

Business Pulse

Bid for control of PCS scrapped

TORONTO (AP) — BHP Billiton on Sunday withdrew its hostile takeover bid for Potash Corp. of Saskatchewan, saying it cannot convince Canada’s federal government to approve the deal.

PotashCorp is the parent company of PCS Aurora, which is the largest customer at the N.C. Port of Morehead City.

Ottawa announced earlier this month that it would block the deal because it wasn’t a net benefit to Canada. BHP had 30 days to appeal, but said Sunday in a statement that it cannot satisfy the net benefit requirements outlined by the government.

“We have not been able to obtain clearance under the Investment Canada Act and have accordingly decided to withdraw the offer,” BHP Billiton CEO Marius Kloppers said in a statement.

Anglo-Australian BHP Billiton, the world’s largest mining company, was attempting a hostile \$38.6 billion takeover of Potash Corp., which controls more than 25 percent of the world’s supply of potash. Potash is a fertilizer ingredient critical to the global food supply.

BHP said the offer and the benefits to Canada would have been “unparalleled in substance, scope and duration.”

Had the deal been approved by the government and shareholders, it would have been one of the biggest in Canadian history — and the largest in the world this year.

BHP said it will now reactivate the remaining \$4.2 billion part of its share buy-back program that it previously suspended.

Potash Corp said in a statement Sunday that BHP’s decision to withdraw its offer “underscores the PotashCorp Board of Directors’ unanimous belief that the BHP Billiton offer substantially undervalued PotashCorp and failed to reflect both the value of our premier position in a strategically vital industry and our future growth prospects.”

The company made no mention of another bid.

Potash Corp has said since August that BHP’s \$130-per-share offer was wholly inadequate. Potash Corp shares closed at \$139.91 in trading on the New York Stock Exchange on Friday.

Workshop to cover franchise businesses

Carteret Community College’s Small Business Center will offer a free workshop, “Is a Franchise Business Right for You?”, beginning at 6 p.m. on Dec. 1 in the Bryant Student Center.

A U.S. Department of Commerce study conducted from 1971-1997 showed that during that time less than 5 percent of franchise businesses closed each year. Compare that to a U.S. Small Business Administration study conducted from 1978-1998, which found that 62 percent of non-franchised businesses closed within the first six years of their existence due to failure, bankruptcy and other reasons.

“In today’s uncertain economy, a franchise business may be a path perspective business owners want to consider,” said John M. Smith, the college’s director of business development. “This workshop will help answer many of the questions you may have about owning a franchise business. If you are considering starting a business in the new 12 months, I would highly recommend you attend this workshop.”

Workshop topics include understanding the franchise process, different franchise options and the top seven advantages and disadvantages of owning a franchise.

The workshop is free, but pre-registration is required. To register, call the Corporate and Community Education Division at 222-6200.



High and dry
Alan Lambert with Newell Construction of Wilmington applies caulk and sealant Tuesday to the exterior of Beaufort Square shopping center in Beaufort before showers moved into the area later in the day. (Dylan Ray photo)

Jarrett Bay creates store display for retailer

BEAUFORT — Keeping true to their New England boating ties, the founding partners, CEOs — and brothers — behind a New England-based apparel retailer commissioned Jarrett Bay Boatworks, based here, to build a scale, custom sportfishing yacht display for their newest store in Palm Beach Gardens, Fla.

Shep and Ian Murray of vineyard vines, the colorful tie and preppy apparel company spelled in lower-case letters, operate 11 free-standing stores in addition to marketing their products through department and specialty stores and online.

Installed recently at The Gardens Mall store opening this month, the Jarrett Bay custom

cockpit and tower showcase fixture will serve as the central checkout counter and “the visual reinforcement of the brand’s representation of the finer places and things life has to offer,” according to the company.

“Given that the Palm Beach area is home to some of the world’s most notable custom sportfish builders, I am humbled to have Jarrett Bay as the brand chosen to support the vineyard vines business model and store theme of living the Good Life,” said Jarrett Bay CEO Randy Ramsey. “This project worked out so well for both of our companies that we look forward to installing yet another scale sportfish checkout counter display for the next vineyard vines store

opening at the Tysons Galleria in McLean, Virginia.”

Jarrett Bay Boatworks, a builder of custom sport fishing boats, began in 1986 when Mr. Ramsey led the construction of a single 52-foot charter boat in an old tin shed. Since then, Jarrett Bay has delivered more than 50 custom sportfishing yachts and introduced several other models.

Shep Murray said he was excited to see the first Jarrett Bay signature installment in the store.

“We are so appreciative and excited to have Jarrett Bay not only as a partner, but also help give us an authentic focal point for our stores,” he said.

Lowe’s posts higher profits but shoppers still cautious

NEWYORK (AP) — Lowe’s Cos.’ said Monday shoppers are spending on smaller painting and gardening projects but still avoiding major renovations because of worries about the economy.

But the home-improvement retailer said Monday it is focused on reining in inventory and costs, which helped its third-quarter profit improve, and gaining a bigger chunk of the market.

“Consumers are not yet willing to consistently take on larger, discretionary home improvement projects,” CEO Robert Niblock said. “They remain cautious and caontinue to rationalize the scope of their projects or in many cases delay projects until they have better clarity about their personal financial situations, the value of their homes and the overall macroeconomic outlook.”

That caution, coupled with unexpected heat and drought in August and September that stymied landscape projects, kept third-quarter revenue in check. It rose 2 percent to \$11.59 billion, missing expectations of \$11.75 billion, according to a poll by Thomson Reuters.

But third-quarter net income rose 19 percent, as the No. 2 home-improvement retailer kept a rein on costs, including lowering payroll costs and closing two regional offices.

Net income rose to \$404 million, or 29 cents per share, for the three months ended Oct. 29.

That’s up from \$344 million, or 23 cents per share, last year.

Excluding a charge, related to the value of its assets, including two stores it closed and potential future stores, earnings totaled 31 cents per share. Analysts expected 30 cents per share.

Revenue at stores open at least one year edged up just 0.2 percent during the quarter. The measure is considered an important measure of a retailer’s health because it excludes stores that opened or closed during the year.

Stronger product categories included millwork, such as windows and doors; tools; lumber; paint; rough electrical; seasonal products; lawn and landscape products; plumbing; and appliances.

The company also said that adding specialists to increase sales to professional builders and contractors helped increase business.

Lowe’s is doing well managing amid a rocky retail picture, Janney Capital Markets analyst David Strasser wrote in a note to investors, but “the stubbornness of the macro economy will keep the stock range bound as sales are prone to disappointment.”

But Mr. Niblock said he doesn’t expect any lasting improvement in revenue until unemployment and the housing market improve, which is not likely until at least the second half of next year, and possibly not until 2012.



Customers at the tie and apparel manufacturer vineyard vines’ store in Palm Beach Gardens, Fla., will be greeted by this Jarrett Bay yacht display, which serves as a checkout counter. (Contributed photo)

Bluewater firm ends longtime affiliation with GMAC

EMERALD ISLE — Bluewater GMAC last week announced the firm has ended its affiliation with the former real estate subsidiary of General Motors.

The Emerald Isle firm is now called Bluewater Real Estate. The company offers vacation rentals, real estate sales, construction and property management.

“We have ended our affiliation with GMAC, but all of our real estate services remain the same,” said Bluewater marketing manager Jordan Daniels. “Our property management, annual rentals and vacation rentals will run exactly the same. Everything is now just under the Bluewater Real Estate name.”

Bluewater Associates was originally formed as a land-development company by five homebuilders. Its first project, named Bluewater Bay, was an oceanfront community completed in February 1986. Its 85 lots sold in less than three hours.

Based on that success, the firm’s owners built a real estate office at 200 Mangrove Drive in Emerald Isle.

In 1993, Bluewater Associates launched a property management division, starting with seven vacation rental home contracts.

Now the firm manages nearly 1,000 vacation homes. Managed by Kevin Futral, Bluewater Vacation Rentals’ property management division currently employs 105 professionals and also includes association management, annual rentals, pool and hot tub installation and maintenance.

Bluewater Vacation Rentals property management division is the booking agent and association manager for The Islander Suites at Emerald Isle, which was remodeled in 2009.

“Although our signs are getting a makeover, rest assured that our services will remain the same,” Bluewater company owners Woody Warren and Sherrell Futral said in a statement. “Bluewater will continue to provide you with the same professional, personal and unmatched customer service that you have come to expect from us.”

Part of the reason for the change was the November 2009 merger of GMAC Real Estate with Ohio-based Real Living.

The move was set in motion in 2008 when Brookfield Residential Property Services, a division of Brookfield Asset Management of Canada acquired GMAC Real Estate. Less than a year later, Brookfield RPS

acquired Real Living Network Services and re-branded GMAC Real Estate as Real Living throughout the United States.

Mr. Warren said Monday that Bluewater had invested heavily in its own brand identity and the Real Living brand, which Bluewater would be required to adopt if it opted to continue the affiliation, wasn’t a good match.

“We would have had to adopt their red and white logo and it looked like a target. There wasn’t much support for that,” Mr. Warren said. “The way that they

were going to re-brand the franchise we didn’t see any benefit. We just didn’t feel like it was in our best interest.”

The affiliation began mainly as a referral and agent-training network with Better Homes and Gardens’ Real Estate Service, which was later acquired by GMAC.

“When we started the franchise, it made sense,” Mr. Warren said.

Mr. Warren said the affiliation with a national brand identity provided at the time a number of



Bluewater Real Estate recently ended its affiliation with GMAC Real Estate, as reflected in the Emerald Isle firm’s new signs. (Mark Hibbs photo)

advantages, particularly in connecting with potential homebuyers who lived in the Triangle market.

Weekly Health Tips

Rob Williams
PHARMACIST

VITAMIN D FOR COLDS & FLU

New research indicates that vitamin D may help reduce the risk of influenza and other upper respiratory infections. Scientists from Yale University followed 198 healthy adults during the cold and flu season. Those with vitamin D blood levels of 38 nanograms per milliliter or more were less likely to get viral infections such as flu than the participants who had lower vitamin D levels. The higher levels of vitamin D also seemed to reduce the severity of symptoms and length of illness in those who did develop infections. Check with your doctor to see if you are getting enough vitamin D in your diet.

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