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MARGIN CALLS

Pfizer plans job cuts of up to 2,400 staff

PHARMACEUTICALS • Pfizer Inc., the world's largest drugmaker, plans to lay off as many as 2,400 sales staff this quarter in a continuing reorganization, the Wall Street Journal said in its Friday online edition.

The job cuts will involve sales representatives and middle managers and represent about one-third of the company's marketing workforce, the report said, citing a person familiar with the matter.

Pfizer declined to comment, but noted it is making a concerted effort to reshape itself into smaller, more focused business units.

The New York-based drugmaker has already cut about 15,000 jobs in the past two years to downsize before its \$12-billion-US-a-year Lipitor cholesterol drug faces generic competition in 2011.

The Source in a bind as parent firm fails

RETAIL • The crunch is on for the operator of The Source stores in Canada to find a buyer after it was announced Friday that U.S. parent company Circuit City Stores Inc. has failed to find a buyer or reach a refinancing deal.

Circuit City, which filed for bankruptcy in November, will liquidate and close its 567 U.S. stores. On Thursday, the retailer held an auction to try to emerge from bankruptcy as a smaller chain. Circuit City had conducted negotiations with potential bidders to sell the company, but had advised that liquidation was possible if no deal was reached.

Circuit City subsidiary InterTan Canada Ltd., of Concord, Ont., has 765 retail stores and dealer outlets in Canada. Circuit City lawyer Gregg Galardi told a U.S. court Friday there are still bids for the Canadian business.

On Wednesday, InterTan was granted an extension of a deadline in Ontario Superior Court for firm proposals from buyers to Jan. 23 from Jan. 15, including what is rumoured to be an offer from current InterTan management. The deadline on the stay period granting InterTan court protection from creditors was also extended to March 31 from Jan. 30.

INSIDE FP TODAY



Why a 'personal' loan may be paying for your friend's next vacation

Page C8

HOMEOWNERS SEEK SIMPLIFICATION



Leah Hennel, Calgary Herald

"You're going to get nine times out of 10 a bigger house if you make that 15-minute drive," says realtor Kimberly Vink, outside a home in Okotoks, in explaining the appeal of buying property in the smaller communities outside Calgary.

Buyers find sanctuary in rural real estate

Owners try to escape urban stresses

MARIO TONEGUZZI
CALGARY HERALD

With prolonged economic malaise on the horizon, residential properties outside Calgary's limits may become more attractive for potential homebuyers looking to escape to their own sanctuaries away from the hustle and bustle of big city life.

"As people get more fearful, whether it's called for or not, they do want to cut back, and what we find is that cutting back to a lot of people means the cost of the property rather than their commute," said Don Campbell, president of the Real Estate Investment Network in Canada and author of two books on real estate.

"They'll say: 'You know what, it's actually a little bit cheaper if we move out to Okotoks, or Black Diamond than in Calgary and it might save us some money.'"

Campbell said that during recessions people tend to go toward sanctuaries.

"Rather than living right downtown with sirens and the buzz, people are already feeling stressed by all the economic news that's going on and... they really want some sort of sanctuary," he said. "That's why we're going to see a pretty steady demand for the Cochrans, and the Airdries."

Price, lifestyle choice and simplification are key during any time of stress and strain.

"Where better to spend some family time than in a smaller centre," said Campbell.

Kimberly Vink, a realtor with

Keller Williams Platinum Realty, said the acreage market in the Calgary area is unique.

"Not everybody is going to go out and buy an acreage.

"But you have to be pretty well educated when you go out and buy. You have to know what you're getting into."

Vink said there are fewer properties on the market outside the city limits, meaning there's less competition.

"You have some of these that are fixer-uppers and they're in the \$600,000 range and then we go to move-in ready with a few acres and it's \$800,000, and then you go to

these \$4-million properties. There's not a ton of competition in every area. There's just not as much supply," said Vink, who also specializes in homes in Okotoks.

She said many people want to be outside Calgary because the city is getting too big. Price is also a factor.

"Something you can get in Okotoks is going to cost you more in Calgary, generally. You're going to get nine times out of 10 a bigger house if you make that 15-minute drive," said Vink.

Recent year-end statistics by the Calgary Real Estate Board show sales in the towns outside

of Calgary fell by 27 per cent in 2008 compared with 2007 but the average sale price decreased by only 0.6 per cent to \$375,024. In the country residential market, which includes acreages, sales were down by 18.2 per cent and the average sale price dropped by 4.4 per cent to \$797,599.

In the country residential market, the sale to list price was at about 93 per cent, said Lai Sing Louie, senior market analyst in Calgary for Canada Mortgage and Housing Corp. That was lower than the single-family metro market in Calgary, which was about 95 per cent.

"It's a thinner market out there in terms of people who want to live out in acreages. They want a little more land and they want not as much congestion. They trade that off for the drive, the commute time," he said.

But listing levels are rising in the market outside of Calgary. In 2008, new listings increased by 16.6 per cent in the country residential sector and by 15.2 per cent in the nearby towns.

Louie also pointed to the time it takes to sell a home in those areas. For 2008, the average days on the market to sell in the towns category was 67 days, up from 44 the previous year. For the country residential market it was 83, up from 66 in 2007.

"It's taking people longer to sell so they're willing to give a little bit more on the list price," he said.

"If they want to pick up the pace, they're likely going to have to move with the market and maybe accept a lower bid.

"When you look at the sales to list price, it's around 96 per cent. It's actually higher than in the (Calgary) metro area... They're not accepting that lower bid as readily as in the city. That's probably supporting the price to some extent."

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CALGARY-AREA MLS SALES			
TOWNS			
	2008	2007	% Change
New listings	10,426	9,047	15.24%
Sales	3,815	5,223	-26.96%
Average days on market	67	44	52.27%
Average sale price	\$375,024	\$377,287	-0.60%
Median price	\$350,000	\$347,500	0.72%
COUNTRY RESIDENTIAL (ACREAGES)			
	2008	2007	% Change
New listings	2,629	2,255	16.59%
Sales	674	824	-18.20%
Average days on market	83	66	25.76%
Average sale price	\$797,599	\$833,967	-4.36%
Median price	\$725,000	\$750,000	-3.33%

Source: Calgary Real Estate Board. Photo, Calgary Herald Archive



Calgary company belle of Obama ball

GINA TEEL
CALGARY HERALD

Calgary's Smart Technologies Inc., whose interactive whiteboards are known in classrooms and boardrooms worldwide, will be part of the big picture at Tuesday's historic inauguration of U.S. president-elect Barack Obama.

Smart, the privately held inventor of the Smart Board interactive whiteboard, said its products will be used to streamline a live feed from the Neighborhood Ball in Washington, where the official inauguration of the 44th U.S. president takes place on Tuesday, to the attendees of the Bronzeville Ball in Chicago, in the historic namesake neighbourhood and community where Obama grew up.

Linda Thomas, Smart's vice-president of marketing, said the company is thrilled to be part of the historic event, via Bronzeville, given Obama's commitment to education technology.

The gig's not bad for business, either. "Chicago has one of the largest populations in the U.S., this is a very important event for Chicago, and with president-elect Obama being from Chicago, it's a very good fit for us, and fit for the education community and fit for our business," Thomas said.

Smart, which sells its products in 170 countries, saw its one-millionth Smart board come off the line in August.

The company will have three Smart Board 680i interactive whiteboard systems and two 17-cm Smart Board for flat-panel displays, at the Bronzeville Ball, where 300 people are expected to attend.

One of the whiteboards will be streaming live to the Obama-hosted Neighborhood Ball, as well as other galas in Washington and communities across the U.S., allowing guests to interact with each other.

Another board will show a continuous loop of the taped broadcast of the inauguration and Obama's acceptance speech.

A third will carry live ABC coverage, the company said, while the two remaining products will highlight various community businesses in Bronzeville and be available for attendees to use to sign or write messages on, which will then be saved digitally.

"The interactivity and the ability for the participants at the ball to write their messages to their friends, capture, save (and) store the messages, is uniquely Smart's product and will be done real time," Thomas said.

The company will also work with an artist to create a commemorative piece using the messages written on the whiteboard.

Debi Andrus, assistant professor of marketing at the University of Calgary's Haskayne School of Business, said Smart's traditional market has been in classrooms and boardrooms, and its involvement in this event shows it's evolving to new business applications.

SEE SMART, PAGE C12



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