



ECONOMIST & SUN/TRIBUNE FILE PHOTO

Business will continue at White Rose stores throughout York Region, including the Unionville headquarters on Hwy. 7 west of Kennedy Road, as a search for a buyer of the chain is sought by Pricewaterhouse Coopers.

Financial woes no surprise for White Rose workers

BY JEFF MITCHELL
Staff Writer

Friday morning, they were still watering plants and sweeping the tiles at Newmarket's White Rose outlet; shoppers still browsed in the nursery or strolled among the shelves of crafts and decorating items.

But a quiet pall hung over the store and, for that matter, the entire chain; for the second time in four years, White Rose Crafts and Nursery Sales Ltd. is on the ropes, struggling with financial troubles that threaten the chain's continuing viability.

The Unionville-based company, in debt to Scotiabank for more than \$73 million and indebted to some 500 other unsecured creditors to the tune of \$12.9 million, once again filed for bankruptcy protection this week.

News of the developments did not come as a shock for employees, said one worker at the Newmarket store.

"It's not a big surprise," the employee said.

"I think everybody was kind of expecting it."

The future of this store and 30 others in Ontario, including outlets in Richmond Hill, Unionville and

Thornhill, remains uncertain, according to Pricewaterhouse Coopers, the trustee and receiver named under the Bankruptcy and Insolvency Act.

Pricewaterhouse Coopers senior vice-president Richard Pettit said each store will be evaluated as the search for a buyer for White Rose continues.

BUSINESS AS USUAL

No deadline has been set for a sale, he said. Stores will continue to operate for now.

Tracy Dell, manager at the Newmarket outlet, said she and her employees — up to 70 local people are employed at the store — are taking a wait-and-see approach as the latest instalment in the White Rose saga unfolds.

She refused any further comment.

"I'm now an employee of Pricewaterhouse Coopers," Ms Dell said.

Other company officials refused comment, referring inquiries to the trustee. Meanwhile, the company's board of directors has resigned.

The latest developments may mark the end of the line for the company, founded in 1957 by gar-

dener Alexandre Raab. The site of his first nursery, established on Hwy. 7 in Unionville, is home to a White Rose store today.

White Rose has struggled to re-establish itself since its brush with bankruptcy in 1998, paring the number of full-scale stores it operates from 62 to 31 and withdrawing from the Quebec market.

But there's stiff competition for the weekend gardeners' dollar, with chains ranging from Wal-Mart to Canadian Tire opening and aggressively marketing garden centres.

News of White Rose's latest troubles was met sadly by shoppers.

"I think it's terrible," said Sharon Meehan, who was browsing among the plants in the Newmarket nursery Friday morning.

"It's a lovely store and I've enjoyed it over the years. I hope it will survive," she said.

"In the springtime, we're always at White Rose."

But Ms Meehan acknowledged the numerous shops and big box stores that have entered the gardening market are tough company for White Rose to outlast.

"It's very competitive," she said.

No-smoking bylaw put to test again

BY JEFF MITCHELL
Staff Writer

York Region's anti-smoking bylaw is being put to the test again.

Last week, members of the region's health committee voted in favour of a test that could, in the long run, result in significant savings for restaurant and bar owners who must install designated smoking rooms by June 2004.

The Canadian Restaurant and Foodservices Association will pay for the test, which will see a sophisticated air exchange system constructed at a restaurant in York Region. Air quality in the restaurant will be monitored and compared to the air in an establishment with an enclosed smoking room, as required by the region's bylaw.

The association isn't quibbling about the necessity of providing a smoke-free atmosphere for clientele, said president Douglas Needham. Rather, it is proposing alternative, less expensive technology.

SYSTEM TOO COSTLY

Mr. Needham said the system required by the region's bylaw is too costly for smaller restaurants. "It will divide our industry into winners and losers, haves and have-nots."

The self-enclosed, ventilated room required by the region can cost as much as \$100,000, Mr. Needham said, while the air-exchange system his association backs can be installed for about \$25,000.

The technology, proposed by the restaurant association, has been approved in Quebec and British Columbia, he said.

Committee members agreed to the test, providing it results in a fair and accurate comparison.

"We would have to monitor this very closely so we are sure the true facts and information do come from this test," said East Gwillimbury Mayor James Young.

Markham Councillor Tony Wong — one of the councillors who fought successfully for an amendment to the bylaw that benefits the bingo industry — said if alternative systems can achieve the goal of smoke-free air, they should be researched, even if the region picks up the tab.

"If they are valid and less expensive, there is no reason not to investigate," he said.

The proposal to carry out the tests arose from a presentation Mr. Needham made to the health committee in March. At the meeting,



JOYCE FRUSTAGLIO: Councillor not willing to alter no-smoking bylaw she championed.

the committee instructed department staff to discuss the alternative technology with the restaurant association.

So Mr. Needham was dumbfounded last Thursday when committee chairperson Joyce Frustaglio claimed the proposal was news to her.

The Vaughan councillor repeatedly told Mr. Needham he had not addressed the committee prior to Thursday, before being reminded of the large public meeting in March, which filled the committee room and attracted TV coverage. Ms Frustaglio chaired that meeting.

"I'm sorry, I don't remember dealing with this presentation," Ms Frustaglio said. "Was I not here?"

Mr. Needham quipped, "I guess I didn't make much of an impression."

He said the system would take three or four months to install in a local restaurant or pub, followed by a month-long evaluation period.

Mr. Needham insisted his association is attempting not to dismantle the region's controversial bylaw, but to find a way for proprietors to obey it without going broke.

"We're not asking you to accept the technology. We're asking you to evaluate it for yourselves," he said.

"I'm not asking you to change your bylaw today and I'm not asking you to change the intent and spirit of your bylaw tomorrow."

Ms Frustaglio made it clear at the beginning of the meeting she has had enough tinkering with the bylaw she shepherded from concept to passage.

"We're willing to listen to what you have to say but, presently, we're not revising the ventilation system in our bylaw," she told Mr. Needham before he had addressed the committee.

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