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Cover Story
Completing a community
Many schools of thought shape the development of the UBC area

Features
Hot, hot, hot!
An academic perspective on the Vancouver real estate market

People
Actuals – Seen and heard in the Sauder world
The Class of ’44 gathers, Hockey Night with Sauder, Trek 2005, and all sorts of winners – check it out

Learning from leaders
Dr. Bob Lee is a 20-year volunteer with stories to tell

Leading by example
Real estate royalty serve Sauder’s Centre for Urban Economic and Real Estate

Insider information
Faculty and research updates

School News
Newsworthy
Sauder’s experts on the demise of Jetsgo, an election stock market and the school’s connections in China

Grow from within
Eric Huang with an update from Sauder’s MBA Society

Looking back on the year
Jeff Potter looks back on the year for the CUS

Class notes
From Blair Baillie (BCom 44) to Derek Wang (MBA 05)

Contact us and share your news
Make sure you’re in the next Class Notes

Student corner
Grosvenor interns learn the ropes

Roundup
Viewpoints from the Dean
The Sauder index
Earning interest
Biggest cities, best places to live
Points of view
Staying connected
LIKE MANY OF YOU, I TOO EXPERIENCED sticker shock when I heard I’d be moving my family to Vancouver and my wife and I started looking at real estate. Our move was from Europe, and I guess we hoped for smaller-town Canada prices, quickly being reminded that Vancouver and its real estate “arrived” long before we did.

This issue of Viewpoints focuses on real estate and property development and, as Canada’s leading real estate educator, it’s a subject area Sauder is passionate about. (For more on the much-talked-about Vancouver real estate bubble, see our feature story on page 14.)

We now graduate hundreds of people every year whom we have trained to be real estate agents, brokers, and mortgage experts. Many others of you from Sauder’s past and present BCom, MBA and PhD programs are applying your expertise in finance, operations and marketing to real estate and property development jobs as well. A few of our experts share their perspective on trends in this area in Alumni Points of View (page 18).

Our close and deep partnership with the real estate communities in British Columbia, Canada and the world shows that Sauder-trained leaders are serving the needs of realtors, assessors, surveyors, brokers, developers and planners, among others. The impressive advisory team of professionals assembled to help guide our new Centre for Urban Economics and Real Estate is just one example of this (see story on page 25).

Obviously, real estate and development are of economic importance in any market, but they are also an important area of knowledge development and learning historically. The Sauder School of Business has been a major player in that world-wide knowledge community for many years and these days is renewing its prominence for our thinking, teaching and research in areas such as:

- Understanding economic development in Asia
- Building communities that are more sustainable—environmentally, socially and economically
- Developing a new ethos around life balance and the space we live, and
- Creating more adaptive infrastructure within communities.

We are asking the question—both within Sauder, and on a global scale: What do our facilities need to look like to serve the needs of our community? The cover story (page 8) in this issue of Viewpoints on the development of the UBC campus itself also addresses this question.

In other developments at Sauder, 2005 brings our second year of broad-based admissions; a process that is achieving access to a world-class, undergraduate business education for those who can make a difference. Employers have told us they want well-rounded business citizens, intellectually strong but also possessing strong leadership and team-work skills and a strong orientation toward building stronger organizations and communities.

We recently continued our outreach with the launch of a part-time MBA program in Kelowna, and are further opening our worlds of knowledge by renewing and rebuilding our faculty (see page 28). Everywhere we go, we continue to improve our street recognition by projecting the new Sauder brand. Our key brand messages focus on our ability and compelling need to open doors—of knowledge, of opportunity, and of insight.

When I think back on the doors I’ve stepped through over the years, obviously the most important ones are those that take me to where I live. So call it real estate if you want; to me, it’s just home. ■

Daniel F. Muzyka, Dean
RBC Financial Group Professor of Entrepreneurship
The Sauder Index

Units of student housing currently on UBC's campus: 8,000
Percentage of undergraduate students able to rent housing on campus by 2021: 25%
Number of buildings that form the UBC campus: 412
Size of campus: 402 hectares
Economic impact on local economy: $4 billion
Value of endowment being generated by development of University Town: $500 million

Date of completion of one of the earliest universities in the world: 972 AD
(Al-Azhar mosque which became Al-Azhar University in Cairo, Egypt three years later)
Oldest buildings ever found: 500,000 year-old hut made by Homo erectus and discovered at Chichibu, north of Tokyo, Japan

Percentage of Vancouver's population who are foreign-born: 35%
(the highest ratio for any city in the world)
Percentage of fossil fuels needed to power the 800-acre, master-planned destination shopping/hotel/lifestyle resort DestiNY USA under construction in Syracuse, New York: 0
Number of parking spaces in the parkade at DestiNY USA: 50,000

Price of an average two-storey detached house in the Mount Pearl area of St. John's, Newfoundland: $132,500
For the same house in Victoria, BC: $352,000
Most expensive zip code in the United States in 2005: 94207 in Atherton, CA
(median home sale price in 2004 - $2.5 million)

Century in which the term “mortgage” was coined: 14th
Cost of the deed to one acre of land on the moon: Prices start at US$29.95 through the Lunar Embassy
Number of acres of moon land sold: 300 million
Actuals SEEN AND HEARD IN THE SAUNDER WORLD

Celebrating sixty years since graduation

Last fall, the BCom Class of 1944 returned to their old stomping grounds to reminisce and share a meal. Back then, the business school fell under the Faculty of Arts, and only became a recognized faculty itself in 1956. As a sign of the times, while many were drafted to serve in WWII, they were able to complete either army, navy or airforce training on campus. Reunion participants included Blair Baillie, Miram Buckland, Donald Chutter, Colin Glover, Murdo MacKenzie, Harry Marshall, Margaret Reid (whose father started the school of commerce), John Short, Glenn Whitelaw, and Robert Whyte.

Margaret Reid (pictured here with Murdo MacKenzie) and Miram Buckland (pictured at left) were two of only six women in the Class of 44. At their recent reunion, they recalled their one class a year with Ellis Morrow, Margaret’s father, and a pioneer as the first Director of UBC’s School of Commerce in September of 1939.

Sauder brand launch in Hong Kong and London, UK

These guys aren’t on strike

A group of past and present Sauder School of Business MBAs took the Ivey Cup by storm, placing second in their eight team division at the annual hockey tournament held in March in London, Ontario. The team was comprised of alumni and current full-time and part-time students, and had never played together before convening for a game-day practice the first day of the tournament. This is the first-year that Sauder has entered a team in the Ivey Cup. The Sauder 2005 Ivey Cup Hockey Tournament line-up: Jody Sawchuk; Kevin Hansen; Jamie Lee; Prentice Durbin; Don Sadowski; Brian Roth; Ian Fraser; Matt Walton; Dwayne Clark; Chris Kerluke; Yoav Olund; Mikio Matsuo; Devin Redlich; Tomo Nozaki.

MBA mingling

MBA candidates and alumni gathered at the Copper Tank Bar and Grill in Vancouver for some drinks and finger foods and to share experiences.

MBA candidates Ines Biedermann, Andrew McKay, Diego Ramirez Montes (MBA 05), and David Llewellyn take a break from their studies to enjoy some sustenance.

Zubin Daruwala (MBA 00), Arden Styles (MBA 00), and Alexander Ralph (MBA 05) enjoy the night.
BCom students Janice Cheam, Salim Hassan and Derek Sawkins and Bachelor of Applied Science students Cyrus Irani, Tariq Amlani and Lauren Kulokas have taken top honours at this year’s edition of Canada’s national Energy Efficiency Awards, becoming Canada’s newest Energy Ambassadors. Their company was formed during a unique collaborative UBC course called New Venture Design, which brings together fourth-year engineering and commerce students to design and market a new consumer product. The group’s first product, PowerTab, allows homeowners, landlords and companies to track, in real time, the amount of electricity they are consuming. New Venture Design was developed by Sauder marketing professor Darren Dahl and Applied Science electrical and computer engineering professor Peter Lawrence.

In February, the recipients of the Odlum Brown Leadership Award were recognized for their achievements. Pictured are Brooke Campbell (BCom 65, LLB 66), VP & Director, Corporate & Government Finance, Odlum Brown; Tan Wang, Chair, Finance Division; Alex Messina, Odlum Brown Leadership Award Recipient; Jonathan Lin, Odlum Brown Leadership Award Recipient; Ross Sherwood (BA 71), President, Odlum Brown.

A team of Sauder undergraduate students comprised of Scarlett Dunetz, Varinder Grewal, Neil Hahn, Yosh Kasahara, Hanson Ng, and Roy Parappilly, took top honours at the Second Annual Northwest Real Estate Challenge, a March competition that included two other student teams from the University of Washington and Portland State University. This is the second year Sauder and UBC have won at this event. The Sauder team proposed a mixed-use residential and retail development focused on “Stadium Living,” with retail and lifestyle development oriented towards the stadium and urban living.

From among 44 MBA teachers nominated by students at Schulich School of Business at York University this year, Sauder’s own Oana Branzei (PhD, seated) was awarded first place in MBA teaching at the 8th Annual Seymour Schulich Awards for Teaching Excellence: The award was presented at the MBA formal in March, where Oana’s students (behind her) helped celebrate and cap off her very first year teaching at Schulich.

With the Business Career Centre and the Commerce Undergraduate Society, the first ever Trek Vancouver was successfully hosted in February. More than 75 students were given the opportunity to selectively visit and experience a total of eight companies ranging from UPS to Intrawest.

Sauder BCom students once again proved they are among the best and brightest in Canada and internationally, placing in top positions at the annual Inter-Collegiate Business Competition (ICBC) at Queen’s University in January. Four Sauder teams participated in the final round of competition in four areas: Finance – third place finish for the team of Davita Fuchs and Ray Tam; Business Policy – fourth place finish for Jenn Hume, Julia Li and Ann Wong; Debating – Hana Reznikov and Erik Wiens; and Labour Arbitration – Rich Hernandez and Anita Lam. Pictured with them are Sauder professors Bernhard Schwab and Dan Gardiner.
Sauder faculty comment on the fall of Jetsgo airlines

Professors David Gillen and Tae Oum provided comments to a number of media outlets, including CBC, the Vancouver Sun and Province, Montreal Gazette, Ottawa Citizen and various radio stations on the demise of Jetsgo Airlines.

Professor Tae Oum told the Vancouver Sun, “I think it was a question of when, rather than whether, they would go out of business,” he said. “They focused on really low-cost passengers only, whereas WestJet had some reasonably high-fare-paying passengers, so they could level out their costs as well as compete with Jetsgo.”

Oum said the remaining carriers will remove some of the deepest-discount fare classes, although economy fares and seat sales will persist.

Professor David Gillen, Director of the Centre for Transportation Studies at Sauder told the Ottawa Citizen that it would be difficult for Michael Leblanc, the founder of Jetsgo to get back into any kind of service business. Gillen says Jetsgo misled customers right up to the last minute.

“Most people with a stake in the industry and observers recognized this was not a viable business plan in the domestic aviation market,” Gillen said. “It was not only bad business, but it was mean-spirited.”

Partnerships and opportunities: Sauder’s connections with China

In a feature article on connections with China, Gillian Shaw profiled the Sauder School of Business IMBA program in the Vancouver Sun. The article featured Joyce Guo, part of the first graduating class of the IMBA.

Guo, who was working in Shanghai as a marketing manager for a global Fortune 500 company when she signed up with UBC, is currently working in Toronto, where she will stay for another two years overseeing her company’s Asia-Pacific marketing operations before being posted back to Shanghai.

“Canada is always a country of interest to many Chinese,” said Guo. “The degree from UBC is perceived as premium, especially for those who are working for foreign-invested companies. A degree conferred from a prestigious university will be valued.”

Grace Wong, assistant dean for international programs at Sauder, and also interviewed for the article, noted that this year marks the university’s 25th year of working with China.

BC Hydro takes a small step toward accurate pricing

In her weekly column on business issues in BC, Mary Lynn Young examines BC Hydro’s proposed new pricing strategy—a more rational, stepped pricing system. The structure is based on an incentive model to encourage customers to reduce their overall energy usage. The plan involves raising rates for industrial users who increase consumption next year, while customers who limit their use of power to 90 per cent of their historical usage will pay a lower amount.

Our own Professor Ralph Winter commented in the column that electricity
prices should be based on true costs in order to yield the greatest economic, social and environmental benefit to residents and business. The current systems of electricity pricing in Canada distort the prices for companies, which amounts to an implicit subsidy for industry and induces firms to overuse electricity.

“Low prices may be a necessary choice politically, but the cost to Canadian citizens as a whole is enormous,” Winter says. “The tiered pricing system in B.C. is a very positive step towards balancing the political need for low prices and the economic benefits of improved incentives.”

**UBC MBA exchange program opens borders for graduates**

The Sauder School of Business MBA exchange program was recently profiled in the National Post Business Magazine for providing students with access to new overseas markets and opportunities.

UBC MBA alumnus Jim Cole (MBA 03), was profiled in the article and provides a good example of the international nature of today’s MBA market. Formerly an investment consultant from Vancouver, Cole earned an MBA in 2004 from the Sauder School of Business and says he chose UBC because there was the opportunity to go abroad.

In the last semester of his 15-month program, Cole took advantage of one of UBC’s MBA student-exchange agreements and spent a term at the Rotterdam School of Management at Erasmus University. He now says he probably wouldn’t have landed his job as global investment manager for British Petroleum plc if he hadn’t studied at the prestigious Dutch school—nor would he have chosen Sauder for his degree if it hadn’t offered him the opportunity for international experience.

**Booming real estate, booming economy**

In a feature story on B.C.’s real estate market in the Vancouver Sun, Tsur Somerville, director of Sauder’s Centre for Urban Economics and Real Estate, said the explosive growth in the province’s real estate sales was indicative of the “pent up demand” sparked by plunging interest rates and improved provincial job prospects after years of economic indifference.

“[Real estate sales are not] a driver of the economy, but are an indicator,” Somerville said. Rising house prices also have a positive impact on the economy, even when there are no housing starts, because people are more likely to spend the wealth generated by their investment in property. “If my stocks go up, I don’t tend to liquidate,” Somerville said. “But if my house goes up in value, I take a second mortgage or a line of credit.”

**Political teachings – Election Stock Market illustrates efficient market theory**

A regular media feature during the lead-up to the British Columbia provincial election on May 17, 2005 was the UBC-Election Stock Market (UBC-ESM). Operated during various Canadian federal and B.C. provincial elections since 1993, the UBC-ESM is an online, real-time market where the “shares” (or contracts) being traded are based on the outcome of an election. Participants in the stock market invest their own funds to buy and sell financial contracts representing the political parties, and in addition, bear the risk of losing money as well as earning profits.

“Election stock markets, like the UBC-ESM, have proven themselves capable of predicting with great accuracy the results of elections in Canada, the United States and elsewhere,” says Professor Tom Ross, Director of the Phelps Centre for the Study of Government and Business and Co-Director of the UBC-ESM. “Markets such as this are successful, in part because they capture the opinions of a geographically diverse electorate, through the traders. The fact that they have invested their own real money provides motivation to the traders who can earn profits or lose money depending on their success at predicting the political parties’ fortunes.” This year’s UBC-ESM proved no exception. While there was some margin of error reported, the UBC-ESM predictions were fairly close to the actual election results: traders on the UBC-ESM predicted 48.6 seats for the Liberals; 29.3 seats for the NDP; and 1.6 seats for the Green Party. The final count, as of June 6, 2005 had the Liberal Party holding 46 seats, and the NDP holding 33.
Completing a

TEN YEARS AFTER THE UNIVERSITY OF

British Columbia offered its first classes, students and faculty finally moved to the Point Grey campus with a sense of awe and wonder. Construction had been stalled by the outbreak of World War I so space in the McGill College buildings in the Fairview areas of Vancouver had been used. Despite the fact that the only permanent buildings initially in place were the library and natural science building (with others being temporary structures), with no student dormitories or gymnasium or social centre other than a basement cafeteria, there was a sense of excitement at finally having a place to call “home.” It was the beginning of the dynamic community that is continuing to evolve today.

The current campus-wide development project is the culmination of 15 years of planning to create a cohesive campus community with architectural character, a full range of services, a sense of unity and common identity. Dennis Pavlich, Vice-President Legal & External Affairs at UBC has led the development of the Main Campus plan which addresses academic growth, and encompasses a range of issues from buildings to transportation and landscape. “The hallmark of a university is dialogue and discussion, so we have worked hard to consult with stakeholders and interest groups throughout the process,” he says (see sidebar on page 13).

By 2020, there will be the capacity for 28,000 people to live on a campus that

“To those of us who began our academic careers in the catacombs at Fairview, the sudden accession to a wealth of light and beauty is positively bewildering. We are dazed with the appearance of architectural cleanliness and bewildered by our lineal freedom.” ~UBYSSEY editorial, September 23, 1925 (written by a student who had just moved, along with the university, from cramped quarters in the Fairview area of Vancouver to the new Point Grey campus).
will boast all of the services and amenities one would expect from a fully developed community. “The grocery store and schools are part of the south campus plan, and expected to be in place within the next two years,” explains Al Poettcker (BCom 69), President and CEO of UBC Properties Trust, the company that is managing the development of what has become known as University Town—or U-Town as the locals would call it.

“We are creating a complete community,” says Poettcker, whose own affiliation with the university goes back to the 1960s when he was a student in the commerce program. He, along with Bob Lee, (another UBC graduate) and Jim Houston, founded UBC Properties Trust in 1988. It was originally created as a wholly owned subsidiary of the university, but now operates as a trust with sole beneficiaries being the university and the UBC Foundation. It is actually one of the largest developers in the province, managing over $600 million of construction on the UBC campus.

A COMPLETE COMMUNITY

University Town takes what may have appeared to be piecemeal development of the campus over the past several years, and provides the umbrella for what is a very thorough and comprehensive long-term campus development plan.

Balancing the needs of students, faculty, staff and residents can be challenging. “What we’re striving to do,” states Poettcker, “is meet the needs of everyone as best we can. There are some basic things that every community requires and we’re working with those groups to build a community that meets their needs. Schools, community centres, stores,
restaurants, transportation; all of those things are part of the project.”

Despite having student accommodation that rivals most other universities as a percentage of the population, UBC is considered a commuter campus. Every day about 18,000 cars make the trip on campus along with numerous buses. “When I was a student, one of my friends used to say ‘We’re just a golf course away from reality,’” laughs Poettcker. With transit schedules now allowing people to move to and from the campus at all times of the day, people enjoy the flexibility to come and go as they please, allowing them to take advantage of on-campus activities and with the recent introduction of U-Pass, transit use went up 160% and car trips went down 14%.

Underscoring the development of University Town is the value of the endowment for the university. With 99-year prepaid leases, UBC has already benefited from $81 million raised through endowments; an amount that continues to increase in value for investment in students through continued development of programs and services. Al Poettcker is quick to point out though, that the creation of the community in conjunction with the endowments is what creates the value. “In isolation, each of them would fall short. By recognizing that the two go hand in hand, is where we see the real long-term value,” he states.

IN MY BACK YARD

With the overall goal to create a vibrant community that is pedestrian-friendly, provides a full range of services and amenities and welcomes public transit, the developers of University Town are also concerned with ensuring that residents, of which 30% won’t have a direct connection to the university, enjoy a sense of community. Enter the University Neighbourhood Association, a volunteer-based elected group of people representing the various campus neighbourhoods.
This group manages the needs of the community and works to enhance community life. By developing budgets, reserves, managing/maintaining community centres, and providing social opportunities for residents, the Association facilitates the smooth transition between “town and gown.” “We have a very liveable community,” states Jim Taylor, President of the Association and a 10-year resident of the first development on campus.

“You get to know your neighbours and we work together to create opportunities for socializing and keeping everyone informed of changes taking place as well.”

Taylor explains, “One of the general obligations the university has within the Official Community Plan is to try to enhance the sustainability of the campus. We’re looking at ways to make it easier for people to be pedestrians here; things like shuttles to take people to and from the extremes of the campus, and shopping cart depots near the houses once the grocery store is built so residents can walk back and forth to the store and not worry about how many groceries they have.”

**BUILDING FOR THE FUTURE**

Recognizing the necessity of creating a sustainable community is top-of-mind for Al Poettcker and his team. “We are very sensitive to the need to create a community that will be liveable and create as little impact on the surrounding environment as possible. This area is a gem within the city and we have to treat it well,” he says. With that in mind, there is a focus on green building technology by following LEED (Leadership in Energy and Environmental Design), a standard for developing high-performance, sustainable buildings.

UBC has its own rating system as well, which takes into account things such as construction materials, water usage within homes (stressing use of technology like dual flush toilets) and storm-water retention. They even have a car co-op program in place for one of the housing developments, with others intending to follow suit.

“We’re seeing many developers experimenting with environmental technology of their own volition as well,” says Poettcker. “It’s the right thing to do, and as consumers demand this technology and products, manufacturers respond. There may be some higher costs initially, but in the long run there are savings both in dollars and environmental impact,” he says.

Initiatives such as replacing individual hot water heaters result in increased efficiency. Kevin Mahon (BCom 82), President and CEO of Adera Developments (which has two projects on campus) says, “We are voluntarily going to meter hot water consumption in our buildings.” It is possible to recognize a 20% reduction in use by introducing meters. He explains, “The strata councils are setting up a system where individual owners will be credited or charged for under- or over-consumption.”
A LIVING LEGACY

Introducing such sweeping changes has not been undertaken lightly. Even though there is a boom in construction that will continue through the next 15 years, there has always been construction and development in some form on campus.

“I am proud, both as an alumnus, a member of the community and a business person to be part of the urbanization of the UBC campus,” states Kevin Mahon. “As a student, I used to park in B Lot. Now, I’m buying and building on that property. It’s great to be able to contribute to the endowment UBC is creating to attract the top professors and create the best facilities.”

From the days of temporary quarters to today’s sprawling campus, continuous improvement has been one of the hallmarks of this dynamic university. Al Poettcker points to a plaque on a shelf in his office that simply states, “When you are through changing, you’re through.”

It seems that the first president of UBC, Frank Wesbrook, agreed with this. When he wrote this message in the student publication Annual, he could quite easily have been speaking of the feeling today as well:

“We, the present Student-body, Staff, Senate, Board of Governors and members of Convocation of this infant University may well be envied by those who have gone before and by those who will come after. To us has come the opportunity of making our Province, our Dominion, our Empire and our world, a better place in which to live. May those for whom we hold these gifts in trust rise up and call us blessed.
To meet in full our obligation, may ours be a Provincial University without provincialism. May our sympathies be so broadened and our service so extended to all the people of the Province that we may indeed be the people’s University, whose motto is tuum est.

Community consultation

CONSULTATION WITH STAKEHOLDERS

and interest groups has been a priority for UBC while undertaking planning for the university. The process has been very extensive and involves a certain amount of risk, but Vice President, Legal and External Affairs Dennis Pavlich stands by the decision to be so rigorous in this regard.

“We feel very strongly that it’s important to listen to and take into consideration the comments, concerns and suggestions that our stakeholders present,” Pavlich says. “We went so far as to invite stakeholders and interest groups to help us create the community plan for the south campus, and I think we ended up with a better end product than if we had done it on our own.” When challenged with the thought that it can be risky inviting potential detractors to be involved in such a sensitive process he quickly responds, “We’re a university. We should be innovative and experimental and take risks. At the same time, any risks are thoughtful ones and we believe that people are reasonable and rational. We hired an excellent facilitator for the consultation process and have been very happy with the participation and the process itself.”

University Boulevard Architectural Competition

A KEY FEATURE IN THE DEVELOPMENT of University Town is the University Boulevard, which will be the social and commercial hub of UBC. In an interesting approach to community consultation, the university initiated a contest inviting architects from around the world to submit proposals for the entrance and University Boulevard area. Starting with 52 proposals, six short-listed candidates were narrowed to three finalists who were chosen to display their plans in the Morris and Helen Belkin Art Gallery on campus.

Staff, students, faculty and all members of the community were invited to view the finalists’ proposals and submit comments. An online campus community poll took place concurrent with the viewing.

The final selection was made by a jury of university and architectural community representatives, including internationally renowned architects Arthur Erickson and Moshe Safdie.

The winner is an international team (Team A) comprised of Moore, Ruble Yudell Architects and Planners of Santa Monica, California with Hughes Condon Marler: Architects of Vancouver.

The jury agreed with the campus community vote and said that “Team A presented the most energetic, creative and compelling scenario for a vital entry onto the campus and a lively University Square while also stressing that budget compliance must be attained.”
Housing in Vancouver

Booms, Busts and Bubbles

BY PROFESSORS ROBERT HELSLEY AND TSUR SOMERVILLE

OVER THE LAST SEVERAL YEARS, THE LOWER

Mainland housing market has been extremely active. Anecdotes of an excited market abound: multiple offers for a house, sales prices $100,000 above the asking price, line-ups for the first day of pre-sales at new developments, and people investing in real estate instead of stocks and bonds. The numbers bear out these stories: since the beginning of 2002, nominal house prices in Vancouver have increased at an annual rate of over 10% a year. All of this has caused many people to wonder if there is a ceiling on Vancouver house prices and whether we are in a “bubble.” To address these questions, it is worthwhile to understand general patterns in house prices and to place current movements in Vancouver house prices in the context of those in other cities and Vancouver’s own history.

Tsur Somerville (left) and Robert Helsley reflect on the fact that settings like this one help make the Vancouver area Canada’s hottest real estate market. Robert is the Watkinson Professor for Environmental and Land Management and Sauder's Associate Dean, Faculty and Research. Tsur is the Real Estate Foundation of BC Professor in Real Estate Finance, and Director, UBC Centre for Urban Economics and Real Estate.
Vancouver’s price history illustrates an important fact: housing markets are cyclical. Just because a location is attractive and growing does not preclude prices from falling. This may seem obvious to many people, but it is apparently not obvious to everyone.
In spite of recent increases, house prices over 1997 to 2004 grew less in Vancouver than in other Canadian cities. Over this period, nominal prices were up just 25% in Vancouver, while rising 61% in Halifax, 54% in Montreal, 60% in Toronto, and 57% in Calgary. These gains are modest compared to those found elsewhere. The Economist recently reported that between 1997 and 2004 house prices increased by 65% in the U.S., 90% in France, 113% in Australia, 131% in Spain, and 147% in Britain.

That Vancouver housing prices are the highest in Canada is no surprise. Consumers seem quite willing to pay a premium to live in Vancouver, a coastal city with a pristine natural environment, and high levels of amenities where the supply of land is severely constrained. Still, Vancouver’s appeal as a place to live has not precluded house prices here from falling.

Over the past twenty-five years there have been three distinct cycles in Vancouver house prices. The first and most dramatic boom began in the first quarter of 1979 and extended through the first quarter of 1981. Over this two-year period, the real price of a representative house in Vancouver increased by 119%. This was followed by a longer, but equally dramatic, bust that saw prices fall to close to their original pre-boom level, nearly wiping out the gains of 1979-1981.

The upswing of the second cycle ran from 1986 through the second quarter of 1990, and saw the real price increase by 69%. Prices then declined abruptly, decreasing by 16% over the next year. In the third cycle, prices rose by 38% to the end of 1994, and then declined by 24% through the third quarter of 2001. The trough-to-trough increase in the real price was 5% over seven years.

**HOUSING CYCLES**

Vancouver’s price history illustrates an important fact: housing markets are cyclical. Just because a location is attractive and growing does not preclude prices from falling. This may seem obvious to many people, but it is apparently not obvious to everyone.

During the late 1980s the Japanese economy experienced a remarkable boom in the value of assets such as stocks and real estate. At the peak in 1991, total land value in Japan was roughly $US 20 trillion, and the land beneath the Imperial Palace in Tokyo was estimated to be worth more than all of the land in Canada. At that time, many market participants found this to be entirely reasonable. Hitoshi Saito, an executive with the largest real estate company in Japan, attributed the run-up to extremely low interest rates, questionable lending practices by banks, and the tochi shinwa or “land myth.” This was the belief, based on historical experience and the scarcity of developable land in Japan, that land prices in Japan could not decline.

Since 1991, land values in Japan have been falling continuously, with price declines in Tokyo as large as 90%. This collapse of asset values is widely believed to have contributed to the decade-long recession from which Japan is currently struggling to emerge.

This tendency to believe that prices will not fall has been found among homebuyers in North America. Several years ago, a survey of homebuyers in a sample of U.S. metropolitan areas found that a majority of respondents from cities that had recently experienced price increases felt that buying a home in their city involved “no risk.” Respondents from these cities also indicated that they expected double-digit percentage increases in housing prices each year for the next ten years.

A recent International Monetary Fund study analyzed housing price cycles in 14 developed economies over the 1970 to 2001 period to try to gain some insight into the frequency and severity of price cycles. The IMF identified 75 housing price cycles over the period in question, lasting an average of four years from peak to peak. During the bull phase of a cycle, which lasted three years on average, real house prices rose by approximately 11%. During the bear phase of a cycle, which lasted one year on average, real house prices fell by approximately 6%.

Most striking in the IMF study is the difference between housing prices booms
and busts and more modest housing price cycles. Booms and busts by definition have larger price increases and decreases, total increases of 32% and declines of 27%, respectively. Both tended to last four years, notably longer than the rising and falling period in moderate cycles, four times longer for busts. Interestingly, the IMF study found that only between 40% and 66% of housing price booms ended in a bust in their sample.

**BUBBLES**

The vast majority of housing price cycles can be explained by changes in the underlying “fundamental” determinants of property values such as interest rates, personal income and job growth, and migration. The relatively long time it takes to bring a residential project through the planning, land development, and construction process can cause small shifts in demand to lead to relatively large changes in housing prices over the near term. As well, these supply delays contribute to inertia in housing prices—as changes in house prices tend to persist over time.

Some booms in asset prices cannot be explained by changes in fundamentals. These are commonly known as “bubbles.” A bubble exists when an asset’s price is driven by speculation—by the prospect of future price increases without regard for fundamentals. In the economics literature, the term “bubble” is synonymous with terms like “mania,” and most recently “irrational exuberance.” Price increases that are not supported by fundamentals are ultimately unsustainable; all bubbles are destined to burst.

Asset price bubbles are interesting and controversial. Yale financial economist Robert Shiller recently referred to the current state of housing markets in the U.S. as “the biggest national bubble that the U.S. has seen in over a century.” Shiller, who predicted the 2000 collapse of the tech stock boom in a Sauder-sponsored breakfast briefing in Vancouver years earlier, also identified Vancouver as the “most bubbly city in the world.” There are several excited housing bubble blogs on the internet, including at least one concerned with Vancouver.

It is, by definition, impossible to identify a bubble before it bursts, since rational investors would refuse to hold an asset whose price was certain to fall. Similarly, there is always a set of expectations about future demand that can justify current price levels or increases.

Bubbles are also topical because a bursting bubble has the potential to impact other parts of the economy. We have already noted that the crash in stock and real estate prices in Japan is thought to have contributed to the length and severity of the current Japanese recession. Housing is the largest component of wealth for most families and movements in house prices have clear effects on consumers’ spending and saving patterns: a 1% change in house values leads to a 0.05% change in consumption spending. Thus, decreases in housing wealth have the potential to lead to an economy-wide downturn.

**VANCOUVER’S FUNDAMENTALS**

Vancouver’s current housing market fundamentals seem strong. British Columbia is in the midst of an economic renaissance of sorts, and has enjoyed substantial improvements in a wide variety of economic indicators over the last several years. Strong resource markets and the adoption of supportive fiscal and regulatory policies by the provincial government have led to substantial increases in real gross domestic product, personal incomes, employment, capital investment, manufacturing, retail sales, and construction activity.

Even though the fundamentals underlying Vancouver’s housing market seem strong, it is important to remember that as attractive as Vancouver may seem—housing prices here do fall. Homebuyers need to remember that investing in housing has risk, especially over the short term.

The longest period of sustained house price increases in Vancouver over the last 25 years has been 19 quarters, or nearly five years. The average length of housing booms in developed economies over the 1970 to 2001 period seems to have been about four years. We are, at this moment, a little over three years into the bull phase of the current cycle. If history is any indication, the current upward swing in prices will be followed by a period of decline and, once the cycle is complete, real prices will have increased modestly. In Vancouver, the data clearly show housing price growth in the long run: real housing prices in Vancouver have increased at a compound annual growth rate of roughly 3% over the last 25 years. So while housing is a risky investment and housing prices in Vancouver do fall, owning a home here has been a sound investment for most families. We see no reason to expect this long-run trend to change.

1 These and other data for Canadian housing markets are available through the Canadian Cities Housing and Real Estate Data Site at the UBC Centre for Urban Economics and Real Estate: http://cuer.sauder.ubc.ca.
“Watch for the green building trend to gather greater momentum in the coming years.”

Graeme Stamp (BA 68, Dip (ULE) 74)
Executive Vice President, Fairmont Developments Ltd.
Member of Sauder’s Faculty Advisory Board
Four alumni share their forecasts

“Buy land. They don’t make it anymore.”

BY SUE BUGOS

MARK TWAIN’S QUIP “BUY LAND. THEY DON’T MAKE IT ANYMORE” underscores the sentiment that land, some may argue, is one of the most valuable commodities in the world. With this in mind, there is incredible potential for business graduates to play an important role in shaping, understanding and managing the myriad aspects related to land development and increasing demands for housing and commercial opportunities.

Sauder students have been offered the opportunity for many years to pursue a Real Estate option during their BCom or undertake a Master of Science or PhD in Urban Land Economics (ULE). The Division of Urban Land Economics, a small gem in the school, is internationally recognized for the expertise within the faculty and the calibre of its graduates.

Four diverse Sauder alumni recently shared their expert insights on trends they’ve observed in their respective areas of work with writer Sue Bugos. If you have any thoughts to add, please feel free to share them by e-mailing viewpoints@sauder.ubc.ca.
**Trend: Redevelopment of industrial lands**

From Graeme Stamp’s office, one can see the cranes have landed in Coal Harbour. Not the winged type, but more of a metal bird, and a species crucial to the work at hand.

Graeme’s company, Fairmont Developments Ltd., has been instrumental in the redevelopment and sale of this 46-acre span of Vancouver’s waterfront which stretches from Canada Place to Cardero Street along the south shore of Burrard Inlet. As the Western Terminus for the Canadian Pacific Railway, the area has had a rich history of marine transportation and rail related industrial activity over the past 100 years.

But times have changed, Graeme says, and the urban planning and residential growth that is taking place in Coal Harbour is being closely watched by other cities. “A significant industry trend in North America is the comprehensive redevelopment of outdated industrial and rail lands that are situated adjacent to the central business districts of many cities,” he says.

“Only by having such large unfragmented and underdeveloped tracts of land have we been able to develop the type of comprehensively planned downtown urban communities we are seeing today.”

He goes on to point out that Vancouver has become the North American model for this type of growth, and we are also leading the way in environmentally sustainable development and LEEDS* Certification.

“Watch for this green building trend to gather momentum in the coming years.” Graeme foreshadows.

*Leadership in Energy and Environmental Design

**Trend: Urban living in the ‘burbs**

One trend affecting the work of Anne Bancroft-Jones these days is the interest consumers have in living in an urban environment. “People love living ‘downtown’ because it’s vibrant and everything is easily accessible,” she says. To meet this desire, developers such as Anne’s company, Polygon Homes, are not only meeting those needs in the city, but also creating the same feeling in outlying areas. Says Anne: “In the Lower Mainland, there are neighbourhoods in Burnaby and Port Moody for example, where master-planned communities are geared towards creating that same urban feel that people are looking for.”

“We’re focused on providing more choices,” explains Anne, noting that the changing demographics of cities such as Vancouver means residents want more choices about where and how they live. “Young families, singles and retired folks—we’re seeing interest from them all,” she says. High on these buyers’ lists are a home base that offers convenience and a community of shopping, entertainment, recreation and services. “Many people are saying they want a more dense or intimate sense of community,” says Anne.

Anne Bancroft-Jones (BCom 80, MSc 85)

Anne Bancroft-Jones is senior vice president of development for Polygon Homes Ltd., a Vancouver-based builder behind more than 14,000 homes throughout the Lower Mainland, ranging from concrete high-rises to wood-frame condominiums and townhouse communities. Anne raves about Sauder’s Urban Land Economics program, pointing out the wide range of careers—in real estate, development, consulting, property management, appraisal, and lending—that can
be launched as a ULE graduate. Anne’s own experience, first as a commercial appraiser and now with Polygon, has resulted in her recently being invited to be the Treasurer for the Vancouver chapter of the prestigious Lambda Alpha International, the honorary society for the advancement of land economics.

**Trend: Big changes in China**

“The pace of urban development in China is unprecedented,” says Yuming Fu (MScB 87, PhD 93). According to government projections, the population in Chinese cities will increase from the current 37 percent to 56 percent by 2020. “That means another 300 million people will be added to Chinese cities in the next 15 years. You can imagine the real estate investment needed to accommodate such a pace of urban growth.”

It is not surprising that real estate investment in China has been so hot. With an average annual growth rate of 35% in the past two decades, this type of investment accounted for nearly 1/5 of total fixed asset formation in China in recent years. International investors have become interested in Chinese real estate as well. A Wall Street Journal article from January of this year observed that global banks have been the first to invest in real estate here, with U.S. investment bank Morgan Stanley one of the first to enter China’s property market.

This rapid urban growth also poses challenges for public policies, and good research is necessary for guiding policy changes to improve the efficient use of resources. In one recent research paper, Yuming and his co-authors in China find that deficient property rights in privatized state-provided homes, inadequate access to mortgage credit for certain population groups, and some urban land-use policies have hampered the market in efficiently allocating urban residents across different locations within Chinese cities. Currently Yuming and his students are studying the impact of economic reforms on urban development and housing supply across Chinese cities.

**Yuming Fu (MSc 87, PhD 93)**

Yuming Fu is associate professor in the Department of Real Estate in the School of Design and Environment at the National University of Singapore. His career has been spent conducting research and teaching in Hong Kong, the United States and now Singapore. His study of real estate and housing markets and urban development mainly focuses on Asian countries. He arrived at Sauder as a result of an exchange program and scholarship with his undergraduate university in Shanghai.

**Trend: US development of Canadian cities**

Marie Tatarka (BCom 02), who works for CB Richard Ellis in Toronto, reports that “one of the trends we’re seeing from the industrial side is an increased interest from US developers.” Pointing out there are currently 2.5 million square feet of space under development by US companies in the Greater Toronto Area alone, Marie’s example underscores the fact that, since 1998, the flow of US investment into Canada has increased five times over.

Back in Vancouver’s Yaletown district (redeveloped industrial land itself), the construction of a new outlet store by US-based Costco marks the company’s first Canadian downtown location. Four residential towers designed to meet the needs of the growing downtown population in Vancouver will accompany the outlet as Costco sees an opportunity with the influx of individuals relocating back downtown from the traditional suburban sprawl.

By purchasing any available site or land in the downtown markets, US-based companies hold an option to any future development and profits in real estate as many downtown markets are witnessing a revitalization of their core communities.

**Marie Tatarka** is a National Senior Research Analyst for CB Richard Ellis Ltd. in Toronto, Ontario, her home province. She completed the Urban Land Economics program in 2002 and says the Real Estate Internship Program more than prepared her for a real world career.
"I hope that my seven grandchildren will graduate from UBC, and take advantage of what I've done." Dr. Robert Lee, who boasts nine UBC alumni in his immediate family, stands in front of Hampton Place, the first residential development on campus, and an important investment.
Profile of Dr. Robert H. Lee

Investing in a family future

BY MARLA LEVY  PHOTOGRAPHY PERRY ZAVITZ

THERE AREN’T TOO MANY PEOPLE WHO CAN SAY THEY’VE BEEN A volunteer at UBC for more than 20 years, but Robert H. Lee can. And while he never set his sights on such a tenure, the President and Director of Prospero, an international real estate agency and property management company, says he wouldn’t have it any other way.

“Education is so important in our family,” says Lee, reflecting on what’s kept him committed all these years. “I wanted to spend my time helping the university for future generations. And once I got involved, it was interesting, and completely different from the business community, so it helped round out my life.”

That life has garnered a seemingly ever-growing list of honours for community and business achievements, including the UBC Distinguished Alumnus Award in 1982, the Order of British Columbia in 1990, a UBC Honorary Doctor of Laws in 1996, and the Order of Canada in 1999. While Lee is known for his involvement in a number of community organizations and causes, from BC’s Children’s Hospital to Rick Hansen’s Man in Motion Foundation, he’s also known for his knack in getting others to come aboard.
Lee’s first tie and title with UBC dates back to 1956, when he graduated with a Bachelor of Commerce degree. In the past two decades he has served as a member of the Board of Governors, as Chancellor (the first Chinese-Canadian chancellor in Canada), as a member of the Leadership Committee for the World of Opportunity Campaign, and as Chair of the UBC Foundation.

But for all his successes on campus, many would argue (including Lee himself) that his role with UBC Properties Trust has been—and continues to be—his most pivotal one. In 1984, when the real estate mogul was appointed to the Board of Governors, he strongly encouraged UBC to establish long-term endowment wealth for the university by developing surplus land.

He saw the land as a tremendous asset that could generate revenue for the university, as well as turn the traditional commuter campus into a community of its own.

“I asked the (then) president, David Strangway, whether I could develop some of the land at UBC. He said, ‘but we have no money and we don’t like to take any risks,’ and I said, ‘I understand that, but I think I can set it up and do it without that.’”

And that he did. A few years (and some gentle arm-twisting) later, the first residential project began, and Hampton Place ultimately generated $80 million for the University Endowment (an amount which has grown through investment to nearly $130 million). It was the turning point for the creation of University Town, a vibrant, sustainable, mixed-use community—a place for both learning and living.

Lee says it has always been important to him that UBC retains title to the land, and that the revenue for the endowment comes from leasing the land for residential or commercial purposes. To date, the proceeds from developing UBC’s surplus land amounts to $266 million dollars, and Lee hopes that within 15 years they’ll have reached his goal of adding $1 billion to the endowment. “It will be a big asset for our university, and hopefully we’ll have the number one endowment in Canada. That’s what I look forward to,” says Lee, whose father, an immigrant to Canada with a rags-to-riches story, taught him the importance of generosity and giving back to the community.

Interestingly, the metamorphosis of UBC that’s taken place over recent years is true to the founding architects who in 1914 described “…a university city in an idyllic setting.” But what about those who oppose this vision? “There are differing opinions about developing the university,” says Lee, “but you’ve got to accept change because the world has changed. We need funds and by raising a billion dollars we’ll have the income to support the university and make it the best in Canada.” Lee underscores that government funding alone cannot do the job. Indeed, other Canadian universities are now following suit by developing their real estate. “I think in the long run, people will accept it.”

He’s excited and motivated by the idea that future generations will be the beneficiaries of his efforts. “I hope that my seven grandchildren will graduate from UBC, and take advantage of what I’ve done,” says Lee, noting that he, his wife Lily, as well as his children and their spouses (nine out of nine immediate family members) are proud UBC alumni. And although it has been nearly 50 years since Lee’s student days, he says the memories and the value endure. “I’m still good friends with a lot of my schoolmates from UBC, and we do lots of business together. It has been a great asset and great for networking.”

As for Lee’s future with the university, it looks like this dedicated volunteer isn’t contemplating passing the baton any time soon. “It’s a joy to be working out there,” he says. “I’m there until I get fired.”
A who’s who of BC real estate offers expertise to Sauder

Defining the future of real estate

BY JANICE TURNER

Rick Bell (MBA 83) says his post-graduate work at UBC has made a “huge difference” in his career. So he didn’t hesitate when he was asked last year to be a founding member of the advisory board for Sauder’s Centre for Urban Economics and Real Estate (CUER).

THE PRESIDENT AND CHIEF EXECUTIVE

Officer of Equitas, a real estate development firm, Bell graduated in 1983 with an MBA in Finance and Urban Land Economics. He says he is happy to give back to his school by contributing some of his time and expertise.

The seven-member advisory board consists of some of BC’s most respected names in real estate circles:

Avtar Bains, SVP, Colliers Macaulay Nicolls; Rick Bell of Equitas; John D’Eathe, Chair of Bentall Capital; John Fraser (Law 70), Partner, Lawson Lundell; Bob Laurie, VP, CBRE Real Estate Services; Graham Lee (BCom 87, Dip (ULE) 90), President of RG Properties; and Graeme Stamp (BA 68, Dip (ULE) 74), EVP, Fairmont Developments.

It’s a team Tsur Somerville, the Centre’s Director, is understandably proud of. “The board is a vehicle that helps bridge our academic programs—teaching and research—and our publics in the professional community,” he says. Its members “are very keen to know what’s going on and are wonderful at giving guidance on issues.”

Somerville says the advisory board’s goals are:

• To create a better program and more opportunities for students
• To help the business community to understand and care about what the Centre is doing
• To determine what the Centre may be able to contribute to the larger community

Whether it’s securing internships or bringing in some of the best and brightest minds for roundtable discussions, the advisory board is proving to be an invaluable resource.

“We’ve already seen the benefits,” notes Bell, who has more than two decades of experience in BC development projects. “The internship program is doing extremely well. There have been more placements this year than ever before.”

“We’re trying to make sure our programs work in terms of preparing our students for the business world,” adds Somerville.

To this point, the board has been taking a hard look at “what it is that we teach and to explain what we do on an academic level,” Somerville says in hopes of getting some “explicit direction and insight into specific areas.” John Fraser, for example, has already helped out in the area of affordable housing.

“I think it’s a well-composed and diverse board,” says Bell, enthusiastically. “All of us are keenly interested in the success of the Centre.”

The goal of the Centre is to promote academic research and teaching in urban economics and real estate at the Sauder School of Business. Its objective is to foster the integration between teaching, research and the professional real estate community in BC and Canada. The Centre also sponsors events to present the knowledge generated in the academic community to the professional community.

Its programs include the Grosvenor Summer Undergraduate Internship in Real Estate, a data website on Canadian metropolitan area real estate markets, a summer international research symposium and a professional roundtable.

As well, the Centre is involved in the Northwest Real Estate Challenge, a multi-university competition for “best development proposal.” Students in real estate investment are also able to participate in the Bentall Capital Investment Competition for “best analysis of a real estate investment opportunity.” And in cooperation with Landcor Data Corporation, the Centre is developing high-quality price indexes for BC housing markets and a model of the Lower Mainland housing market.

The Centre was established with the support of the Real Estate Foundation of BC.


Switzerland is the best place to live

The Swiss cities of Geneva and Zurich offer the best quality of life according to research published by Mercer Consulting in March 2005. Vancouver (Canada) is placed third, followed Vienna (Austria) and Frankfurt (Germany). Cities in Europe, New Zealand, and Australia continued to rank highly. Munich and Düsseldorf both moved up the rankings, from 10th and 12th place respectively, to share joint 5th place with Frankfurt. Munich’s rise is due to more efficient waste removal systems and better housing for expatriates, while Düsseldorf’s transport and standards of international schooling have improved. Bern, Copenhagen, and Sydney were pushed down slightly to rank 8th. In the US, Honolulu and San Francisco rank highest in joint 25th position, mainly because they have lower crime levels than other US cities. Boston, New York, Portland, and Washington follow in positions 36, 39, 42, and 42 respectively, while Houston ranks lowest at position 68.

The analysis was based on an evaluation of 39 quality of life criteria for each city, including political, social, economic, and environmental factors, personal safety and health, education, transport, and other public services.

Baghdad remains the world’s least attractive city for expatriates. Its low score is due to the recurrent threat of attacks against people, multinational organizations, and government institutions in the area. Other poor-scoring cities for overall quality of life include Bangui in the Central African Republic, Brazzaville in Congo, and Khartoum in Sudan.

Not so cheap in London, mate!

London is the most expensive city in the world due to the UK capital’s high cost of rent accommodation. If rents are excluded, Oslo, Copenhagen, Tokyo and Zurich are among the most costly cities in the world. Meanwhile, as the US dollar has lost value, US cities have become cheaper since 2003. The highest gross wages are paid in Scandinavia and Switzerland. The city with the highest gross wage level is now Copenhagen, ahead of Zurich, Basel and Oslo. But owing to higher taxes and social security contributions, the Scandinavian cities have all moved down the rankings on net wages. In terms of living costs, Oslo remains the most expensive of the 71 cities surveyed, now followed by Copenhagen, Tokyo, Zurich and London.

Steady Vancouver

Inflation rates have been steady for the past few years in Vancouver, remaining on the same line as national rates. On the other hand, homeowners have been enjoying all-time low mortgage rates here since 2003. Retail sales, however, exceeded the average estimated for last year, while employment rates have been steady as projected.
10 largest cities in Canada
Rank - City (Population)
1. Toronto (4,263,000)
2. Montreal (3,327,000)
3. Vancouver (1,832,000)
4. Ottawa (1,010,000)
5. Edmonton (863,000)
6. Calgary (822,000)
7. Quebec (672,000)
8. Winnipeg (667,000)
9. Hamilton (624,000)
10. London (399,000)

U.N. ranking of most livable countries in 2004
The Human Development Index (HDI), published annually by the United Nations, ranks nations according to their citizens’ quality of life rather than strictly by a nation’s traditional economic figures. The criteria for calculating rankings include life expectancy, educational attainment, and adjusted real income.

1. Norway
2. Sweden
3. Australia
4. Canada
5. Netherlands
6. Belgium
7. Iceland
8. United States
9. Japan
10. Ireland
11. Switzerland
12. United Kingdom
13. Finland
14. Austria
15. Luxembourg

Canada to become the world’s number one business location
Canada will be the best country in the world in which to conduct business over the next five years, according to the latest business environment rankings from the London-based Economist Intelligence Unit. Canada assumes the top position for the first time and displaces the Netherlands, which had previously headed the rankings.

One million a week
Urban population is growing by one million people a week. The world’s urban population will grow from 2.86 billion in 2000 to 4.98 billion by 2030. High-income countries will account for only 28 million out of the expected increase of 2.12 billion. The world’s annual urban growth rate is projected at 1.8 per cent in contrast to the rural growth rate of 0.1 per cent and about 60 per cent of the world’s population will live in cities. These are some of the findings of the 2004/05 UN-HABITAT report, State of the World’s Cities.

Moving to town
Canada’s urbanization is continuing. In 2001, 79.4 per cent of Canadians lived in an urban centre of 10,000 people or more, compared with 78.5 per cent in 1996. Outside the urban centres, the population of rural and small-town areas declined by 0.4 per cent.
Dean reappointed for second term

Dr. Daniel Muzyka, Dean of the Sauder School of Business and RBC Financial Group Professor of Entrepreneurship will begin his second term in July 2005. First appointed Dean in 1999, Dr. Muzyka was reappointed on the recommendation of UBC President Martha Piper. Under Dr. Muzyka’s dynamic leadership the Sauder School of Business has significantly enhanced its reputation as a leading center for the creation and application of management knowledge. During his first term, the school recruited more than 30 new faculty members; launched an International MBA program in Shanghai and part-time MBA program in Vancouver; and played an instrumental role in establishing UBC’s downtown presence at Robson Square.

Faculty grows in 2005

So far in 2005, the business school has welcomed nine new business minds to the faculty:

- Karl Aquino, Associate Professor, Organizational Behaviour and Human Resources
- Andrew Burton-Jones, Assistant Professor, Management Information Systems
- Jack Chen, Assistant Professor, Marketing
- Jason Chen, Assistant Professor, Finance
- Hong Chen, Professor, Operations and Logistics
- David Gillen, Professor, Operations and Logistics and Director, Centre for Transportation Studies
- Conan (Sanghoon) Lee, Assistant Professor, Strategy and Business Economics
- Yoshio Yanadori, Assistant Professor, Organizational Behaviour and Human Resources
- Juliet Zhu, Assistant Professor, Marketing

Funding business knowledge

Sauder School of Business faculty were once again successful in their 2005 Canadian government grant applications. In total, faculty received just over $1 million from the Social Sciences and Humanities Research Council and the UBC/HS small and large grant fund.

New centre launched

The Sauder School of Business is one of four UBC faculties contributing research knowledge and expertise to the newly launched Centre for Health Care Management (CHCM). Launched in partnership with the Fraser Health Authority of British Columbia, the UBC director for the centre will be Sauder School of Business Professor Martin Puterman, with Rick Roger from the Fraser Health Authority serving as co-director. CHCM’s mandate is to advance health care management practices, research and education. Specific areas of focus will include operations, decision support, organization design, leadership and human resource management. In addition, the centre will serve as a focal point for teaching—having just launched a new MBA course in Health Care Management—and student internships in the health management field.

CHCM will facilitate close collaboration between health care management professionals and UBC faculty and students. Past research and industry projects conducted by student, faculty and industry teams (though the Centre for Operations Excellence) have focused on improving patient flow through the hospital, patient scheduling for diagnostic equipment and surgery waitlist management. For more information on the centre, visit their website at www.chcm.ubc.ca

Commerce undergraduate teaching awards

Annually, the Commerce Undergraduate Society recognizes students and faculty for their contributions to the student experience here at the Sauder School of Business. This year, the awards night was held in March.

For the 3rd time, Jeff Kroeker was recognized by the CUS with the Teaching Excellence Award. This award is given annually to a faculty member for outstanding contributions to the classroom and the student experience. Jeff was up against a tough pool of other nominees, including Laurie Barclay, Darren Dahl, Alan Donald, Dan Gardiner, Brian Graham, Thomas Hellmann, Don Lockwood, Patricia Mallia, Ellen MacIntosh, Stephen Meyer and Johan de Rooy.

The same evening Dan Gardiner won the Len Henriksson Award. Established in memory of Len Henriksson, a much-loved professor, this award is given to a faculty member who demonstrates Len’s enthusiasm for learning and genuine interest in students both in and out of the classroom.

Faculty research excellence awards

Werner Antweiler and Dale Griffin were the recipients of the 2005 Sauder School of Business research excellence awards, in the junior and senior categories respectively. The awards are given in recognition of outstanding individual accomplishment in research. Winners are chosen by a committee of their peers based on nominations from the faculty.

Professor Antweiler was recognized for his research in such areas such as international trade, environmental economics, information and markets, and business strategy. In addition to publishing...
in a number of prestigious journals—such as the *Journal of Finance* and *American Economic Review*—Professor Antweiler has made outstanding contributions to the development of internet-based research tools. Examples of his technical talent and creativity include the Pacific Exchange Rate Service and the UBC Election Stock Market.

Professor Antweiler’s work addresses issues including the effects of trade and governmental regulation on the environment and the predictive content of online stock message boards. In a recent study, Professor Antweiler and Sauder colleague Murray Frank examined the content of over 1.5 million messages posted to online stock exchange message boards. Their analyses, which generated considerable attention in the *New York Times* and elsewhere, showed that although the posted messages do not predict the value of stocks they do predict the volume of stock traded and other aspects of the trading environment. Thus, there is information in these publicly posted notices—but that information won’t make you money.

Professor Griffin of the marketing division was recognized for his behavioral research into judgment and decision-making. Using the methods of psychological research, he studies how and how well managers and consumers make decisions and forecasts and how to improve those judgments. His work is widely cited in disciplines as diverse as marketing, psychology, finance, and family studies. He has extensively researched the puzzle of time predictions: why are project forecasts routinely and repetitively too optimistic even when people are fully aware that past projects have run late? In a recent publication, Professor Griffin examined whether the process of developing consensus group forecasts improved accuracy or exaggerated optimistic errors. Not only were group forecasts more unduly optimistic, but interacting group forecasters were more likely to focus on the best-case outcomes and ignore past problems. In other recent research, Griffin used an online stock-market simulation to examine forecasting biases and to test methods for improving these forecasts. Dale Griffin was also the recipient of a university-wide senior Killam Research Prize this year.

**Sauder School of Business teaching awards**

Faculty teaching awards were also handed out this spring to recognize the accomplishments of individuals who have made outstanding contributions to teaching and the sharing of knowledge with students. Two of the faculty members recognized with Sauder School of Business Teaching Awards, also received recognition from the CUS:

- Jeff Kroeker was recognized with the 2005 UBC Killam Teaching Prize for outstanding contributions to undergraduate teaching.
- Dan Skarlicki was recognized with the 2005 Graduate Teaching Award for his outstanding teaching in the MBA program, and for his significant contributions to the Organizational Behaviour and Human Resource Management Division’s PhD program.
- Dan Gardiner received the Talking Stick Award for his innovative, long-standing and highly successful work in developing a process for selecting, coaching and mentoring students for the Intercollegiate Business Case Competition (ICBC).

**Sauder faculty, students win big at annual Canadian Operations Research Society (CORS) meeting**

Students and faculty of the Sauder School of Business Centre for operations Excellence (COE) were recognized for their research excellence at a recent gathering in Halifax.

Sauder School of Business professor Martin L. Puterman received the CORS Award of Merit for contributions to the field of operations research throughout his career.

Students Li Chen, Fredrik Odegaard, David K. Puterman, Ryan Quee, and Professor Puterman, along with Mats Gerschman, Managing Director of COE, received the 2005 CORS Practice Prize for their paper “Improving the Efficiency of Porter Operations in Two Vancouver Hospitals,” which was based on their COE project with Vancouver Coastal Health Authority.

PhD student Jonathan Patrick received first prize in the Student Paper Competition for his entry “Improving Resource Utilization for Diagnostic Services through Flexible Inpatient Services.”

**Accounting legacies**

The research and professional contributions of Professors Emeriti Gerald Feltham and Richard Mattessich are featured in a new book, *Les grands auteurs en comptabilité Collection: Grands Auteurs*, a survey of individuals who have made significant contributions to the field of accounting. Each of them are featured in their own chapters, alongside those considered to be the fathers of modern day accounting.

To learn more about the research being conducted by Sauder faculty members, visit www.sauder.ubc.ca
Modest alumni make a difference

Give a little bit

BY JANICE TURNER

They don’t make the news, but they do make a difference. They’re the modest but meaningful donations that are given as much from the heart as from the pocketbook: one part thank you, one part trip down memory lane. And those who give say they do because it feels right.

YVONNE AU-YEUNG LAM HAS BEEN DONATING TO UBC SINCE she earned her BCom in 1984. What prompted her to start giving? “The contributions of others helped me while I was a student,” says Au-Yeung Lam, “so I wanted to reciprocate. And as alumni, we have a vested interest in our alma mater. When our alma mater succeeds, that’s good for all of us.” Au-Yeung Lam joined her father’s accounting firm in 1987 and is now managing partner. She looks back on her days at UBC with gratitude and fondness.

“The five years I spent there were very important years of my life,” she says. “The profs I had were wonderful—they really cared—and I still have a lot of friendships that I value from that time. I’m very proud of the calibre of students who come from UBC.” Of course, says Au-Yeung Lam, her donations pale in comparison to those that make headlines. But every dollar counts.

“Those huge donations are wonderful, but it doesn’t make smaller donations insignificant,” she says. “If
“Those huge donations are wonderful, but it doesn’t make smaller donations insignificant.”

Yvonne Au-Yeung Lam (BCom 84)
everybody donates a little bit each year it can really build up.” Au-Yeung Lam hopes that the money she gives will help Sauder continue to develop meaningful and innovative programs “that will not only allow students to meet the needs of the business world but improve it.”

Edward Knight (BCom 56) doesn’t recall exactly when he began making an annual donation to UBC, but guesses it was about 1959. “It was probably after I finished my internship and had a job that paid me a bit more of a living wage,” says Knight.

He had been in a program for hospital administrators jointly sponsored by UBC’s School of Commerce and Vancouver General Hospital. An administrative internship at VGH was a degree requirement. Knight was the first person in his family to earn a university degree and he spent much of his time at UBC poring over materials in the library.

“I felt that the best place to devote what money I could would be to make a yearly contribution to the main library,” he says. “I thought that if I could give some money to something that would be of value to any student, it would be there.”

This year he decided to split his donation between Sauder and the library, and received a thank-you letter from each.

Knight spent nearly 30 years in hospital administration and credits the education and skills he received at UBC for helping advance his career. When he retired, he was CEO and president of Calgary General Hospital. “My hope is that my contributions have helped other students, like myself, of limited means, gain an education that allows them to succeed,” he says.

Bruce Terry (MBA 80) has been contributing to the school of business every year for more than a decade. “I believe a great deal of my good fortune and business success can be attributed to my MBA education and experience,” says Terry, executive vice president and chief financial officer for Sobeys Inc., a leading Canadian grocery retailer and food distributor. “I think it is important to support the institutions that supported me.”

He also has an Honours BA in economics from York University and is a member of the Sauder School of Business Advisory Board, the C.D. Howe Institute, and Moody’s Canadian CFO Council.

Prior to joining Sobeys earlier this year, Terry held senior positions in the packaged goods manufacturing, drug retailing, oil and gas, and financial services industries. For 21 years he worked in domestic and international businesses. Most of that experience was as CFO or senior financial strategist of multi-billion dollar companies.

Terry believes his regular donations contribute “in a small way” to the ability of Sauder to remain a leading-edge business school.
An update from Sauder’s MBA Society
Grow from within

BY ERIC HUANG, PRESIDENT OF SAUDER'S MBA SOCIETY, 2005-2006

WITH THE RE-BRANDING transition from the UBC MBA to the Sauder School of Business in 2004, the MBA Society has been engaging in extensive promotional activities to raise awareness of the new name. Activities such as inviting high profile guest speakers from the global business community, participating in various business case competitions, and creating a group of external representatives to attend networking functions are all designed to help the school introduce our new brand to the world. Moreover, the Dean’s Admission Council, composed of ten selected students, was established in 2004 to assist the admission process in terms of advocating the importance of recruiting students with both outstanding academic performance and leadership qualities. We also work with Shannon von Kaldenberg, the Associate Dean and Director of External Relations, to initiate the building of an alumni network through projects such as the alumni-in-residence program, alumni website, and Young Alumni Association. We are devoting great efforts to these projects because they will be instrumental in strengthening the connection between current students and the alumni.

Internally, the Class of 2006 elected seven Executive Council members, eight Representative Council members, six Club Presidents, and eight External Representatives. Including the various club vice presidents and other volunteers, we have more than 50 active participants within the Society. In other words, close to half of the class is helping to organize events and creating valuable and fun experiences for their fellow classmates. It is the MBA Society’s mission to build an environment that enriches every student’s academic and personal development. Based on this principle, a work-in-progress project with Executives In Residence, called the Career Advancement Mentoring Program (CAMP), is being developed to assist students in becoming more employable after graduation. We were also proud to establish the Peter Frost Memorial Scholarship to award students demonstrating outstanding leadership. Finally, for the first time in 2004, the MBA Society worked closely with the MBA Office, the Associate Deans, the PhD student association, and the Commerce Undergraduate Society to co-organize activities such as the Enterprize Competition and many other social functions. Emails about activities are flowing into inboxes everyday and the information is also being constantly updated on the new MBA Society website (www.mbasociety.ca).

This year the MBA Society is stronger and bigger than ever and we are doing everything we can to enhance every student’s experience. After all, it is our belief that a happy MBA student will become a happy alumnus, and that is what drives us to create a better interacting environment for our classmates and future students.

An update from Sauder’s Commerce Undergraduate Society
Looking back on the year

BY JEFF POTTER, 2004/05 CUS PRESIDENT

THE COMMERCE UNDERGRADUATE Society had an amazing 2004-2005 year. From an event and services standpoint, the society has made tremendous ground in achieving our core objectives surrounding student, business, and alumni involvement.

We have seen an unprecedented number of students wanting opportunities to attend and become more involved in the many events and services that we provide. The demand for these opportunities has been so great that the CUS has had to look at new ways to allow the student body to reach out and impact the school and the community.

We were fortunate enough to host an event with Premier Gordon Campbell earlier in the year, where concerned students were able to meet and discuss prevailing issues relating to business in British Columbia, and students at UBC. In January, we also sent 20 students to Toronto to interview and meet with business representatives in the finance and marketing industries. Through these events, we exposed businesses to the success and diversity of our students, our program, and our society.

Opportunities for students to connect with businesses have been very successful. This year we had our biggest attendance of business and alumni representatives at our International Business Conference. Our Enterprize Entrepreneurial Conference and Business Plan Competition were the most successful ever, selling out more than two months in advance. We were able to recognize various sponsors and active alumni for their effort and positive impact in the lives of the students that participated.

As part of our goal to bring students, the community and possibly alumni closer together, we are working to develop a program that will involve more students in the community. This project aims at providing the opportunity for students to offer business insight to non-profit and challenged businesses in the Vancouver community.

The CUS has also embarked on a new journey, stemming off its conference success to host a regional conference called JDC West. JDC West is a business case competition that brings students from across Western Canada to Sauder to compete in eight different academic concentrations and two different sporting events. This event will be hosted in January of 2006 and has already created a buzz around business schools across the country.

If you are interested in supporting the CUS or JDC West, we have numerous sponsorship opportunities available for your company or for you as an individual. These partnerships are an essential part of our society, benefiting both our students, and the CUS in general. If interested, please call Mike Woodward, CUS VP External at 604-822-9611 or email vpexternal@cus.sauder.ubc.ca.
Share the highlights of your year or even the last few months with your classmates, faculty and friends! Class Notes are now easier than ever to submit—simply fill out the online form at www.sauder.ubc.ca/alumni/classnotes and we’ll print your update in the next edition of Viewpoints Magazine!

1940s

Blair Baillie, BCom 1944
The solecism of my much beloved Economics professor, Joe Crumb: “Get what you can and can what you get.”

Murdo Mackenzie, BCom 1944
Most of my career was as a Human Resources Manager with Shell Canada in Vancouver and Toronto. Following early retirement, I spent seven years as a management consultant in Vancouver specializing in executive search and outplacement counselling. Following that, I spent seven years travelling the world as a host with several cruise lines. Now I keep busy with Kiwanis committees, exercise, administering a scholarship program and organizing reunions for my high school, university and fraternity.

Miriam Buckland, BCom 1944
I married Sandy Buckland after my last year and joined him in Ontario at the Petawawa Army Camp.

1960s

David Norton, BCom 1966
David is now semi-retired from the practice of law (Wills and Estate Planning) and is doing around the world travel.

1970s

Barry Hitchens, MBA 1970
Completed three years of intermittent extensive travel visiting close to 100 countries on all continents. Many were through CSEO (Canadian Executive Services Overseas) Project Assignments, a volunteer Association funded by CIDA (Federal). I’m now applying the knowledge learned from talks and discussions with such diverse peoples as Islamic Fundamentalists (Indonesia), Ukraine oligarchs, Peruvian drug lords to international investing as an “independent” Pension Trustee. I accepted a Chair on the Canadian Institute of Chartered Accountants-UAC (User Advisory Council), a new committee with the mandate to recommend ways and means to prevent cheating in financial statement reporting, and formed a new pension and related advisory company BH CAPITAL CONSULTING to provide substantive advice on investment policy and asset allocation to tax-exempt pension, foundation, multi-employer, endowment and community large trusts. bhitchens@netrover.com.

John Gehring, BCom 1971
I’m married and we have two children, two wonderful grandchildren and the highlight of my year will be when the third one arrives in August. I am an investigator for the Transportation Safety Board for railway and pipeline occurrences.

Lyall Knott, BCom 1971
Lyall D. Knott, Q.C., B.Com., LL.B., LL.M (Lon), a Senior Partner in the Vancouver law firm of Clark Wilson LLP, has been appointed Chair of The University of British Columbia Foundation. Mr. Knott has served as a director of the Foundation since 2001. The Board of Directors of the Foundation include the Chancellor of the University, the Hon. Allan McEachern, Dr. Donald Rix, Jim Eccott, and Mary Margaret Young.

Barry Calder, MBA 1976
Barry is now semi retired and looks forward to being in contact with other 1976 MBA grads.

Dale Crosson, BCom 1978
My project of balancing career, home life and health is ongoing. At work, the B.C. Buildings Corporation has continued to undergo re-structuring and downsizing with my position of Portfolio Manager taking on additional responsibilities. The balance is my wife Nancy and our home life. We also travel extensively with last November’s sailing trip from Panama being most memorable.

Don Mancell, BCom 1978
Traveled around North America in an RV with my wife and three teenagers (eldest daughter flew to Mexico from university at Xmas). Saw all 10 provinces, over 20 states and Baja, Mexico. We were gone seven months. Our oldest child Carissa (18) flew down after her exams at UVic and joined us for three weeks over Xmas. We bought a lot there and are going to build a winter getaway. We all returned home Feb. 1 for the no-ski season. I am currently semi-retired and deal with some real estate investments, am a lawyer part time (my other career) and in winter I teach skiing and snowboarding part time at Mt. Washington near our home in Comox. I look for any excuse to not keep a regular work schedule and to make sure the fun meter is on high. Picture is at the Cabo San Lucas airport at Xmas picking up my eldest daughter, and includes my wife Kathy, Kimberly (14) Carissa (18), Bryce (16), Jarrett (12) and a family friend.

C C Tang, MBA 1978
After co-founding and building one of the largest early-stage venture capital funds in Asia 18 years ago, I have decided to take an early retirement in 2004. This is to allow myself to have more time for my family and also to help/mentor young entrepreneurs to build their businesses. The major transformation of the Chinese economy is also an interesting development which I would like to be more involved with in the coming years.

Rob Adkin, BCom 1979
Karen and I completed construction of our new home on the Sun Rivers Golf Course in Kamloops in September 2004. Our son, Ryan, is in third year in the Sauder School of Business at UBC and our youngest son, Corey, graduated from high school and is taking a year off to work and travel. Karen and I just returned from two weeks in San Jose Del Cabo —our first trip in a long time without kids. I am still practicing commercial and real estate law in Kamloops.

Stan Lomas, BCom 1979
Memories of the school days: Mike Goldberg’s classes, seeing my father’s face when I graduated, Friday nights at International House, playing chess at SUB, the Urban Land Adventure with my classmates, the girl from Brazil (an exchange student), tennis in the Armory, seeing my friends move on to high paying jobs. Pictured above are Stan Lomas with girlfriend.
Gregory Smith, BCom 1979 and MBA 1988
Initial employment: Vancouver (1979 to 1995) Chevron Corp (79 to 84)
RBC Treasury—Foreign Exchange Trading (85 to 87) Scotia Capital—Money Market Manager (88 to 95)
Employment: Toronto (96 to present): Scotia Capital. Managing Director/Head Money market Department. Family (distribution across 2 wives): 2 boys 1 College/1 Animation School (VanArts) 2 girls High School

Patrick Bell, BCom 1981
The highlight of my year has been seeing all three of my daughters attend UBC pursuing their education, including my daughter Lauren who was accepted into the direct entry Commerce program.

Chuck Grossholz, BCom 1982
This past was a very exciting year in my business. After several years of owning and managing a financial services business on my own, I have teamed up with a long term associate to specialize our skills in our industry. We now employ five people and are growing steadily. It is interesting to realize how much we learned during our time at Henry Angus and POITS is being put to use. Please check out our website optimumstrategies.ca and drop me a note.

Andrew Peck, BCom 1983, Dip (ULE) 2000
I have stayed in Vancouver all these years and never regretted it. My professional endeavours have taken me to President of the Real Estate Board of Greater Vancouver (2004-2005), and recently being appointed Director of the British Columbia Real Estate Association. I am also a Director of the Special Compensation Fund Corporation as mandated under the Real Estate Services Act. I am the broker owner of Royal Pacific Realty Group, employing 670 Realtors serving the Greater Vancouver area. I spend my spare time with my partner, Paul, on our boat or at our family house on Pender Island.

Kathy Piotrowski, BCom 1983
Kathy works at Southern Methodist University in Dallas, Texas. In addition to serving as Senior Organizational Effectiveness Specialist for the University, Kathy has completed the degree requirements for the Executive MBA program. She received her diploma at the graduation ceremony on May 14, 2005. Kathy resides in Plano, Texas with her husband, Richard and two daughters, Rachael and Reaghan.

Gregg Saretsky, MBA 1984
I’m currently working at Alaska Airlines in Seattle as the Executive Vice-President of Marketing & Planning and enjoying traveling around the world on our downtime. Oldest kids, Mark & Jennifer, are freshmen in university this year and Bobby keeps us grounded with his 4th grade activities and budding acting career.

Dan Effa, BCom 1986, CA, CCP has recently left TELUS after 16 years to start Liquid Capital Pacific Corp., a commercial finance firm providing working capital to small and medium businesses. Dan is located in Surrey along with his wife Karen and their three children—Luke (13), Chad (11) and Grace (7).

Philip Spedding, BCom 1986
Living in London and working for Arts & Business, a not-for-profit that encourages mutually beneficial business/arts partnerships. Highlights this year include helping businesses, arts organizations and governments explore this area in places as diverse as Russia, Taiwan and Albania. But top highlight was being a keynote speaker at the GVPTA conference in Vancouver!

David Berlando, MBA 1987
David has started his own performance consulting business and is currently working in Africa while maintaining a residence in the UK and Canada.

Alyce Campbell, PhD 1987
Since mid-2003, I have worked for T.Rowe Price in Baltimore and have taught classes as an adjunct. However, I am on the move, expecting to start a new job at Fannie Mae at the beginning of May. Fannie Mae has offices in D.C. I continue to enjoy working in the D.C. area—despite the traffic, because of the wide variety of cultural and historic beauties. I work on large technology projects that use or produce financial information.

Bruce Wiesner, BCom 1987
Coming off a very hectic 18 months... my wife Shelna and I welcomed our first child, son Holden, in December 2003...finished an extensive repair/renovation to our 75 year-old home last fall (which almost killed us)... promoted late last year to Vice President Sales for Western Canada for Quebecor World after eight years with the company.

Christopher Domitter, BCom 1988
I manage the verbal identity practice at the Interbrand office here in Tokyo. My wife, Sachiko, and I have lived in Yokohama for six years now, moving down from Nagano after working for the Winter Olympic committee in 1998. (That makes 15 years total in Japan now.) It has been a busy year for branding here in Japan. I have managed identity projects for quite a range of global launches (Sanyo, Nissan, Nikon, to name a few). On the side, I am still pursuing landscape and other photography. I work on retainer for clients like regional tourist boards and magazines; I held two exhibits last year and also had work published in a book called “Ski Resorts of the World.” (If you are interested, google my name and you will find examples of my work in various on-line galleries.) I would like to say hello to everyone I have lost touch with; if any of you happen to be in Japan, please give Sachiko and I a call. Yoroshiku!

Anjili Bahadoorsingh, BCom 1990
Anjili became a partner of the national law firm of Heenan Blaikie LLP this year. She practices in the area of Corporate/Commercial Law, with a focus on Commercial Lending, Secured Transactions and Real Estate Financing.

David Chiang, BCom 1990
David is Director Audit & Implementation with Vancouver-based ACL Services Ltd. He was appointed to the Institute of Internal Auditors (IIA) Professional Issues
Committee. This international committee provides guidance on matters of relevance to the internal audit profession worldwide. David was also elected to the Council of the Institute of Chartered Accountants of BC (ICABC).

David Jan, BCom 1990
David Jan and Chelsea Seaby are pleased to announce the birth of their second child, Danae Jan, on March 17, 2005.

Raymond To, MBA 1990
Raymond is proud to announce the continued expansion of his firm, GO Recruitment. Go Recruitment recently underwent a rebranding initiative, the results of which can be seen at www.GOrecruitment.com.

Cynthia Wong, BCom 1991
I have learned a new sport—slalom waterskiing! I have been wakeboarding for two years. My three daughters are doing fine and I am healthy enough to plan for the next child. Picture taken in Stanley Park Mini train ride.

Richard Ostler, BCom 1992
2004 was an expansion year for the Ostlers. Richard and Collette, along with their sons Mitchell (5) and Nicholas (3), welcomed the arrival of Owen Paul on October 8th (that’s right, three boys). Richard continues to manage a web team at TELUS responsible for mytelus.com, telus.com, globetrotter.net and telusquebec.com. Richard is also enrolled in the 2005 Leadership Vancouver program which focuses on leadership and the community. Richard can be reached at richard.ostler@telus.net.

Richard Vann, MBA 1993
This is the first time I submitted something, so it seems a little strange to talk about the highlights of just one year. Definitely the highlight of the last few years has been watching my children grow up. Joshua (7) and Jordan (6) are two very active boys who like to play sports. They keep dad very busy with soccer coaching, hockey, swimming, gymnastics, skiing, and just wrestling around.

I cannot believe that it has been 12 years since we completed our MBAs. Time really flies. I am now in consulting full time. It has been busy and very challenging, and I really enjoy helping clients build their businesses. It’s also fun working with diverse people.

I am also busy in sports. I picked up organized hockey about year ago and really love it (I last played when I was seven). I also enjoy Ultimate in the summer and boarding in the winter.

Lars A. Saunes, MScB 1993
Moved house and can now both accommodate and feed visiting fellow UBC skiers. Both cars stolen and reportedly now located in Kenya—if you see a silver X5 with a Norwegian flag and Nairobi plates please let me know. All well otherwise.

Wallace Chan, BCom 1994
I became an educator in BC in 1998.

Michael Barkley, MBA 1994
I was given a wonderful opportunity by my former employer to spend the summer with my wife Tina and one year old daughter, Pippa. Not surprisingly we have another bundle of joy on the way! I am now back in the ‘grind’ but with a smile as Vice President & Portfolio Manager at Guardian Capital Advisors LP (www.gcaweb.com). I’ll have to stay put here because I’m not prepared to open up a third RESP.

Michael Newland, MBA 1997
Michael Newland and his wife, Jean McPherson, would like to introduce their son, Henry Muir Newland, born August 7, 2004.

Albert Chung, BCom 1995
My son, Boris, was born on March 28 this year and my wife, Yammie, and I haven’t slept much since. Nonetheless it has been a wonderful time for the family and we look forward to the joyful moments watching our son grow.

Aaron Thomas, BCom 1996
After spending six years with the Coca-Cola Bottling Company as a Market Manager based in Vancouver, BC, I decided to pursue a new opportunity as a Director for the Beachcomber Hot Tubs Group. I’m enjoying being part of a BC-based company that competes on a global scale, and the extensive travel this entails.

My wife Kim (Atkinson), is also a UBC Grad (B.H.K. 95, B.Ed 96) and we have been married for almost six years. We had the first addition to our family during 2004, our daughter, Makena Skye. We continue to live in the Vancouver area and truly enjoy the pleasures the westcoast lifestyle has to offer.

I look forward to hearing from any past classmates and BCom alumni. Feel free to email me athomas@beachcomberhottubs.com

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by quickly, especially with getting to know SF, adjusting to the new job, and meeting new friends. Thankfully, San Francisco is much like Vancouver, so the adjustment was pretty smooth, but I do miss the mountains and the green space (not to mention my friends and family!).

In between settling in to SF, I took six weeks off to escape and travel to Hong Kong, Malaysia, Singapore, and Australia in the fall. What a holiday! The Southeast Asia part was all about eating, shopping, and catching up with old friends—always great! Australia took my breath away though—such a huge country, vastly different landscapes, friendly people... sounds a bit like Canada! While waiting for my next big holiday (current plan is for China/Japan in the fall of 2005), KPMG is keeping me busy with some out-of-town projects. At the moment, I’m working on a project near San Francisco, and also to get him acquainted with my beautiful home city! We plan on traveling to Hawaii and completely enjoying my time there.

Chun Yin Mak, BCom 1998
Chun Yin currently is a Manager at Accenture.

Natalia Venida, BCom 1998
Past few years have been very exciting and eventful. I am currently a Human Resources Advisor for the Oppenheimer Group, one of Canada’s 50 Best Managed Companies. I have been there since my UBC days and I am thoroughly enjoying the field of human resources. I’m still passionate about HR after all these years! My job touches on all areas of HR, including recruitment, employee relations, training, performance management and benefits administration. This year was particularly memorable as I was nominated by my Director of HR to be part of the BC Human Resources Management Association’s Rising Star Award program.

Nina Winham, MBA 1998
Continue to enjoy work as VP of Ecotrust Canada, working to establish a conservation economy on the BC Coast. We moved to a new house in May 2004, and found ourselves three doors away from UBC classmate Hans Mertins! Thank heavens for old friends; he helped us with extensive renos. Hans and his wife Meg just welcomed a new baby boy on Easter Sunday 2005—a future playmate for my daughter Ella. Life is good!

Golnaz Golnaraghi, BCom 1993, MBA 1999
A lot has happened over the last year! But the most amazing news—my husband, Bob and I became the proud parents of a beautiful little boy. Aiden is a cheerful, curious little guy, who has brought so much warmth and love to us. I have been on maternity leave since September and completely enjoying my time with Aiden. Since his birth, we have taken two trips to Vancouver—not only to see my family and friends, but also to get him acquainted with my beautiful home city! We plan on squeezing in one more trip with Aiden to Florida before I return back to work. I am still with KPMG in Toronto.

“Clint” Lixin Cheng, MBA 2000
After spending eight years in Vancouver and five years with a public biopharmaceutical venture, I am heading back to China as a “Sea-turtle”: VP China operations with a 5 billion RMB revenue base metal company located in Shandong Province and listed on NASDAQ/OTC (for now). A lot of precious memories of BC will stay with me (for now). A lot of precious memories of BC will stay with me forever, as I got married and have doubled the size of my family with two lovely kids: Sharon and Victor. Farewell Vancouver!

Ho-Feng Hsu, BCom 2001
Ho-Feng has been working since graduation in positions with a forwarding company, a trading company and now with a financial security firm. He is planning to get a Master’s degree in the near future.

Evelyne Coulombe, MBA 2001
The last year has been a full year for us: our daughter Maya was born on Feb. 8, 2004, Craig and I got married in June 2004 (don’t pay attention to the order!), the whole family moved to Hanoi, Vietnam in August 2004 for a two-year posting at the Canadian Embassy. Come and visit us in Vietnam, it is a great country!

Brent Omland, BCom 2002
Brent passed UFE in 2004. It was a lot of work but very worth it and will qualify him as a CA in May 2005.

Ada Ho, BCom 2003
To summarize what I’ve done/accomplished this past year would take much more space than what this text box allows. But in a nutshell, I’ve made my switch after eight months of marketing co-op at Pivotal Corporation in downtown, Vancouver to become a full-time Account Development Specialist and now I have moved on to become the company’s Marketing Coordinator/Events Manager. What I’m doing right now is basically managing all physical and online events (tradeshows, customer communities/roadshows, webinars, etc.) for our marketing department. It sounds like a lot of work—and it is! But I’m loving every part of it because I’m learning 24 hours/day.

Andrew Zyp, MBA 2002
2004 was my first full year of practice as a lawyer after being called to the bar in Ontario (see picture with my nephew). I changed jobs last year and currently work as an estate planner with the Scotia Private Client Group. I moved to Barrie in 2004 and also joined the board of the MacLaren Art Centre as Treasurer. In the coming year, I hope to start a business with one of my former classmates and hope to put my MBA to good use! I wish all of my former classmates all the best in the future.

Chris Gresat, BCom 2003
Chris started his Investment Management Practice six months after graduation at CIBC Wood Gundy.
I’ve also managed to remain as active as I can be—participating in volleyball, running races around the city, and just taking on-side contractual marketing jobs outside as well (currently developing an advertising campaign for two local Arby’s restaurants).

UBC Commerce definitely prepared me (mentally) to enter the business world. Feel free to contact me if you’re interested in the marketing, CRM, B2B industry!

Daniel Tan, BCom 2003
2005 1st Quarter Divestment of first company to 25% equity stake. Incorporation of second 95% equity stake.

Abigail Ampon, BCom 2004
It has been an amazing year! I graduated June 2004 and was interviewed by my current employer Coast Capital Savings a week before final exams started! Thus, not even a week after finals I was already working! CCS has been an exciting company to work for especially with all the corporate changes I’ve witnessed in my one year of employment. I started off at the Contact Centre department and in less than a year I am now at Head Office! I’m in the Direct Services department mainly working on web statistics/analytics, internal site updates & support. I had an Economics designation, but my e-Business track greatly helped. On top of all that, my boyfriend of over seven yrs. proposed the day I got my promotion! Wedding is this July! I wish you all the same blessings this upcoming year!

Adrian Tent, MBA 2005
Adrian is currently searching for a job.

James Chang, MBA 2005
Going back to school in 2003 was scary at best, but returning to the work world two years later would be an even more daunting task. As a career changer, my particular challenge was to find something I really wanted to do. Switching from an engineer to a management role, my business skills and knowledge were largely untested! Not only will I have to convince my employer that I can do the job, but I have to convince myself that this is the career path I want to take. It is both exciting and uncertain but I am up for this new life. On a personal note, I am very happy that I will remain in Vancouver to continue to live and work—and be close to my friends and alumni. Carpe Diem!

Nathalie Dysthe, MBA 2005
Since completing the MBA program in December, myself and two former MBA colleagues from the exchange program went to Waikiki, Hawaii for two weeks before returning to our individual homelands for Christmas. In early January, I went backpacking around Central Europe, Scandinavia, and the UK with another MBA colleague of mine for two months before returning home to an aggressive job hunt. After five hardworking weeks looking for a job, I accepted an offer as a Marketing/ Human Resources Manager with a local high tech company that specializes in geospatial mapping for utility companies across North America and the UK. Upon accepting this wonderful offer (which requires me to begin on May 2nd), I decided to take a week and enjoy it (once again) in Hawaii. As such, I got back yesterday and will now spend my last weekend of unemployment going out with friends, dining, shopping, kayaking, and enjoying the sun.

Catherine Kratz, MBA 2005
Catherine is currently looking for a job.

Yong Suk Lee, MBA 2005
Yong Suk is now working in the Korean government—the Ministry of Information and Communication.

Matthew Walton, MBA 2005
I am happy to note that after completing my MBA in December, 2004 and taking a little time off to visit a classmate in Ecuador, I have accepted a job with GE Commercial Finance’s Real Estate group in Vancouver.

Derek (Junpeng) Wang, MBA 2005
My family is calling me back. Hope I can come back again for vacation or work.

Surina Sproul, BCom 2004
Two months of travel through Asia is finally coming to an end. I have gone cliff sliding at the Great Wall of China, para-sailing above the Indian Ocean, been stung by a jellyfish, bitten by a million mosquitoes, had Thai food poisoning, laughed much, and learned more. If I met another person from UBC during my travels, or even Canada for that matter, it was like finding a long lost friend, and I gained a new appreciation for the power of an alumni network. I’ll be back in Vancouver for the summer and then, who knows...?

Adam Albright, 1961-2005 (MBA 90)
The Sauder School of Business fondly remembers Adam Albright, who died accidentally at age 44 while on a skiing vacation in the Kootenays in March. Adam was a successful Vancouver lawyer for the past number of years with Harris & Company, as well as an adjunct professor in labour law at UBC Law School.

Former classmates and close friends Marc Dupuis-Desormeaux and Erik Bjerkelund shared their thoughts on Adam’s passing: “Adam was an outstanding lawyer, a caring and compassionate professional, and a great friend to many people. He will be fondly remembered as a man who loved life and lived it to the fullest. He was always game to try something new and was ready, at the drop of a hat, to join you on an adventure anywhere in the world. He was kind, generous to a fault and wise. A rare man and a rare friend.”

Services were held in March in Vancouver and Toronto.

YOUR FEEDBACK MATTERS
Tell us what you think of this issue of Viewpoints.
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We always appreciate your feedback on events and programs in support of alumni activities.
WHEN RAYMOND TAM WAS ACCEPTED FOR an internship at Grosvenor Canada, he was prepared to fill in wherever he could. “As the most junior person, I expected to be counted on to do whatever needed to be done,” he says. He was—and did. As an added bonus, he also had a terrific time.

“The people there were a pleasure to work with and the work itself was interesting,” says Tam. At Grosvenor, an international property and development group, he helped the Acquisitions Manager compile an investment report for the Board of Directors.

“It involved a lot of research, writing, Excel work, and even putting together graphics,” he recalls. “The opportunity to work so closely with management and to develop my business skills was great.”

Fast forward a year and Tam is moving on to a job in investment banking with TD Securities in Toronto. “I think the training I’ll get at the bank will provide a good foundation for me,” he says. “I’m still interested in pursuing something in real estate, but probably further down the road.”

Anita Smidesang, a third year student majoring in real estate, is eager to do her internship this summer.

“I have a lot of motivation and drive,” she says, “and I feel blessed to be able to get this kind of experience. I’m hoping it will help me assess the type of position I’d like in the future, and make me a more attractive job candidate once I graduate.”

Smidesang highly recommends real estate as an option for any business student. “The faculty is outgoing, caring and extremely helpful,” she says. “We’re given the chance to interact with the business community. The courses give you the confidence to apply for an internship, and the professors assist in the process.”

Paula Jarolim is a former UBC science student who, after taking several economics courses, switched to business. “I was drawn to the Sauder School of Business because of the networking, career-building and internship opportunities,” says Jarolim, who is about to begin her stint as an intern.

“An internship will allow me to gain skills and experience, which are things I can build on. What I’m looking forward to most is the chance to deal with real issues and to develop practical solutions.”

Jarolim’s interest in real estate pre-dates university. When her parents were looking to buy a new home, she helped in the research. She became hooked, and started reading real estate reports on a regular basis. As a chemistry student, she’d spend her breaks keeping tabs on the housing market. It wasn’t long before she was sold on a move to commerce.
THESE FACE-TO-FACE CONVERSATIONS are revealing that our alumni, now more than ever, view Sauder as a place to come home to, a place to tap into, a place that’s near and dear. They want to stay connected to the place and the people who were pivotal in shaping their years at UBC.

I’m hearing that they appreciate having contact people who represent the face of Alumni Relations. They know that they can get in touch with me or our Alumni Relations Coordinators, by phone, e-mail or letter—and they do. We’re here to serve as a conduit, and recent examples of that role include assisting an alum who was moving to New York and looking for contacts, another who was searching for ways to be involved with Sauder alumni in Singapore, and yet another who was hoping to connect a UBC-bound nephew with some of our professors. It’s all in a day’s pleasurable work.

I think our recent grads, the Young Alumni or so-called Zero to Fives, are particularly aware of the benefits of staying in touch, mainly because their ties to Sauder and to UBC are still fresh. They want to participate in regional network gatherings, and to “come home” to Sauder. This December, the first ever five-year reunion will take place in Vancouver for the BCom Class of 2000. Alumnus Irfhan Rawji, who currently lives in Toronto, is chairing the Reunion Planning Committee, and he tells me he had little trouble finding 25 others to come on board to help organize the event.

I’m hoping that the same enthusiasm will be present at our Mentors Night on Wednesday, June 22nd, at Aqua 1066 Restaurant and Lounge. Another new initiative, this event for the Zero to Fives, will feature a few of our professors, as well as several Sauder alumni who’ve been out in the business world for 10 years or more. They’ll share the triumphs and the tests they’ve experienced since graduating, and give our more recent grads an opportunity to learn from their collective wisdom. Mentors slated for the event include: Ali Pejman (BCom 94), Senior Vice President of Sales and Marketing at Vision Critical; Steve Alisharan, MBA Core Director at Sauder; and Jeff Kroeker, a Lecturer in our Accounting Division. We’re hoping Daniel Muzyka will also join us that night, so we can toast his recent reappointment as Dean of the Sauder School of Business through 2011.

What I’ve learned this past year is that the Sauder experience doesn’t end when our students walk through the halls of the Henry Angus building for the last time. Our alumni may no longer be on campus, or even on the same continent, but they are definitely a community. And that lesson makes the jet lag, time changes and sleep deprivation all worth it.

Shannon von Kaldenberg
ASSISTANT DEAN, EXTERNAL RELATIONS
A virtual “who’s who” of the business world assembled last year for the first annual Sauder Gala Event. More than 400 guests connected and reconnected throughout this memorable evening, and heard from the 2004 keynote speaker and Starbucks chair Howard Schultz. Here’s your chance to do the same – again, or for the first time. For event details, see the back cover of this magazine. And don’t forget to consider nominating a classmate or colleague as a Distinguished Alumni. For details and a nomination form, go to www.sauder.ubc.ca before July 29th, 2005.
Join us on **December 6th, 2005** for the 2nd Annual Sauder School of Business Gala. The evening will feature “Business in Asia” as we hear from special guest speaker, **Sir John Bond, Group Chairman, HSBC Holdings plc.** We will continue our tradition of recognizing and celebrating Distinguished Sauder Alumni. Book your tickets now—last year’s sold out, with wall-to-wall business luminaries and representatives of the Sauder network from around the world. For information on tickets, corporate tables, or partnership opportunities, contact Fiona Fung at 604.822.6068 or fiona.fung@sauder.ubc.ca

**Nominate someone you know as a Distinguished Alumni.**
For details and a nomination form, go to www.sauder.ubc.ca
The deadline for nominations is July 29th.