



EDMONTON JOURNAL

Business Browser

Edmonton Journal
Thursday, June 7, 2007
Page: G2
Section: Business
Source: CanWest News Service

WAX PRICE-FIXING ALLEGED

BRUSSELS - Exxon Mobil Corp., the world's biggest oil company, said it was accused by European regulators of fixing the price of paraffin wax used in candles and coatings for waxed paper.

The European Commission sent Exxon Mobil a so-called statement of objections on May 30, Nikolaas Baeckelmans, a spokesman for the Texas-based oil refiner, said in an interview Wednesday.

The commission said June 1 it sent charges to companies in the paraffin wax industry for participating in an alleged price-fixing cartel.

The regulator didn't identify the companies.

Sasol Ltd., South Africa's third-largest publicly traded company, said it had received the charges.

The commission, the 27-nation EU's Brussels-based regulator, has the power to fine cartel members as much as 10 per cent of annual sales.

The agency has cracked down on price-fixing, imposing more than 2 billion euros (\$2.7 billion) in fines so far this year.

The companies have two months to respond. They can ask for a hearing and appeal a final decision to the European Court of First Instance in Luxembourg.

MAGNA MAY ADD PLANT

SOUTHFIELD, Mich. - Magna International Inc., the only auto-parts supplier to fully assemble cars, is moving closer to adding a North American plant to build vehicles on contract, company president Mark Hogan said Wednesday.

He said a North American operation is "in the offing" and most likely will involve a European manufacturer looking to escape the currency-exchange penalty caused by the strength of the euro to the U.S. dollar.

A North American assembly plant would fulfill a Magna goal dating to the 1990s.

COLD WEATHER HURTS REITMANS

MONTREAL - National apparel retailer Reitmans Canada Ltd. said first-quarter earnings fell 15 per cent from a year earlier because cold weather kept shoppers away from its stores across Canada.

Net income for the three months ended April 29 was \$18.4 million, or 26 cents a share, against \$21.7 million, or 30 cents a share, a year earlier.

Sales rose 3.5 per cent to \$231 million, which include figures from 42 new stores. Sales at stores open at least a year were down 6.5 per cent.

STELCO SELLS PIECE OF IRON MINE

OTTAWA - Stelco Inc. said Wednesday it is selling its 44.6-per-cent interest in the Wabush, Labrador mine to Consolidated Thompson Mines Ltd. for about \$163 million.

The transaction includes \$44 million in cash, assumed liabilities of \$95 million, warrants to purchase shares valued at \$1.7 million, and a \$23-million agreement for Consolidated to supply iron ore pellets to Stelco until the end of 2009.

"This transaction will improve our financial position and accelerates our efforts to surface value in Stelco," said Stelco CEO Rodney Mott.

Hamilton-based Stelco will retain its share of the Wabush iron ore inventory, which is valued at about \$36 million.

CELESTICA IN BUYERS' SIGHTS?

MONTREAL - Celestica Inc., a Canadian contract manufacturer of electronics, may be an acquisition target after Flextronics International Ltd.'s agreement to buy Solectron Corp. sparked speculation about further consolidation in the industry.

Of the companies remaining in the industry, Celestica has "the highest potential of being taken out in the near term," Scotia Capital analyst Gus Papageorgiou said in a note to clients.

A purchase may help Celestica return to profitability after reporting 15 losses in the past 16 quarters. The company has cut more than 28,000 jobs since 2000 as it seeks to expand profit margins squeezed by falling sales.

NO LONGER BANKERS' HOURS AT TD

TORONTO - Toronto-Dominion Bank branches will open for longer hours as the bank delivers a new strategy aimed at garnering a bigger share of the highly competitive Canadian retail banking market.

About 800 TD branches will open longer beginning in November.

On average, TD's branches will be open almost 60 hours a week, compared to about 50 hours a week previously, and about 40 hours a week for some rivals, the bank said.

WAVE OF VIRUSES COMING

WASHINGTON, D.C. - The software industry will face more computer viruses in the next two years than in the previous two decades combined as attacks grow more sophisticated, McAfee Inc. CEO Dave DeWalt said.

DeWalt, who leads the world's second biggest anti-virus software firm, and executives such as Microsoft Corp. CEO Steve Ballmer were meeting with U.S. lawmakers Wednesday to seek tougher penalties for "cybercrime."

Hackers are building networks that span the globe by using computers without their owners' knowledge to send out unwanted spam e-mail messages and get into confidential data, DeWalt said.

He didn't disclose any figures for how many attacks may occur.

B.C. BOOSTS **INTERNSHIPS**

VANCOUVER - The British Columbia government is providing \$10 million to triple the size of an internship program where graduate students will work with B.C. businesses to help increase the province's competitiveness.

Advanced Education Minister Murray Coell said the funds will help provide more than 650 **internships** over the next four years.

The business community kicked in another \$5 million.

Illustration:

• Photo: Bloomberg News / HORNS O' PLENTY: A woman looks out her window as a crane hoists a 1,260-pound, black rhino bronze sculpture into the Royal Geographical Society garden in London, U.K. on Wednesday. Ready for public view this Friday, the rhino and seventy other bronze animal sculptures by South African sculptor Dylan Lewis will be sold at Christies, South Kensington on June 11.

Idnumber: 200706070014

Edition: Final

Story Type: Business

Note: Get a jump on business news at the Edmonton Journal's website with a summary of top stories every weekday morning and updates throughout the day as news breaks. Go to www.edmontonjournal.com and look under Latest from The Journal.

Length: 820 words

Illustration Type: Black & White Photo