

INSIDE BUSINESS

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I don't think there is any need for any change. The market is oversupplied. We are going to call for compliance for everyone."

— SHOKRI GHANEM, HEAD OF LIBYA'S OPEC DELEGATION

NEWS MAKERS



Jim Flaherty

Watch banking leverage, says finance minister

Reducing the amount of leverage financial institutions use will be more effective in averting future crises than banning some forms of trading, federal Finance Minister **Jim Flaherty** said Monday.

In an interview on Bloomberg Television, Flaherty said it was important to remember what caused the financial crisis and to aim any proposed remedies where they will do the most good.

"We know that some of the financial systems in G-7 (Group of Seven) countries were excessively leveraged, so we need to deal with that," he said. "We want to have leverage requirements — those discussions are happening now — and we also want to have transparency."

Flaherty rejected the idea that a financial transaction tax might be a useful measure as some European officials have suggested.

"We're in the business of lowering taxes and making Canada more attractive for investment, so that's not something we would support," he said.



Shokri Ghanem

OPEC to keep targets, push for compliance

OPEC delegates arriving in Vienna for their meeting Wednesday said there is no need to change output targets but simply to stick to them, as oil prices graze the upper end of their preferred levels and demand looks set to rise.

"I don't think there is any need for any change," said the head of Libya's OPEC delegation, **Shokri Ghanem**. "The market is oversupplied. We are going to call for compliance for everyone," he added.

Benchmark U.S. crude futures were trading just shy of \$80 per barrel Monday, pushed down from Friday's \$81.24 settlement, by a strengthening U.S. dollar and expectations China might tighten credit again.

That is at the top of the \$70-\$80 range that Saudi Arabia has named as a fair price for both producers and consumers of oil.

OPEC last agreed to cut output in December 2008. Rising prices and a hesitant global recovery have since encouraged OPEC members to add supply to the market.

A NEW HAWK ON THE HORIZON

A man walks past the first Black Hawk S-70i helicopter made outside of the United States at PZL Mielec plant in Poland. The U.S.-based Sikorsky Aircraft Corp. bought the plant in 2007 after it had fallen into decline.



Kacper Pempel, Reuters

Sales brisk for new Luna condo project



DAVID PARKER
AROUND TOWN

A couple of big pieces of heavy equipment moving onto a bare land site is always of interest, but when their work heralds the start of construction for a new highrise condominium project in the Beltline, that's reason to pay attention.

Qualex-Landmark Investments has begun work on Luna, a 30-storey condo tower at 12th Avenue and 10th Street S.W. It will complete the Vancouver company's block-long development adjacent to its attractive and well-received 21-storey Stella and 27-storey Nova towers.

Luna has been on the drawing boards for a while, but now the time is ripe to go ahead with the project since construction costs have been firmed with ITC Construction Group and the completion date set, says Qualex-Landmark vice-president of sales and marketing **Chris Colbeck**.

He says his company has had tremendous confidence in the Calgary market and buyers have that same confidence in the company's reputation and track record.

Highrise concrete construction is a slow process, but both Stella and Nova were completed on original budget and at the scheduled time. Luna will welcome its first owners by October 2012.

Marketing for Luna first began in late 2008 and Colbeck says he had around 25 pre-sales before the company decided to put a hold on the development due to the unstable economy. But since that time, Qualex-Landmark has been busy negotiating construction costs and 100 per cent of the savings have been passed on to the buyers.

All of the original buyers have kept their contracts, which include all four penthouse suites, and 30 new sales have been made within the last 50 days before the major advertising campaign was launched. Currently, 80 of the 218 suites have been sold and traffic is heavy now that people see work has begun on the site.

Like Stella and Nova, the architects for Luna are Rafi Architects, which designed much of Yale Town in Vancouver, and Calgary's BKDI Architects.



Courtesy, Qualex-Landmark

Work has begun on Luna, a 30-storey condo tower at 12th Avenue and 10th Street S.W. Luna is expected to welcome its first owners by October 2012.

The three-and-a-half levels of underground parking will become one continuous parkade under all three towers with lane access. The ground floor on the 10th Street main entrance side will accommodate two retail bays while the 12th Avenue frontage offers six, three-storey live-work townhouses. Those on the west end back on to a landscaped 5,300-square-foot courtyard and Zen garden, including terraced seating and an open air gas fireplace.

Also facing the garden are a large lounge and a fully equipped fitness facility with change and shower facilities and individual steam rooms.

The Luna tower is designed as a narrow one, which gives it ample separation of 30.5 metres between it and Nova. Interior design has a number of quality features, including seven-foot interior doors, home/office work stations, Fisher & Paykel five-burner gas range, convection wall oven and refrigerator, and five-foot soaker tubs and oversized glass showers in bathrooms.

It also offers technology-ready telephone/cable/data ports and CAT 5 wiring and secured, keyless garage and lobby entrances, plus its handy Beltline location in Connaught, close to Midtown Co-op and walking distance to Uptown 17th

and the Bow River.

It's good to see a developer make the decision to re-invest in Calgary's residential inner-city condo market; Qualex-Landmark also owns the strip mall behind Metro Ford on 10th Avenue S.W. where its Luna sales office is located. It has also worked on designs for two more towers on the former Alberta Boot property it purchased at the northwest corner of 10th Avenue and 5th Street S.W.

I bumped into **John Torode** recently and he tells me he has opened a new office location, with a staff of three, for Torode Realty in the Leeson-Lineham Building along Stephen Avenue. He is looking for good commercial and retail opportunities on behalf of a number of investors.

At the Famous 5 Foundation reception held in the Nellie McClung house last week, **Sherry Schlusser** made good on her promise to donate \$1,000 to the organization for every new suite sold in the adjacent Montana highrise condominium tower. Schlusser presented board chair **Gillian Lawrence** with the first cheque of \$5,000.

DAVID PARKER APPEARS TUESDAY, THURSDAY AND FRIDAY. HE CAN BE REACHED AT 403-830-4622 OR E-MAIL INFO@DAVIDPARKER.CA.

THE CALGARY 55

Calgary-based companies trading on the TSX

Oil and Gas

Company	Close	NtChg
Advantage	7.99	-0.01
Birchcliff Eny	9.41	-0.08
Cdn Nat. Res.	73.22	-1.51
Celtic Expl.	22.97	-0.20
Crescent Pt.	38.70	-0.30
Crew Energy	16.55	+0.06
Cenovus Eny	26.00	-0.48
EnCana Corp.	33.95	-0.25
Gran Tierra	5.94	-0.13
Husky Energy	27.53	+0.02
Imperial Oil	39.60	-0.28
Nexen	23.74	-0.41
Niko Res	100.35	+0.35
Nu Vista Eny	13.20	+0.19
Opti Canada	1.90	+0.02
Paramnt Res	17.25	-0.55
Petrobank	54.60	+0.68
Progress Eny	13.33	-0.08
Suncor	31.04	-0.80
Talisman	18.50	-0.36
UTS Energy	2.60	unch.

Industrials

Agrium	73.11	-0.31
ATCO Ltd.	51.53	+0.03
CP Rail	55.96	-0.39
Enbridge	48.56	+0.12
Ensign	14.75	-0.28
Forzani	14.25	-0.22
Mullen Group	15.06	+0.02
Pason	11.78	-0.11
Superior Plus	14.05	+0.11
Shaw Com. B	20.58	-0.05
TransAlta	22.99	+0.15
TransCanada	36.88	+0.25
Tri Can Well	14.71	-0.41
Trinidad	7.83	+0.04
WestJet	13.87	-0.13

Trusts

AltaGas	18.50	-0.01
ARC Energy	21.91	-0.08
Baytex	34.35	-0.10
Big Rock	16.48	unch.
Boardwalk	41.10	+0.20
Bonavista	25.24	-0.14
Cdn Oil Snds	27.90	+0.06
Daylight Res	10.98	+0.03
Enerplus	23.78	-0.12
Fort Chicago	10.40	-0.06
Inter pipe	11.89	+0.17
Nal Oil&Gas	13.53	-0.12
Pembina	17.15	-0.02
Pengrowth	11.49	-0.03
Penn West	21.52	-0.39
Peyto	14.09	-0.04
Precision Drill	8.26	-0.25
Provident	8.27	-0.24
Vermilion	35.11	-0.14

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

DEAL OF THE DAY

Phillips-Van Heusen to buy Hilfiger for \$3 billion

REUTERS
NEW YORK-BANGALORE

Phillips-Van Heusen, owner of the Calvin Klein label, agreed to buy fashion brand Tommy Hilfiger from London-based **Apax Partners** in a \$3-billion US cash-and-stock deal to boost its presence in Europe and Asia.

The deal would make Phillips-Van Heusen one of the largest suppliers of menswear to U.S. department stores, and will keep Hilfiger founder Tommy Hilfiger in his role as principal designer for the clothing line.

It also will add yet another high-profile name to PVH's lineup, home to Izod and Calvin Klein. PVH also distributes menswear under labels such as Kenneth Cole New York, Michael Kors, Donald Trump and DKNY.

News of the deal boosted Phillips-Van Heusen's shares about 10 per cent and marked an end to London-based private equity firm Apax's plans for an initial public offering for the iconic brand.

Private equity firms have been increasingly able to exit investments as the economy and markets have stabilized. Taking companies public has been more problematic.

Apax made 4.5 times its investment on the deal and will hold about seven per cent of the stock in PVH after the deal, a source said.

"The deal certainly makes sense and that can be seen from PVH's share price. A lot of people out there see that although it is quite a costly acquisition, they are still getting it at quite a low price," IBISWorld analyst Toon van Beeck said.

ETC.

'Process upset' forces Suncor refinery shutdown

DARCY HENTON
EDMONTON JOURNAL

Black and yellow smoke belched from **Suncor's** Edmonton refinery after a "process upset" forced the shutdown of part of the plant Monday.

No one was hurt in the incident and there was no explosion or fire, said Suncor spokeswoman Sneh Seetal. The incident caused gas to be flared and smoke and odours to be emitted from the plant, she said.

"We recognize the smoke and flaring may have been alarming for the local community, but we would like to reassure the public that there is no public safety concern," she said.

Seetal said the company immediately began monitoring the air near the plant and the

results of that testing showed levels of contaminants that were "well within acceptable limits."

"It really is a minor process upset," she said. "Any time something happens we absolutely take it seriously, but from time to time we do see process upsets at any facility."

A witness working in an office southeast of the refinery in Sherwood Park said he heard sirens around 11:55 a.m. and saw thick plumes of smoke pouring from a smokestack while another belched flames.

"We heard the sirens," said engineer Jacob Komar. "We looked over and there was black smoke, which we had seen before a couple of times, but this was really deep yellow smoke. It looked pretty bad."