

Mail employees return to work

Newsstands expected to reopen Thursday, as sides return to mediated negotiations

mediation today and the union wishes to continue discussion of the collective agreement, we've lifted the lockout," company spokeswoman Susan Goyette said in a statement.

"We are eager — and hopeful that we will be able to conclude the negotiations and look forward to a timely resolution that all parties and partners can move forward to a warm adieu for travellers departing in the 2010 Winter Olympics," Goyette said.

The workers have been off the job since staging a one-day strike last Wednesday. The

company filed lockout notice the next day.

Lynn Flandera, a director of the union, Unite Here Local 40, said members are eager to get back to work as soon as possible.

"We're taking this as a positive sign of good faith, the lifting of the lockout," Flandera said. "We intend to match that at the bargaining table."

Late last week, the company said it was willing to return to negotiations, but wanted the union to promise no further job action until after the Olympics and Paralympics, which the

union rejected.

Goyette said the company hopes that negotiations around the union's last proposal, tabled Feb. 15, will continue without further job action.

HMSHost said managers will begin notifying employees by phone when to report back to work.

Flandera said workers will remain at picket locations until they return to work, but have traded their picket signs in for union flags.

The restaurants involved in the dispute include six Tim Hortons locations, two

Milestones, the Palamino Bar & Grill, Stanley's Bar & Grill, Toast Cafe, Pacific Grill, Voyages, a Harvey's and two newsstands.

The one-day walkout was to push for job security in light of the impending closure of a unionized Milestones restaurant operated by HMSHost and its replacement by a non-unionized White Spot.

Maryland-based HMSHost operates 35 restaurants and retail locations among YVR's 160 concessions.

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REAL ESTATE

Retail property sales on upswing

BY DERRICK PENNER
VANCOUVER SUN

British Columbia's commercial real estate market is starting to look more like a seller's market moving through 2010, with more capital available for investors, and investors willing to accept lower returns, according to one commercial realtor.

Avison Young this week released its 2009 year-end results, which saw commercial real estate transactions gather steam in the latter half of the year, particularly among retail offerings.

Avison Young counted 16 retail-property sales worth more than \$5 million in the second half of 2009. The largest were the sale of Surrey's Grandview Corners for \$182 million to RioCan REIT and the Canada Pension Plan, and the sale of a half-interest in Nanaimo's Woodgrove Centre for \$103 million.

"I think it's going to be a very active market [in 2010]," said Bob Levine, a principal in Avison Young's Vancouver office.

"There's lots of [investment] money looking, and probably more vendors out there than there have been for a couple of years, because the perception is that [capitalization] rates are reasonably low."

A lower capitalization rate means that buyers are willing to pay higher prices and accept a lower rate of return. Capitalization rates at the start of 2010 are almost as low as they were at their lowest point in early 2008, Levine said.

Levine said the return of institutional and investment-trust capital to the market has helped drive demand for investment real estate.

The recovery of stock markets has bolstered the stock holdings of institutional investors, giving them more leeway to consider real estate investments, Levine said. Likewise, he added, real estate investment trusts have been able to raise new pools of capital.

Levine said banks have even been more willing to extend commercial mortgages, albeit with substantial down payment requirements. "I would say private capital has always been [in the market], but the institutional capital and public capital has come available because of the rebound in the stock market," he said.

Levine said he is untroubled by the shrinking capitalization rates, particularly in Vancouver, because there is still relatively little supply of unleashed commercial properties available for buyers to purchase.

In total, for sales of commercial property worth more than \$5 million, Avison Young counted \$1.36 billion worth of sales in B.C. in 2009, up from \$1.27 billion in 2008.

Firms are missing out on solution, Google CFO claims

Staying traditional in their behaviour and mindset, Patrick Pichette says



NORM BETTS/BLOOMBERG

Google CFO Patrick Pichette says embracing the marketing power of the Web is important for small- and medium-sized businesses.

spending \$100 a month now," Pichette said.

Canadian companies do not know what would be required to capture the advertising opportunity; they are staying traditional in their behaviour and mindset," he said.

Even if they're a medium-sized company and they've never done any of it before, go and learn — whether it's Google or somewhere else. Earn digital advertising, because that's where people live

While some areas of the economy are still recovering from the effects of the global economic downturn, Pichette said there's really no recession in the digital space and the technology sector continues to grow despite the broader economy.

"The e-commerce and the digital sectors have done tremendously well," he said. "It just shows there are two economies moving at different rates

by fundamentally different forces."

Last week, the European Commission and the U.S. Department of Justice approved a landmark search advertising deal between Microsoft and Yahoo, which will see Google's two biggest competitors in search team up to challenge the Web giant's dominance.

Still, Pichette said the new alliance won't change the way Google conducts its business in

"Competition is good because it keeps everybody honest," he said. "We, Google, continue to be only one click away for everybody, so as soon as there's a better mousetrap, you switch. So in that world, it will keep us even more focused on what we do well, but it doesn't change our core agenda. We just need to take even more notice because now we have a competitor that has even more scale."