20 years has been sold through the efforts of Tim Sommer, the exclusive listing agent at Cushman and Wakefield LePage.

It consists of a total of 542 apartment units of one and two bedrooms, lofts and townhouses. Some 390 of them are in two locations on either side of Chinook Centre. The others are in a seven-storey block in the Beltline, in a 16-suite building in Mission, and in the north-central part of the city.

Vendor West Coast Developments (1977) Ltd. and Atlanta Industrial Sales Ltd. listed the portfolio for \$60 million and the successful purchaser was Condo Condo Development, which paid \$61.7 million.

Jim Freeman moved to Rare Method when he sold his company Power Lines Strategic Marketing to the Calgary-based leading interactive marketing firm, but he has now taken a new position, with Stone Creek Properties, as vice-president marketing for its world-class resort properties — Silvertip in Canmore and Eagle Ranch in Invermere.

Today, Silvertip Golf Course is playing host to the interna-

tional media covering the Telus Skins Game at the Fairmont Banff Springs golf course.

It's a wonderful opportunity to show off the 18 holes on the sunny side of the mountain and its surrounding residential properties, including The Pinnacle, built at a higher elevation than any other condominiums in the Canadian Rockies, which new vice-president of sales Randall White, formerly at In-trawest's Panorama, will be marketing by month end.

Villagers in the Golden Triangle of northern Thailand have been cultivating and selling high-quality coffee beans for the past 20 years through international dealers.

Now, through their own initiatives, families have decided to offer grown-under-forest-canopy highland Arabica coffee directly, and it is being launched in Canada next month.

Doi Chaang Coffee is being introduced here at an evening event at the Jack Singer Concert Hall on Sept. 27, in partnership with the Calgary Chamber of Commerce.

"You Can Make It Happen" is an apt title for the program, which will feature Olympic gold medalist and recent Stampede parade marshal Sara Renner, who will speak about how she was able to reach her goals, and teacher and author Stedman Graham, Oprah's man, who devised a systematic approach to organizing and advancing life goals and aspirations called Nine-Step Success Process.

DAVID PARKER APPEARS TUESDAY, THURSDAY AND FRIDAY. HE CAN BE REACHED AT 830-4622 OR E-MAIL INFO@DAVIDPARKER.CA

THE CALGARY

55
Calgary-based companies trading on the TSX

Oil and Gas

Company	Close	Net Chg
Cdn Nat Res	61.30	+2.40
Compton Pete	14.70	+0.09
EnCana	61.38	+1.28
Fst Calgary	9.70	+0.05
Husky Energy	82.50	+2.73
Imperial Oil	43.72	+0.98
Nexen	68.54	+1.00
Niko Res	62.97	-0.03
OPTI Cda	22.30	-0.21
Paramount Res	35.59	-0.01
Petro-Canada	51.16	+0.71
Shell Cda	40.21	+0.24
Suncor Energy	94.73	+1.53
Talisman Enrg	20.00	+0.44
Wstn Oil Sands	26.55	+0.22

Industrials

Company	Close	Net Chg
ATCO 1	40.70	-0.03
Agrium	25.83	-0.32
Cdn Pac Rail	54.50	+0.75
Enbridge	36.52	unch
Enerflex Sys	33.70	+0.10
Ensign Energy	24.00	-0.05
Forzani Grp A	16.01	+0.14
Pason Systems	16.63	+0.13
ShawCommB NV	33.35	-0.40
TransAlta	24.10	+0.07
TransCanada	34.90	+0.04
Trican Well	24.25	+1.40
WestJet Airl	10.34	unch

Trusts

Company	Close	Net Chg
ARC Enrg Tr un	30.65	+0.63
AltaGasIncm	28.44	+0.39
Baytex Enrg un	25.78	+0.49
Big Rock un	19.79	-0.11
Boardwalk REIT	27.28	+0.08
Bonavista Enrg	37.37	+0.37
CCS Incm Tr un	38.40	+0.80
Cdn Oil Sands	38.00	+0.35
Canetic Res un	22.76	+0.34
Enerplus Res un	65.37	-0.41
Fording Cdn un	32.50	+0.06
Ft Chicago LP	12.11	+0.04
Inter Pplns	10.09	-0.06
Mullen Grp Incm	27.45	+0.25
Newalta Incm un	32.13	+0.05
Pembina Ppln	16.25	-0.13
PengrowthEnun	25.90	+0.64
Penn West un	46.30	+0.20
Peyto Enrg un	24.35	-0.15
Precision DrIng	40.44	+0.64
PrimeWest En	34.50	-0.01
Provident un	14.03	+0.15
SupriorPlus un	10.95	+0.08
Vermilion un	35.76	-0.04

POSITIONS IN THE CALGARY 55 ARE DETERMINED PRIMARILY BY MARKET CAPITALIZATION. THE LISTINGS ARE REVIEWED ANNUALLY AND CATEGORIES ARE SUBJECT TO CHANGE.

Critical Numbers

Markets

▲ TSX Composite	61.50	11998.18
▼ Dow Jones	45.79	11173.59
▼ Nasdaq	11.65	2060.85
▼ TSX Venture	12.47	2634.15

Currency

▲ Cdn dollar	0.52	89.15 US
▼ New York Gold	2.10	645.70 US

Energy

▼ West Texas	0.67	76.32 US
▲ NYMEX gas	0.251	7.158 US

DEAL OF THE DAY

Anadarko takeovers given antitrust clearance

THE CANADIAN PRESS

Anadarko Petroleum Corp. has received U.S. antitrust clearance to acquire Western Gas Resources Inc., the company announced Tuesday.

Houston-based Anadarko said last week it had received the same clearance for its simultaneous acquisition of Kerr-McGee Corp.

The separate all-cash transactions, worth a combined \$21.1 billion US, are slated to close in the third quarter and will create the largest independent exploration and production company in the United States.

However, Anadarko could shrink to No. 2 or No. 3 among

independent producers through asset sales aimed at cutting deal-related debt over the next two years.

Anadarko will pay \$16.4 billion in cash for Oklahoma City-based Kerr-McGee and assume \$1.6 billion in debt.

The Houston producer will pay \$4.74 billion for Denver-based Western Gas and assume \$560 million in debt.

To focus on its new properties, Anadarko has decided to put its Canadian energy operations up for sale and hopes to dispose of the non-core assets by the end of the year.

Some analysts say the Canadian properties could fetch upwards of \$4 billion Cdn.

Working

Wednesdays
and Saturdays in the
Calgary Herald.

IT ALL UNFOLDS HERE

