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Isotopes buoy B.C. business hopes

TRIUMF researchers uncover answer to offsetting chronic global shortages of medical isotopes caused by shutdowns of Ontario's Chalk River nuclear reactor

CURT CHEREWAYKO

Researchers in B.C. believe they've discovered a new way of producing a rare medical isotope that's currently produced in only a handful of nuclear reactors around the world.

A proposal by Vancouver-based nuclear physics lab TRIUMF to build a photon accelerator that produces molybdenum-99, an isotope used in hospitals to treat patients for cancers and disease, became more appealing last week after the Chalk River reactor in Ontario suffered another outage following a heavy-water leak.

The outage at Chalk River - which produces roughly 40% of the world's medical isotopes and is one of the few producers of molybdenum-99 - has left the medical imaging industry scrambling to meet world demand for isotopes.

"The operating schedule that [Chalk River] has to meet to be a world supplier of isotopes is extremely rigorous," said Tim Meyer, head of strategic planning and communications at TRIUMF.

The shortage is exacerbated by the fact that that three of the four other reactors in the world that supply nuclear isotopes are shut down for maintenance.

On April 28, TRIUMF announced a deal with MDS Nordion, an Ottawa-based firm that refines raw isotopes, to study the idea of using photon beams and an accelerator to produce molybdenum-99.

It's a major departure from the isotope production method used in nuclear reactors, where nuclear reactions use neutrons to irradiate, or bake, uranium to trigger the fission reaction that separates isotopes, an accelerator slams protons - high-energy rays of light - into uranium at speeds nearing that of light to break down the uranium.

TRIUMF and MDS Nordion have a long-standing relationship, TRIUMF designed



Tom Roth, director of TRIUMF, photos at

and operates three cyclotron accelerators. The accelerators don't study us, but do produce isotopes for medical imaging.

As a result of the Chalk River outage, Nordion said that, as early as last week, it would be unable to meet demand for medical isotopes customers.

According to Tom Roth, a TRIUMF vice-president, the only way of using an accelerator to create medical isotopes because the Chalk River reactor is historically been able to meet world demand, which left little incentive for others to build.

"The Chalk River reactor was the

THIS WEEK

PROFILE:

EXECUTIVE SUMMARIES

Equity market rally unsustainable: Doman

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The CEO of one of B.C.'s largest private companies is warning investors that North America's current two-month equity market rally is unsustainable.

"I'd be careful [in equity markets], because, from what I see, earnings going forward on pretty much anything are still going down," **Amar Doman** told *Business in Vancouver*.

Doman heads **Futura Corp.**, which generated \$1.4 billion last year from investments in the hard-hit building products manufacturing and distribution sector.

"The earnings power isn't behind the [overall stock market] rally, so it's going to run out of steam," he said.

One of the few sectors where Doman believes there are opportunities is his own.

He owns a substantial stake in **Tree Island Wire Income Fund** (TSX:TIL.UN), which released dismal first-quarter earnings May 19. The Richmond-based nail-maker revealed that first-quarter revenue declined 30.7% compared with 2008's first quarter.

The stock promptly lost

about one-quarter of its value and returned to penny stock status. Before last October's market meltdown, Tree Island units hovered at around \$6.

Optimism had reigned given that Tree Island increased annual revenue 22% to \$322.7 million in 2008 despite primarily serving the hard-hit housing market in the American southwest.

"Particularly in the building materials segment, we're seeing corporate valuations that are below asset value, below cash value or replacement value. There's some opportunities there if you've got the stomach and the cash to provide through difficult times."

Recent travels boost optimism of Fairchild Group CEO

Rumours swirl that **Blenz Coffee** is angling to take the **Starbucks** space at Aberdeen Centre mall in Richmond.

Fairchild Group CEO Thomas Fung, who owns the mall, confirmed that two coffee chains are vying for the space, which has access both inside and outside the mall.

One of the chains is

Vancouver-based, Fung said. The other is a Japan-based public company that has yet to open a café in North America. Fung expects to conclude negotiations before June.

Two other 500-square-foot vacancies dot Fung's 380,000-square-foot mall. He opened the facility five years ago, so many leases are coming due.

Fung said he has been able to charge a premium on some renewals. On others, he has given an average 5% discount.

He returned optimistic last week from a four-week business trip, zigzagging around China and Taiwan.

"It was quite an eye-opening trip, particularly in China," Fung said. "Retail was so active and growing. Construction sites are everywhere with people working. People are buying. All the most expensive restaurants are fully booked."

Fung was bearish on the price of oil when *BIV* spoke with him in February, but his recent experience has him reconsidering his stance.

"Some adjustment has to be made because emerging markets like China and India are in demand for oil."

gkorstrom@biv.com

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