

# Business Page



It's probably safe to say this was the first time a chain saw was used to cut a ribbon to mark the grand opening of a new company. This past Saturday Mobile Sound Systems on Mountainview Road had its grand opening and on hand for festivities were (left to right) John Travis, Mike Pepper co-owner, Scott Reis co-owner and Paul Turk. (Herald Photo)

## Get wired for sound at Mobile Sound in town

What's in a name your ask? Everything when the name is Mobile Sounds and Systems and someone wants their car wired for sound.

The new Mountainview Road audio car company in Georgetown "sells and installs everything from cellular phones to Citizen Band Radios (CB's) to car stereos and speakers, to antennae", the company's co-owner Scott Reis says.

"We, (Mr. Reis and partner Michael Pepper) can do anything from installing a basic radio and two speakers for those who want to listen to the traffic report or the Blue Jay game, to installing a system that shakes the rear window lose."

"We customize-the system to fit the customer's needs," Mr. Reis said.

Mr. Reis explained because cars nowadays come in so many shapes and sizes, systems should be specifically fitted to achieve maximum effect.

imum effect.

As an example of what the company can do, Mr. Reis said he could take a hatchback which has a relatively small amount of available space for a sound system and install one that included - two 12 inch sub-woofer speakers with an accompanying cross-over.

A sub-woofer outputs the base frequencies. The cross-over divides the frequencies into the high notes generated by the likes of a cymbal, the middle notes which include the rhythm section and vocals and the bass section.

"The over all effect being a clean crisp sound," he said.

Mr. Reis said Mobile Sound Systems also manufactures and ships portable communication systems used in the trucking industry. Included in this type of system is a CB radio, AM/FM cassette tape deck equipped with speakers. The system is mounted in a finished box that is plugged into the vehicle's cigarette lighter.

"The sky's the limit as to what the company can do," Mr. Reis said. "Every system we build is a totally new experience because there is so much product available on the market that anything is possible."

## Vendors get break on market permit

Flea Market vendors in Halton Hills will be able to sell their wares without getting an additional licence if town councillors approve revised bylaw next week.

Since the enactment of a licensing bylaw in 1981, vendors at open markets in Halton Hills were required to have a hawkers and peddlars licence. The same rule was imposed on flea market organizers in 1986.

But in May this year, the Halton Hills Chamber of Commerce approached town council, asking that this bylaw be reconsidered. Town staff are now recommending that "the flea market licence is sufficient in controlling operations at this time."

# Junk bond investors will band together against Campeau



Diane Maley  
Your Business

American junk bond holders are banding together to cause trouble for Robert Campeau and his new partners, the Reichmann brothers.

Signs that a battle is brewing sent Campeau's stock price tumbling last Friday after a big rise Wednesday, making shareholders' surprising optimism that day seem misplaced.

For awhile, the Reichmann presence calmed the market's fears. Analysts reasoned that if Olympia and York had enough confidence in Mr. Campeau to lend him another \$250 million (U.S.), the prospects for his company must be good.

But the prospects for Campeau Corp. are still uncertain. Small investors tempted to bet on Bob Campeau should be aware that the stock is more of a gamble than an investment.

Let's step back a little and look at what has happened to Campeau Corp. stock this month. On Sept. 7, it shot up to a 52-week high of \$22 on rumors that something good was about to befall shareholders. The rumors proved to be unfounded.

Instead, something bad was at hand, a liquidity crisis that threatened to plunge Mr. Campeau's corporate empire into insolvency.

### ROLLER COASTER

When the share price hit \$22, the Toronto Stock Exchange stepped in and halted trading. When it resumed the following week, the price dropped and then levelled off. Within a few days, though, investors realized how serious Campeau's problems were and the stock price plunged to \$13.50 before the TSE stopped trading again.

Last week, when Campeau announced it had reached an agreement with its creditors, the stock price leaped for joy. By last Wednesday, it had bounced back to \$15.12.

This is what investors may have been thinking. Under the terms of Olympia and York's loan, the Reichmanns have the option to raise their holdings in Campeau Corp. to 38.4 per cent. The purchase price for the additional shares has been set at \$18 (U.S.) a share.

Privately, people watching the drama unfold expressed doubts that the stock would reach that price any time soon. But the marketplace seemed to think \$18 was what the Reichmanns thought Campeau Corp. was worth, based on its underlying assets.

On Friday, the market changed its mind again and the stock fell to a two-year low of \$12.50 a share. Buyers of Campeau stock have been fooled twice in one month.

If Campeau's U.S. retailing subsidiaries are to get back on their feet, they must lower the cost of carrying their debt. That means getting rid of their junk bonds.

### GAME OF CHICKEN

The reason for Friday's fall may have been a story in The Wall Street Journal that describes a

dangerous game of chicken that Olympia and York and Campeau's junk bond holders will be playing over the coming weeks.

As part of Campeau's restructuring plan, O and Y has agreed to help it raise another \$800 million, conditional on the sale of Bloomingdale's. The money is to be used to buy out the junk bond holders - at Sept. 15 prices. Bondholders argue that their securities were not worth very much on that day because it was not clear the company would survive.

Advocates for the junk bond holders are accusing O and Y of trying to rob them of their money. Nevertheless, they admit that the low-ball offer is a reasonable opening move in what is likely to be long and tense negotiations. If no agreement is reached, Campeau's U.S. retailing subsidiary may have to file for protection under Chapter 11 of U.S. insolvency laws.

Sobered by last week's stock price fall, shareholders must be wondering what will be left for them once the junk bond holders have been satisfied. Campeau's stock is worth money, but how much is a matter of speculation.

## CSS Computer Sales & Service

# NOW

# OPEN

TO SERVE YOU

- IBM Compatibles
- Service Technician to service most types of machines QUICKLY
- Nintendo, IBM & Amiga Software available

Consulting available for your personal business. Let us make Software to suit YOUR needs

# WIN

A FREE NINTENDO  
See stores for details - no purchase necessary

CSS  
Computer Sales & Service

384 Guelph St.  
Unit 2A  
Georgetown, Ont.  
(416) 873-0325

CALL US,  
AND WE'LL TELL YOU  
HOW TO PROTECT YOUR HOME,  
YOUR CAR AND YOUR LIFE.

Liberty Mutual's got you covered with complete protection for all your insurance needs at very competitive rates.

Liberty Mutual Insurance Company  
148 Queen St. East  
Brampton, Ontario L6V 1B2  
454-8680

LIBERTY MUTUAL

Liberty Mutual Insurance Group/  
Head Office: Don Mills, Ontario

CANADA BELIEVES IN  
LIBERTY MUTUAL INSURANCE

ALOHA BBQ

DELICIOUS  
ROTISSERIE STYLE  
BAR-B-QUE  
CHICKEN

232 GUELPH ST.  
873-1646(7)