

*Work should be fun? Life is made up of a lot of happy circumstances? That's what these up and comers say* BY MIA STAINSBY

## Wise words from the future

**T**hey snap and crackle with intelligence and ambition, they're in their 30s and 40s, and they've already got impressive credentials. They're the names that rose to the surface when we asked the Vancouver business community: "Who are the up-and-comers?"

Chances are, you'll be seeing a lot more of these people in the future.

They've got a good handle on what makes British Columbia tick, and they're using it to their best advantage. To give readers a glimpse of what goes on in their corporate Camelots, we asked these rising stars for their views on what the future holds for the province's business world and the economy in general. Here's what they had to say:

### **Basil Peters and Peter van der Gracht, Nexus Engineering**

The combination of Peter van der Gracht and Basil Peters is enough to knock the stuffing out of stuffed shirts. "I think entrepreneurs are the rock stars of the '80s," chuckles van der Gracht, 33. "We think work should be fun," Peters, 35, adds.



**Michael Brown, Milton Wong, Basil Peters, Jim Cleave, Andrea Eng and Peter van der Gracht**

*These are the names that rose to the surface when Outlook '88 asked the Vancouver business community: "Who are the up and comers?"*

Indeed, Burnaby-based Nexus Engineering Corp. has been striking all the right chords, thanks to their founders' exuberance and sweat. The only difference might be that rock stars measure glory in millions of dollars; the Nexus boys are thinking in sales of billions.

"I don't think we will hit a billion next year, but we're still fairly young," says van der Gracht. "If we can even maintain a modest growth rate, it's really possible."

Meanwhile, the high-tech Bobbsey Twins, Nexus president van der Gracht and chairman and chief executive officer Peters, are strutting their stuff—\$15 million in sales last year, and that's starting from nothing in 1982. Revenues for the company, which manufactures electronic equipment for the satellite communication and cable-television industries, have grown in leaps of 100% a year.

The pair give thumbs up to the economic climate in B.C. "The opportunities for ambitious people are only limited by a lack of imagination," says Peters. ("Oh Basil, you're so cliché," teases van der Gracht. They're a gas—a gag a minute in an interview.) Says van der Gracht: "The notion that we're laid-back is fading quickly. People are realizing that Vancouver is a business and technological centre and that we hustle."

They understand the high-tech business, and say it is in great shape in B.C., particularly since the provincial government is supporting its growth. Successes so far are a "drop in the bucket" compared to what lies ahead, they say.

**Andrea Eng, Colliers Macaulay Nicolls Inc.**

The 1977 Miss Universe contender would rather forget about her beauty, thanks. "All of that stuff doesn't help to create a business image," she complains.

Andrea Eng, 31, a vibrant, top-of-the-line realtor with Colliers Macaulay Nicolls Inc., says she was warned when she started with the firm. "We've never had a lady succeed," they told her. "What makes you think you can do it?"

She showed them. Women can be

beautiful, flaunt high-end IQs and succeed in business. But she adds: "You have to be a hundred times better than the men to be really top of the heap."

The only female in a staff of 40 in Colliers' downtown Vancouver office, Eng sold about \$40-million worth of properties in 1987. (Total sales for all Vancouver branches were about \$500 million.) Nearly all her clients are Hong Kong investors, and she has also become a valuable sounding-board for local business people and politicians on lucrative Hong Kong investment matters.

She's president of the Hong Kong-Canada Business Association, and serves on a variety of federal, provincial and municipal committees dealing with Hong Kong trade issues. Premier Bill Vander Zalm recently sought Eng's advice before embarking on a trade visit to Hong Kong—a British Crown colony which will revert to Chinese rule when Britain's lease expires in 1997. "The official line in Hong Kong is that things are great," says Eng. "In reality, there is a 1997 fear." The change in the status of Hong Kong, which results from the expiry of a 99-year lease to the British, has already heightened Hong Kong investor interest in Canada, particularly in real estate. That's why someone like her will make a difference to B.C. She's one of the gatekeepers to a huge influx of the Hong Kong money looking to travel, and she's got clout in directing traffic. "We're getting the second tier of immigrant investors," says Eng. "From the 1960s until recently, Vancouver has been attracting wealthy, high-end Hong Kong immigrants. Now the upper middle class are interested."

But the second tier is not the passive real estate investor, and B.C. has to do some serious promoting, she says. "They're looking for other opportunities. Diversification is the big thing coming up."

According to Eng, the Toronto area has attracted three times as many Hong Kong investors as Vancouver. But real estate here, she says, is booming all the same. "We are into a very healthy market now, prices are rising and expected to continue for all of 1988."

**Michael Brown, Ventures West Management Inc.**

In 1967, 28-year-old Rhodes scholar Michael Brown was trying to raise some Big Apple money to finance Max Ward's first Boeing 707 aircraft. After five deflating meetings, he headed for the New York bus depot.

He asked a policeman for directions. "He used the worst words you can think of and tacked on 'sonny boy' at the end," says Brown. "I was really ticked off and decided to walk in another direction."

That took him by the Chase Manhattan Bank just before closing time. Adrenalin pumping from the encounter with the rude cop, Brown went in. Fifteen minutes later he walked out with financing arranged by the bank.

"I believe life is made up of a lot of happy circumstances," reflects Brown.

Nowadays, Brown, president and founding partner of Ventures West Management Inc., is the one doing the bankrolling. Ventures West invests in "small growing enterprises" in Canada and the U.S. in exchange for equity in the company. Ventures West manages assets of about \$85 million and is always on the prowl for high-tech investments. Brown would like to see the provincial government encourage high-tech industries and commit "serious, professional long-term money."

As free trade with the U.S. heats up, the name of the game will be efficiency, says Brown. "Where we fall down sometimes is in understanding markets." Revved-up trading activity between the countries will encourage investments here, he says. "U.S. investors look at Canada as some weirdo foreign country. They don't understand everything from our stock markets to our laws."

The tourist industry, he says, has lots of potential. "The government has recognized that we can become a world-class tourist destination. When you look at what's going up at Whistler Mountain, it is earth-shattering."

**Milton Wong, M.K. Wong & Associates Ltd.**

Milton Wong has forgotten to wear a tie to important meetings. Forgotten plane tickets at home. Forgotten his

*Continued on page 15*

briefcase in his travels.

This is the president of Vancouver-based M.K. Wong & Associates Ltd., one of the two largest pension-fund managers in western Canada.

"Milton? Oh, he's a dirt-ball," says associate Wayne Deans with a laugh. The M.K. Wong office is an easy-going place, it seems. No walls, no hierarchic titles, and the boss can't get no respect.

"He's the kind of guy that gets excited about ideas and tends to lose sight of daily and ordinary things," says Jean Cormier, former chairman of British Columbia Resources Investment Corp.'s \$60-million pension fund, which MKW manages.

Of course, Cormier and Deans aren't criticizing Wong's formidable talent for dealing with money. At 48, Wong heads a firm that manages more than 70 major pension funds worth more than \$3 billion. "We do most of the major forest companies in UBC and B.C.," he says, providing a glimpse into his enormous portfolio.

Wong's industry will be reaping benefits from the growing pool of registered retirement savings plans. "Within the next five years, it'll be the most dominant force in pension funds," says Wong. In preparation, MKW set up two new mutual funds, both to be packaged as pension funds. "We have an aging population and people are saving more. In the months ahead, we'll be able to manage large numbers of people with money in the \$150,000 range."

Wong sees the forest industry as a bellwether for the coming year. "Companies like MacMillan Bloedel, who two years ago virtually had over \$900 million in debt, have millions in cash today. They've turned around. Now we see \$2 billion in capital expenditures in the industry."

B.C. is on is the move, says Wong. "The financial world is clearly impressed with our way of life, our resources, our institutions, our brainpower, our labor force and our productivity. Their actions speak louder than any words."

But there's a problem of self-worth to take care of: "We've got the gold, yet we seem to insist on going for the bronze," he says.

## Jim Cleave, Hong Kong Bank of Canada

"Bankers are low-profile, grey individuals," says Jim Cleave, president and CEO of the Hongkong Bank of Canada. "We wear dark blue or grey flannel. It goes with the territory."

What really counts, though, is the grey matter inside the skull. And it is readily apparent Cleave has a great deal of that.

Cleave, 45, was appointed chief of the Hongkong Bank of Canada last July. With the post came the task of steering the risky 1986 purchase of 41 branches of a seriously troubled Bank of B.C. into calm financial waters. It worked; the Hongkong Bank now stands as the ninth largest Canadian bank. "We're feeling much better about the acquisition than we did in 1986," says Cleave.

His objectives for 1988 involve "growing the bank east of the Rockies." The bank, says Cleave, is "tilted heavily to the west," so five or six new branches are planned from Alberta eastward. In 1988, all branches will be computerized and merchant banking operations will be acquired or started from scratch.

The Hongkong Bank ranks third among the 60 international banks in Canada. "We intend to be Number One before my tenure is over," Cleave says.

He sees a rosy outlook for the province in 1988. "There will something in the order of a 3% or 4% economic growth in real terms and a low rate of inflation—3% to 4%. The economy has turned noticeably for the better." Growth in the forest industry and tourism are positive notes as well.

"I look across the industries and union movements, and I don't see any one big negative," says the man in the dark blue suit. "From a business point of view Bill Vander Zalm is a positive force. And even the leader of the opposition (Mike Harcourt) is a man who was mayor of this city and well-respected by this community. Where is the downside?"

Vancouver, he says, is "now a city of the 21st century. We're now starting to address that reality, and Expo 86 was a big kick-off. The mood is more positive than it was through the '60s and '70s." ♦