

INSIDE BUSINESS

COMMENTARY • PEOPLE
BUSINESS NEWS IN BRIEF

NEWSMAKERS



Conrad Black

Black loses bid to block Ravelston plea deal

Conrad Black, the former newspaper publisher charged with fraud and racketeering, failed to block a plea agreement between his former holding company, Ravelston Corp., and U.S. prosecutors in Chicago.

The Ontario Court of Appeal Thursday upheld a lower court's decision approving the plea arrangement.

"We see no reason to interfere with the thorough and balanced decision of the motion judge," Judge David Doherty wrote on behalf of the three-member appeal panel.

Black, 62, and his former partner David Radler, 64, are accused of altering Hollinger International records to conceal self-dealing from directors and shareholders, including receipt of millions of dollars in non-compete payments. Ravelston has a controlling interest in Hollinger Inc., which once controlled Hollinger International, the publisher of the Chicago Sun-Times.

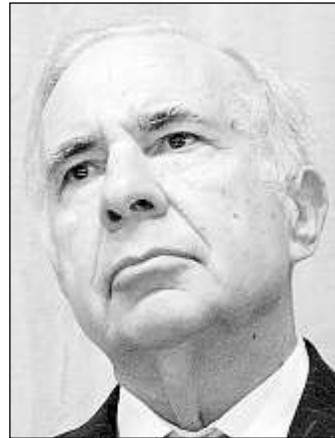
Ravelston, based in Toronto, agreed to plead guilty to a charge related to a September 2000 sale of newspapers by Hollinger International to Forum Communications Inc. The papers were sold for \$14 million, \$400,000 of which was improperly set aside for non-compete payments, with Ravelston getting a quarter of the payments. Ravelston agreed to pay a \$7 million fine as part of the deal.

Radler also reached a plea deal with the Chicago prosecutor, agreeing to testify against Black in exchange for a reduced sentence. Black's trial is scheduled to begin March 14.

Black, Ravelston's biggest shareholder, opposed the plea agreement, saying the judge's order failed to take into consideration the possibility he will be exonerated at the trial. The appeal court rejected the submission.

"The appellants put forth nothing but conjecture and their faith in their ability to destroy Radler's credibility," Doherty wrote. "We cannot accept the submission that acquittal of the individual defendants would make Ravelston's acquittal inevitable."

BLOOMBERG



Carl Icahn

Icahn to buy \$2 billion in Motorola stock

Motorola Inc. shares rose after the world's second-biggest mobile phone maker said billionaire Carl Icahn plans to buy about \$2 billion US of its stock.

The purchase steps up the pressure on chief executive Ed Zander as he seeks ways to bolster profit margins in the face of mounting competition and demand for lower-priced handsets.

Currently the 11th-biggest shareholder, Icahn pressed the company to reward investors with a bigger buyback in January and said the stock is undervalued. Eight of the company's 10 largest investors added more shares in the most recent quarter, according to regulatory filings compiled by Bloomberg, signalling their confidence the company can boost results.

"He is more focused and more serious about his original intent," said Raimundo Archibold Jr., an analyst at Kaufman Bros. in New York with a "buy" rating on the stock. "This puts management under more pressure to take action."

Icahn and his fund Icahn Partners LP are each filing to buy at least \$119.7 million and as much as \$500 million in shares, Schaumburg, Ill.-based Motorola said Wednesday in a statement. Icahn Partners Master Fund LP and Icahn Partners Master Fund II LP are each filing to buy more than \$500 million in shares of the company.

Shares of Motorola rose 31 cents, or 1.7 percent, to \$18.83 at 4:01 p.m. in New York Stock Exchange composite trading. The stock has lost 15 per cent in the past 12 months.

Motorola had no comment beyond the statement, said spokesman Paul Alfieri. Icahn wasn't immediately available for comment, his assistant Susan Gordon said.

Zander is working to increase profit margins on Motorola's phones from an almost four-year low while challenging market leader Nokia Oyj. Motorola will turn down some handset orders to focus on contracts that are more profitable, he said at a Goldman Sachs Group Inc. investor conference in Las Vegas Thursday.

BLOOMBERG

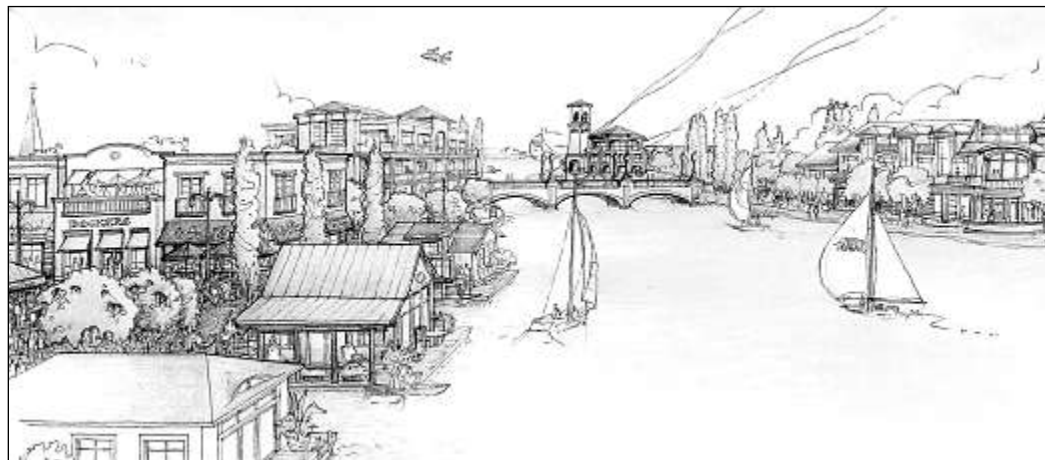


Shuji Kajiyama, Associated Press

GUNG-HO FOR JOBS

College students from vocational schools in Tokyo and Osaka, in western Japan, give a shout during a joint pep ceremony to launch their job-hunting at Tokyo's Hibiya Park Thursday. About 3,000 employment seekers gathered for the annual event.

AROUND TOWN



Courtesy, Bordeaux Developments

The Harmony project near Springbank Airport will consist of a range of housing in well-designed cluster subdivisions that include accommodation for seniors to reside and become an active part of the community.

Springbank development arrives in six-part harmony

In June of last year I announced a huge development was in the preliminary planning stages to transform 699 hectares of land on the northwest corner of Springbank Airport into a live, learn, work and play community where all ages could live in harmony with the environment.

Biorol Fisekci, president of Bordeaux Developments, and his partners, the family of Bill and Harriette Copithorne, are ecstatic because after four years of hard work, meticulous planning and public consultation, Rocky View council has unanimously embraced their unique master-planned community's conceptual scheme, known as Harmony.

Fisekci says the council was great to work with and forward thinking and positive in seeing his development as a way of preserving a unique lifestyle while addressing the need for regional growth.

Crossing this huge hurdle means that the project moves forward allowing consultants BKDI Architects and Urban Systems to proceed with architectural guidelines and detailed designs, land planning and engineering.

Harmony is indeed a significant development with the needs of current and future generations in mind, providing diversity in housing, recreation and economic development opportunities. It is not intended to be a bedroom community, but rather have its own means of employment; notably a two-million-square-foot mix of light industrial and commercial office space in a business-style campus. Its adjacency to the airport, which is going through tremendous growth, will also provide a good deal of employment for some of the people living in the more than 3,500 eventual residential units.

The Copithorne's have been farming and ranching in the Springbank area for more than 100 years and Fisekci says their constant involvement in the project is important to ensure the family's vision for the land is upheld. The concept is to bring back a forgotten time when the community was an extension of family, enjoyed by all and passed on to new generations.



DAVID PARKER

Harmony will consist of a range of housing in well-designed cluster subdivisions that include accommodation for seniors to reside and become an active part of the community. Fisekci feels that youths like and need leadership and mentoring so retirement housing will be alongside schools.

The amount of natural and open space elements are very generous with 33 per cent (600 acres) of the land base set aside. BKDI landscape architect Victor Kallos has designed an extensive network of mixed-use trails and park spaces with four facilities within the residential area of the plan that provide active sports fields.

A key feature is the strategic use of water, with the centrepiece being recreational lakes, bridged to allow residents to walk to a vibrant Village Centre of retail, restaurant and support services.

It's interesting to note that the 18-hole golf course at Harmony will be surrounded by employment opportunities — not houses — that will provide an attractive work environment close to where people live as well as being a transition between the community and the airport lands.

Harmony will be constructed in six phases over the next 15 to 20 years. The municipality and its neighbours will welcome the unique development as representing a holistically planned sustainable community in the truest sense; and it is a project that will be of importance to the greater Calgary regional area.

When I reported back in December that the Essence restaurant had been opened on the terrace level as the first piece of the huge renovation project taking place at the Westin Calgary, I said that O.N. Restaurant was to be completely converted into a

brand new restaurant/bar.

General manager Jean Luc Barone has been on tenterhooks to be able to make the announcement as to what the result would be. Now he is able to tell the world that his hotel has formed a strategic partnership with Keg Restaurants to re-open it as a smart, sophisticated, urban Keg design.

The 258-seat Keg Steakhouse & Bar on the southeast lobby corner will be based on the highly popular urban Keg concepts that are garnering accolades and great reviews in Vancouver, Toronto and Montreal. An outdoor patio component on the sunny side of 4th Avenue will seat a further 80 guests.

Construction will begin in mid-spring with a slated completion in the fall.

The lobby and entire facade along 4th Avenue are in the final stages of upgrade. The porte-cochere and access to the lobby features floor-to-ceiling glass and a white-clad parapet; the sleek look carries on into the area where the re-located oval desk will give guests a comfortable sense of arrival.

Barone says that later this spring guests will be greeted by a Starbucks barista when its new coffee shop opens on the west side of the hotel offering a lobby and patio experience.

The arrival of The Keg Steakhouse & Bar and Starbucks will complement the recently opened Essence that features the clever and tasty creations of executive chef Michael Batke — it will also be a treat for Barone and his staff, as well as guests, to be out of the construction business for a while.

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



PRIMEWEST

THE CALGARY

55

Calgary-based companies trading on the TSX

Oil and Gas

Company	Close	Net Chg
Cdn Nat Res	58.73	unch
Compton Pete	10.73	-0.02
EnCana	56.64	-0.21
Fst Calgary	6.00	-0.20
Husky Energy	75.28	-0.62
Imperial Oil	40.62	-1.13
Nexen	66.67	-0.38
Niko Res	83.26	-0.44
OPTI Cda	19.28	-0.36
Paramount Res	18.38	-0.53
Petro-Canada	42.55	-0.70
Shell Cda	44.64	+0.02
Suncor Energy	82.31	-0.63
Talisman Enrg	19.79	-0.38
Wstn Oil Sands	32.70	+0.75

Industrials

Company	Close	Net Chg
ATCO 11	45.30	+0.81
Agrium	43.72	-1.17
Cdn Pac Rail	62.56	+0.11
Enbridge	37.75	+0.64
Ensign Energy	18.51	-0.38
Forzani Grp A	18.97	-0.23
Pason Systems	14.18	+0.07
ShawCommB NV	40.70	+0.52
TransAlta	24.00	-0.18
TransCanada	38.00	+0.70
Trican Well	23.00	-0.30
WestJet Airl	14.50	+0.04

Trusts

Company	Close	Net Chg
ARC Enrg Tr un	21.04	-0.46
AltaGasIncm	26.50	-0.50
Baytex Enrg un	20.71	+0.04
Big Rock un	16.38	-0.31
Boardwalk REIT	48.25	-1.65
Bonavita Enrg	29.45	-0.30
CCS Incm Tr un	39.18	+0.42
Cdn Oil Sands	27.12	-0.18
Canetic Res un	14.81	-0.15
Enerplus Res un	50.39	-0.17
Fording Cdn un	28.80	-0.65
Ft Chicago LP	10.76	-0.06
Inter Pplns	9.00	unch
Mullen Grp Incm	18.32	-0.54
Newalta Incm un	27.01	-0.44
Pembina Ppln	16.02	-0.33
PengrowthEnun	19.81	-0.17
Penn West un	34.11	-1.02
Peyto Enrg un	16.62	-0.24
Precision DrIng	27.06	-0.37
PrimeWest En	22.48	-0.42
Provident un	12.48	-0.27
SupriorPlus un	12.16	+0.07
Vermilion un	31.70	-0.12

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	12981.13	63.89
▼ Dow Jones	34.29	12234.34
▼ Nasdaq	11.94	2404.21
▼ TSX Venture	34.12	3137.42

Currency

▼ Cdn dollar	0.21	85.27 US
▼ New York Gold	7.10	662.30 US

Energy

▲ West Texas	1.21	63.01 US
▼ NYMEX gas	0.012	7.288 US

DEAL OF THE DAY

Oracle acquisition makes Cognos a likely target

THE ASSOCIATED PRESS

Business software maker Oracle Corp. is buying Hyperion Solutions Corp. for \$3.3 billion US in cash, renewing a shopping spree aimed at toppling rival SAP AG.

The acquisition could trigger a scramble for other leading business intelligence software makers such as French-based Business Objects SA and Canadian-based Cognos Inc., said AMR Research analyst Bruce Richardson.

The deal announced Thursday will give Oracle an arsenal of Hyperion products that are widely used by SAP's customers. Hyperion's tools,

known as "business intelligence" software, help chief financial officers and other top corporate executives track their company's performance.

Santa Clara, Calif.-based Hyperion represents the largest prey to be devoured by Oracle since it gobbled up Siebel Systems Inc. for \$6.1 billion a little over a year ago.

Redwood Shores-based Oracle will pay \$52 a share for Hyperion. The price represents a 21 per cent premium above the most recent closing price of Hyperion's stock, which has traded between \$26.65 and \$45.18 during the past year.



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