

WEEKEND BUSINESS



Porter adds new flights
St. John's to benefit
Page C5

G The Telegram
Saturday, March 5, 2011
THETELEGRAM.COM

facebook.com/StJohnsTelegram twitter.com/StJohnsTelegram youtube.com/StJohnsTelegram

LOCAL STOCKS

	CLOSE	CHNG.	VOL.
Altius Mineral	13.70	-0.18	268
Bayswater Uran	0.91	+0.01	155
Bell Alliant In	27.15	+0.04	2341
Buchans Minera	0.11	-0.01	305
Canadian Imper	0.06	0.00	10162
Cornerstone Ca	0.59	-0.01	6230
Crosshair Expl	2.11	+0.03	1015
Fortis Inc.	33.10	-0.43	4115
Golden Dory Re	0.18	+0.02	470
Husky Energy I	30.40	+0.17	24452
Labrador Iron	77.10	+1.55	452
New Island Res	0.02	0.00	14880
Newfoundland C	6.93	0.00	0
Northstar Elec	0.13	0.00	50
Nwest Energy C	0.34	0.00	35
Paladin Energy	4.89	0.00	3568
Rambler Metals	0.71	0.00	37
Rutter Inc.	0.05	0.00	290
Silver Spruce	0.16	-0.02	18809
Vulcan Mineral	0.30	0.00	380

COMMODITIES

	CLOSE	PREVIOUS
Gold	\$1,426/oz	1,416/oz
Silver	\$35.30/oz	\$3.31/oz
Nickel	N/A	\$28,850/t
Copper	N/A	\$9,889/t
Brent Crude Oil	\$115.99	\$114.79
West Texas Crude	\$104.42	\$101.93



BRIEFS

Canada has new case of mad cow disease
Edmonton (CP) — Canada is dealing with a new case of mad cow disease. The dairy cow discovered in Alberta brings to 18 the number of cattle that have been found with the fatal brain disease in Canada since 2003. The Canadian Food Inspection Agency confirmed the case in the six-year-old cow last month, but the agency didn't plan to make it public until March 10. Agency officials were not immediately available for comment. Right now, Canada is categorized as being a controlled risk for bovine spongiform encephalopathy — the scientific term for mad cow disease. John Masswohl of the Canadian Cattlemen's Association says the cow did not enter the food chain for people or animals and the new case should not hurt Canada's global beef trade status.

Air Canada to begin flying from Toronto's Billy Bishop Airport
Toronto (CP) — Air Canada will begin flying out of Toronto's Billy Bishop Airport on May 1 after reaching an agreement with the airport terminal's owner, City Centre Terminal Corp. The start date has been delayed until now because Air Canada had been unable to reach a deal with City Centre, a subsidiary of rival Porter Aviation Holdings Inc. Air Canada's initial schedule will provide up to 15 daily non-stop return flights between downtown Toronto and Montreal's Trudeau International Airport.

Tickets for Air Canada's flights from the airport, located on one of the islands off Toronto's lakeshore, will go on sale Monday. The service will use Bombardier Dash 8 Q-400 aircraft, operated by Sky Regional Airlines Inc.

McDonald's CEO's total pay was \$9.7 million in 2010
(AP) — The CEO of McDonald's Corp. received a pay package worth nearly \$9.7 million during fiscal 2010. That's down 45 per cent from the year before, but the drop is largely due to the timing of long-term bonuses that McDonald's executives receive only every three years. The nation's largest hamburger chain increased CEO Jim Skinner's salary three per cent to \$1.4 million and it raised his annual performance bonus by 38 per cent. But Skinner got an \$8.3 million long-term bonus in 2009 and isn't up for another long-term bonus until 2010.

PEOPLE

'He tried his hand at everything'

Entrepreneur posthumously inducted into Clarenville's Business Hall of Fame

By BARBARA DEAN SIMMONS
TRANSCONTINENTAL MEDIA—CLARENVILLE

It would have been enough to make some people throw in the towel. Just a year shy of his 40th birthday, Ralph Mercer was enjoying modest prosperity. He had built a successful business in Clarenville — a general store in partnership with his brother-in-law, Gordon Green, and a wharf and warehouse on the Clarenville waterfront.

But in a matter of minutes, the business was gone. One of the company's five-tonne trucks was having its tank welded in the basement of the building. There was an explosion followed by a fire. Ralph and his wife, Ruby, were lucky to get out of the building. The mechanic, Johnny Tulk, was even luckier — the explosion blew him through the warehouse door and he lived to tell the tale. There was no insurance on the building, and the Mercers had personal guarantees with the bank.

With the business in ashes and a debt to the bank to pay off, Mercer took to the road. He became a travelling salesman, picking up a few lines from firms in Montreal and trekking all over the island. Many areas had to be accessed by train or boat.

His son, Phillip, recalls how his father's sheer determination brought him success. "It took him 11 years to pay off that bank loan, but he paid it back, every penny," said his son. "And he tried his hand at everything."

One of the products his father sold was Beef Iron Wine, a popular tonic to boost the immune system. In one area of the province, however, people drank it like alcohol.

"Dad used to order it by the crate load and the company in Montreal that supplied it started to wonder how many people lived in this province, they were going through the Beef Iron Wine so fast," Phillip said, chuckling at the memory.

The early days
He and Ruby had come to Clarenville in 1947. For five years before that, they had owned and operated the Economy Cash Store, a grocery outlet on the corner of Prescott and New Gower streets in St. John's.

After the Second World War, Mercer got interested in the wholesale grocery business. He sold his store and, with his brother-in-law, Gordon, formed Mercer and Green, a wholesale grocery distribution business.

Although they had no affiliation with Clarenville, they felt it would be a good place to build a future. At the time, the town was a busy railway terminus — the spot where the main rail line branched off towards Bonavista. A lot of goods were loaded and unloaded at the Clarenville depot.

The Mercer and Green premises on the waterfront, near what is now the Clarenville Drydock, was a large wharf with a fully covered shed for offloading schooners.

Mercer and Green was becoming a large



Above: The Mercer family was proud to accept the award for Ralph Mercer. (From left): grandson Scott Mercer, daughter-in-law Roberta, son Phillip and granddaughter Joanne.
— Photo by Adam Randell/The Packet



Left: Ralph and Ruby Mercer came to Clarenville in 1948. — Photo courtesy of Phillip Mercer

employer in the area, operating a fleet of trucks, purchasing lumber and local products and supplying many stores in the Trinity and Bonavista Bay areas.

Mercer decided he needed a way to deliver products to places not accessible by road, as there were many such places in those days. He formed the Clarenville Shipping Co. and started to acquire a fleet of schooners. They were The Dauntless, Phillip Wayne, Mercer & Green, and the queen of the fleet, the Margaret B Tanner (sister ship to the Bluenose).

A year after the waterfront fire, the Margaret B Tanner sprung a leak 90 miles from St-Pierre-Miquelon and sank with a full load of coal.

Branching out again
After Mercer had spent several years on the road selling products, he decided to try agriculture.

ENTREPRENEURSHIP

Sessions hope to produce Inspired Women

By DANIEL MACEACHERN
THE TELEGRAM

After several successful sessions in Labrador City, the Newfoundland and Labrador Francophone Economic Development Network is bringing

Inspired Women to Happy Valley-Goose Bay. The program encourages women to launch a "life project" — often entrepreneurial — and gives them support and direction to help achieve their goals.

Angela Cormier, who leads the training sessions for Inspired Women, said the workshop helps women work towards goals they may have put off because of family or community commitments. And not all of the projects are meant for profit, either. "I think specifically of one person's community project where she wanted to start more of a non-profit used clothing, used children's accessories store in Lab City."

See INTRODUCTION, page D2

Software company appoints longtime banker to board

Verafin, a St. John's company that produces anti-money laundering and fraud-detection software, announced a new appointment to its board of directors this week. **Arthur Connelly**, a former chairman of the American Bankers Association, brings 45 years of financial services experience to Verafin, including a former chairmanship of South Shore Savings Bank, a \$920-million mutual organization, and parent company South Shore Bancorp, in South Weymouth, Mass. Verafin president and CEO **Jamie King** says Connelly's banking experience will give them a great perspective on specific needs of the company's bank and credit union clients. The company continues to grow — by the end of 2010, it had more than 630 clients, marking the strongest quarter in Verafin's history.

Canadian Imperial Venture Corp. also recently announced changes in the company structure. **Tina Rick-**



etts has been appointed chief financial officer and corporate secretary for CIVC. Kirby Mercer, director, vice-president and former corporate secretary, is retiring from his day-to-day duties with the company, but will continue to be accessible for consulting.

Home inspection franchise **HouseMaster** recently recognized St. John's franchisees **Fred and Cathy Holwell** with the 2010 market penetration award, presented at the company's annual conference in Scottsdale, Ariz.

The **St. John's Board of Trade's**

first 2011 edition of its membership survey found local businesspeople are increasingly optimistic about the local economy. Among the survey's findings: 43 per cent of respondents see economic conditions as "excellent."

At the worst point of the global recession, just seven per cent of members felt likewise. Also, nearly 75 per cent of respondents expect 2011's performance and growth to be better than in 2010.

Perhaps most reassuring: 50 per cent of respondents expect to hire more people, while 48 per cent expect to "hold the line" on their current staffing levels. A similar study from the **Canadian Federation of Independent Business** found that 62 per cent of business owners in the province say the overall state of business is good, while 31 per cent of them say it's satisfactory. The most significant cost pressure in Newfoundland and Labrador, according

to the CFIB's study, is tax and regulatory costs.

Housing sales continue to rebound, possibly spurred by impending mortgage rule changes. The Conference Board of Canada found that resale markets in January rose in 20 of its 28 markets from the previous month. However, total volume is still down from where they were a year ago in 22 areas.

The **Newfoundland and Labrador Organization of Women Entrepreneurs** is hosting an online seminar March 17 on how to turn customers into repeat customers. Pre-registration is required and can be done at events@nlowe.org or visiting www.nlowe.org. Deadline to register is 3 p.m. on Wednesday, March 16.

Got business news? Email me at dmaceachern@thetelegram.com, or follow me on Twitter: TelegramDaniel

Clarenville Shipyard closed ... Continued from page C1

At first it was mainly Ruby who ran the store, as Ralph was busy with the chickens. They started opening six days a week and every night — unheard of at that time. After long hours and lots of hard work the store began to pay off and in the mid-60s Ralph decided to shut down the poultry farm and concentrate on the store.

Phillip also went to work in the business then and stayed until 1969, when he opened his own business in the section of town known as the Station. He returned to the family's store after Ralph decided to get busy with another new challenge.

A new enterprise

For year, the Clarenville Shipyard had played an important part in the economy of the town, but it had been closed for a few years when Ralph and his business partner-to-be, Eleazer Hiscock, were offered the opportunity to take it over.

Mercer and Hiscock formed the Clarenville Drydock Ltd. With the assistance of a 10-year government loan — backed by Ralph's and Eleazer's personal guarantees — the company began operations. The loan was



Ralph Mercer and employee Anne Ryan behind the counter at Mercer's Variety Store in the 1960s. — Photo courtesy of Phillip Mercer

paid off in full within two years.

During the life of the company, more than 50 longliners were built at the site, numerous vessels repaired and the schooner Norma & Gladys given a complete refit. The operation employed 40 to 50 people.

The business partners eventually retired — Mercer at the age of 72 and Hiscock, 79. They sold their interests to the Burry Group.

Mercer suffered a serious stroke a couple of years later and spent five years at home in a hospital bed before he died in 1995 at the age of 79. Ruby died two years later at the age of 74.

Mercer was a true entrepreneur.

Those who knew him best say hard work was second nature to him.

And though work kept him busy, he found time to devote to others. He had a great love of hockey and in his younger years was one of the people building the sport in Clarenville. He was also elected to council and served as mayor during the term that began in 1955.

At last week's chamber of commerce dinner, family friend Alex Balsom paid tribute to Mercer, recalling his business challenges and successes.

Mercer's family — son Phillip, daughter-in-law Roberta and grandchildren Scott and Joanne — accepted the Business Hall of Fame award on his behalf.

Phillip said his father worked many hard years to build his businesses and the award speaks to the kind of man he was.

"I'm sure he would be humbled and very proud to be honoured in this way; it makes me feel extremely proud," he said.

The Packet

With files from Adam Randell/The Packet and information supplied by the Clarenville Area Chamber of Commerce

The truth about business

Jo Mark Zurel



As a business owner, I want to let you in on a little secret. It's the last taboo topic — something many other business owners won't admit to and something they won't even say amongst themselves.

Ready? Can I get a drum roll? Here it is: I do care about money.

And I bet you do, too. Just like you, I am paid for my time and effort. This money pays for my family's groceries, my twin sons Michael and David's hockey gear, the clothes my daughter Heather wears and yes, that flat-screen TV I'll be watching the hockey game on this Saturday night.

My businesses — like most others — also paid salaries to the people who worked with me. They worked hard to help the businesses succeed, too, and they deserve it. That's money that they use to take their children to movies, pay for gas in their cars and help keep roofs over their heads.

I know, I can hear you now, saying, "Paying peoples' wages is stating the obvious when it comes to the benefits of business." And I'm sure it's not convincing anyone that business isn't a) big and b) bad.

Scapegoat

The fact is business is an easy scapegoat. Even when it comes to development — generally considered to be a good thing — a tiny voice in the back of many people's minds shouts, "They're only in it for the money!" It's true. But no matter how much profit is in it, developers aren't going to erect a shoddy office building where someone will get hurt. In fact, most take pride in what they produce.

And what about community involvement, like last month's \$600,000 investment by the Hibernia partners to support training for Red Cross volunteers across this province, giving the Red Cross the capacity to support people when disaster strikes? Or the \$2 million invested by Suncor Energy earlier this week to support research and development at Memorial University.

Businesspeople don't always get paid for their hard work, either. I spend about half my time serving non-profit organizations. I don't get paid and I don't want to be. I do it because I believe everyone in the community should do their part.

And I'm not special — most business owners do it.

Newfoundland Power has donated nearly \$1 million towards two CT simulators alone, and has distributed more than four million pieces of educational material. Ocean Choice International has invested millions in making sure more than two-thirds of its products are internationally certified sustainable. The majority of the Red Cross Humanitarian of the Year award winners are business people.

Businesses are engaged because they are made up of people who care, because they are family and friends and neighbours and volunteers and co-workers. Look around any charity event and you're likely to see mostly business owners and their families sitting in those seats and shaking it on the dance floor.

The Health Care Foundation, for example, has raised more than \$10 million — much from business sponsors — since 2002. That's \$10 million the government didn't have to invest in health care. Or, from another perspective, its \$10 million they can spend elsewhere, like on teachers' salaries or roads.

There's one final point that I'd like to make and it's the one no one likes to hear but it has to be made anyway.

Businesses do pay taxes to the municipal, provincial and federal governments. These taxes end up paying for snowclearing and garbage pickup and teachers, etc. — the same as taxes we pay as residents.

After businesses and residents pay those taxes, businesses pay the extra bills on growing payrolls, to clear parking lots and take out trash, and on it goes. And all that time, businesses have no guarantees of success, just a balance between risk and reward, between making a go of it and dealing with the consequences of failure.

That's why businesses care about the bottom line. Just like we all do.

Jo Mark Zurel is a chartered accountant and president of Stonebridge Capital Inc. and the chairman of the St. John's Board of Trade. He can be reached at jzurel@nl.rogers.com.

Introduction to entrepreneurship ... Continued from page C1

"She wasn't doing it so much to make the money so much as she's very concerned about recycling and garbage and industrial waste and all those problems they have in that area," she said.

"She's very involved in little projects like with her family and other children in the community around that, so now she wants to launch something bigger because she's very concerned about the level of waste, and she wanted families to be able to recycle and exchange products and clothing amongst themselves and the community."

Getting in contact

Inspired Women, which is put on in collaboration with the Central Labrador Economic Development Board and l'École Boréale, helps put aspiring businesswomen in contact with the necessary funding and development agencies to help them get started.

"We got some women actually connected to some of the services, because there's online and virtual services where you can connect with consultants free of charge, like lawyers and accountants and research people

through virtual networking."

The sessions this weekend in Happy Valley-Goose Bay are broken up into French and English, with French sessions running today and English sessions happening Sunday. About 10 people have signed up for each day's session.

Besides the adult training, Inspired Women also offered an introduction to entrepreneurship program at l'École Boréale Thursday, which teaches students the basics of entrepreneurship.

"We explore that whole notion of what entrepreneurship means," said Cormier, adding that the sessions include an assignment for a student to invent a product or service to sell and to cost it out. "I was very pleased and even surprised — because I mostly work with adults, so this is kind of new for me, working in schools — how brilliant the kids are, and how they pick this stuff up so quickly and run with it."

dmaceachern@thetelegram.com
Twitter: TelegramDaniel

More cargo. More destinations. Our family is growing.

McKeil Marine is hiring

Family owned since 1956, McKeil Marine has long delivered innovative marine transportation solutions to customers across the Eastern Seaboard, Canadian Arctic, St. Lawrence Seaway and Great Lakes.

We recently had our weeklong crew meetings in St. John's. For more than 10 years we've held this annual forum in this province with very good reason...

...To the benefit of customers, we have always relied on and respected the experience of the Newfoundland and Labrador contingent of our team. Over half our crew-members already call this province home and now we're looking to grow that number.

We want to add to our family.

In getting ready to ship modules to Vale's Long Harbour nickel processing plant, our tug and barge company has actively recruited many people from right here, to work aboard Newfoundland-bound vessels.

We are specifically still looking for:

- Engineers holding their 1st class ticket of competency*
- Engineers holding their 2nd class ticket of competency*
- Engineers holding their 3rd class ticket of competency*
- Engineers holding their 4th class ticket of competency*
- Deck Officers**
- Unlicensed Canadian crew*
- Cooks with their ship's cook certificate

* Candidates must hold a valid Transport Canada Certificate of Competency, valid seafarer's medical and be STCW 95 certified.

** Watchkeeping Mate, Near Coastal Certificate of Competency, must hold a valid Transport Canada Certificate of Competency, valid seafarer's medical and be STCW 95 certified.

— Priority will be given to holders of a valid Canadian Passport.

The plan is to ultimately add 25 more permanent positions related to work in this province ...And the work has already begun, with the refitting of McKeil tugs in St. John's and Harbour Grace. We look forward to building on the ongoing relationship with this province.

Family values are important to us. They reflect in the way we serve customers. Our dedicated employees, here and elsewhere, are treated and feel like family, which is why our customers can in turn be confident that McKeil Marine is the right choice in their shipping supply chain.

Our family will safely move your cargo to your destination.



mckeil.com/careers

Contact our Human Resources Department directly to apply for the above-mentioned positions.
Call Toll-Free: 1.800.454.4780 Ext.223



We are always recruiting Newfoundland and Labrador crew. Join our growing family.
Send your resume and a cover letter to resumes@mckeil.com

Find us on YouTube youtube.com/McKeilMarine