

"THE GAMBLE THAT PAID OFF"

LADIES AND GENTLEMEN. MY GREAT GRANDFATHER WOULD ROLL OVER IN HIS GRAVE IF HE THOUGHT HIS HEIRS WERE GAMBLERS AND, OF COURSE, WE'RE NOT, EXCEPT IN THE SENSE THAT HE HIMSELF WAS A GAMBLER. AFTER ALL, HE BROKE ALL RETAILING RULES AND IN DOING SO ESTABLISHED NEW RULES.

ANYONE WHO KNOWS OUR WINNIPEG STORE WILL RECOGNIZE WHAT AN ENORMOUS DECISION AND WHAT VISION WAS REQUIRED TO BUILD A STORE OF THAT SIZE IN 1905.

TODAY, I WOULD LIKE TO TALK ABOUT THE TORONTO EATON CENTRE AND EATON'S NEW FLAGSHIP STORE. MANY MISLEADING STATEMENTS HAVE BEEN MADE ABOUT ITS FINANCIAL SUCCESS. IT IS AS IF MANY OF THE OPPONENTS OF METROPOLITAN GROWTH ARE TRYING TO PORTRAY THAT THE DEVELOPMENT IS LESS THAN A SUCCESS.

I'M HERE TO TELL YOU THAT IT IS A SUCCESS.

BUT FIRST, IF I MAY, LET ME BEGIN AT THE BEGINNING.

FOR MANY YEARS, MY FATHER DREAMED OF A NEW DOWNTOWN TORONTO STORE. MORE THAN 25 YEARS AGO HE RECOGNIZED THAT THE VITALITY OF THE DOWNTOWN MUST BE PRESERVED TO MAINTAIN LIFE IN THE CITY.

HE ALSO RECOGNIZED THAT OUR OLD FLAGSHIP STORE AT QUEEN AND YONGE HAD BEEN THE BASIS OF OUR GREAT EXPANSION ACROSS CANADA. HE OFTEN SAID THAT SINCE TORONTO HAD PAID FOR EXPANSION ACROSS CANADA, IT WAS TIME FOR THE REST OF THE COMPANY TO PAY FOR THE REVITALIZATION OF TORONTO.

NOW, MANY YEARS LATER, AFTER FALSE STARTS AND DIFFICULTIES, PERSEVERANCE HAS PAID OFF. WE HAVE NOW COMPLETED, OPENED AND OPERATED FOR EIGHT MONTHS, PHASE ONE OF THE TORONTO EATON CENTRE.

DURING THE 60'S, WE LOOKED SOUTH AND SAW WHAT WAS HAPPENING TO THE HEARTS OF BIG AMERICAN CITIES. EATON'S WAS DETERMINED THE SAME WOULD NOT HAPPEN IN CANADA. WE HAD EXPANDED IN THE SUBURBS IN SEVERAL BIG CANADIAN CITIES BUT, IN EXPANDING, WE NEVER INTENDED TO TURN OUR BACKS ON DOWNTOWN. WE HAVE ALWAYS BEEN GOOD CORPORATE CITIZENS AND WITH THE CONVICTIONS THAT LARGE SCALE DOWNTOWN RETAIL COMPLEXES ARE ECONOMICALLY VIABLE; AND THAT SERVING THE SAME PUBLICS, THE PREMISES OF THE MERCHANTS AND BANKERS SHOULD NOT BE IN ANY WAY LESS THAN THE PUBLIC BUILDINGS IN THE AREA.

I THINK WE IN CANADA OFTEN TEND TO UNDERESTIMATE THE CONTRAST BETWEEN WHAT WE HAVE MADE OF OUR CITIES IN THE LAST TEN YEARS AND WHAT HAS HAPPENED SOUTH OF THE BORDER. OF COURSE, WE HERE HAD THE OPPORTUNITY TO LEARN, AND PROFIT FROM, THE MISTAKES MADE ELSEWHERE.

WE CARRIED OUR A CRITICAL EXAMINATION OF ALL OUR DOWNTOWN STORES. WE MADE UP OUR MINDS THAT WE WOULD DO OUR SHARE IN ATTRACTING AND HOLDING PEOPLE DOWNTOWN. THAT MEANT RENOVATING IN SEVERAL CITIES; COMPLETELY REBUILDING IN OTHERS. THE OPENING OF OUR SUCCESSFUL NEW STORE AS PART OF VANCOUVER'S PACIFIC CENTRE IN 1973 WAS THE FIRST OF MANY DOWNTOWN PROJECTS IN WHICH EATON'S BECAME INVOLVED AND FREQUENTLY SPEARHEADED.

THE TORONTO DEVELOPMENT WAS A NATURAL. WHAT MADE TORONTO SO SUITABLE FOR THIS VAST PROJECT WAS THAT PEOPLE STILL CAME DOWNTOWN TO SHOP. ALTHOUGH METRO TORONTO HAS EXPANDED GREATLY IN THE PAST 20 YEARS, IT STILL DRAWS PEOPLE INTO THE CITY CENTRE, AND THE PUBLIC TRANSPORTATION MAKES IT EASY FOR THEM TO GET THERE.

UNLIKE MANY NORTH AMERICAN CITIES, WHERE THE FLIGHT TO THE SUBURBS WAS ACCOMPANIED BY SOME OF THE FLAGSHIP STORES OF THE MAJOR RETAILERS, IN TORONTO THE MAJOR BUSINESSES RETAINED THEIR DOWNTOWN HEADQUARTERS, AND THE CARRIAGE TRADE CONTINUED TO CALL. HENCE, THE LOGIC OF THE EATON CENTRE. THERE WAS NO MAJOR SHIFTING OF PATTERNS OR LOYALTIES, JUST AN INTENSIFICATION OF INTEREST AS THE NEW CENTRE, ALONG WITH ITS SMALLER SHOPS CATERING TO ALL INCOME GROUPS, FILLED THE GAP BETWEEN DUNDAS AND QUEEN STREETS.

BEFORE GOING INTO SOME COMMENTS MADE BY THE RETAILERS IN THE CENTRE, I WOULD LIKE TO QUOTE FROM A REPORT BY PERRY MEYERS, INC., NEW YORK BASED MERCHANDISING AND RETAIL CONSULTANTS, TO CADILLAC FAIRVIEW. "I HAVE ANALYZED THE FIGURES WHICH YOU SUBMITTED ON LEASED SPACE AND SALES. THE SALES RECORDS FOR 194,000 SQUARE FEET OF SPACE INCLUDED IN THE TABULATION SHOWS SALES \$4 MILLION IN JUNE, WHICH MAY BE ESTIMATED AT ALMOST \$50 MILLION ANNUAL RATE, OR OVER \$250 PER SQUARE FOOT. IN VIEW OF THE FACT THAT THIS INCLUDES A CONSIDERABLE STORE AREA ON DUNDAS STREET AND THAT THE TRAFFIC FROM QUEEN STREET IS LARGELY CUT OFF, THESE RESULTS ARE IMPRESSIVE. WHEN THE CENTRE IS COMPLETED, SALES FOR THE WHOLE MIDDLE AREA OF 550,000 SQUARE FEET SHOULD EASILY EXCEED \$350 PER SQUARE FOOT OR A TOTAL OF \$190 TO \$200 MILLION."

HOW DO THE OTHER MERCHANTS FEEL AFTER EIGHT MONTHS? PERHAPS A FEW STATEMENTS FROM SOME OF THE TENANT FIRMS WILL PROVIDE A MORE REALISTIC ANSWER.

WILFRED POSLUNS - PRESIDENT - DYLEX

"OUR STORES IN EATON CENTRE - FAIRWEATHERS, THRIFTY'S AND TOWN AND COUNTRY - ARE ALREADY PERFORMING AS WELL AS THE BEST OF OUR MORE THAN 400 RETAIL OUTLETS ACROSS THE COUNTRY. WHEN THE CENTRE IS COMPLETE TO QUEEN STREET, WE ARE FULLY CONFIDENT THAT THESE STORES WILL SET NEW SALES RECORDS FOR OUR COMPANY. WE ARE VERY EXCITED ABOUT THE CONTRIBUTION THAT OUR EATON CENTRE STORES ARE MAKING TO OUR TOTAL COMPANY PERFORMANCE AND COMPLIMENT THE DEVELOPERS AND OWNERS OF EATON CENTRE ON PROVIDING TORONTO WITH THIS EXCITING AND MEANINGFUL NEW DIMENSION OF THE FABRIC OF THE DOWNTOWN CORE."

DRUMMOND BIRKS - PRESIDENT - HENRY BIRKS & SONS LIMITED

"BIRKS HAS BEEN IMMENSELY PLEASED WITH ITS MOVE TO THE EATON CENTRE....OUR SALES HAVE BEEN FAR HIGHER THAN WE EXPECTED. WE ARE LOOKING FORWARD TO THE SECOND PHASE WITH GREAT ANTICIPATION. WITH THE OPENING OF THE NEXT PHASE, I BELIEVE WE WILL SEE THE HIGHEST TRAFFIC OF ANY CENTRE IN CANADA."

MORTY BROWNSTEIN - PRESIDENT - BROWN'S SHOES

"OUR BEST QUALITY, MOST HIGH FASHION MERCHANDISE HAS BEEN OUR PACE SETTER AS IT IS IN MONTREAL. WE COULD NOT HAVE HOPED TO ATTRACT TRAFFIC IN ANY OTHER TORONTO LOCATION AS QUICKLY AS WE HAVE IN EATON CENTRE."

FRED MONTGOMERY - PRESIDENT - MAGIC PAN

"SALES HAVE EXCEEDED ALL EXPECTATIONS AND WE ARE ACTIVELY INVESTIGATING ADDITIONAL LOCATIONS AND CONCEPTS FOR THE SECOND PHASE. MY TORONTO MANAGER REPORTS HE COULD FILL THREE HUNDRED MORE SEATS, IF HE HAD THEM."

LAURIE LEWIN - EXECUTIVE VICE-PRESIDENT - MIA FASHIONS LIMITED

"FROM DAY ONE, SALES HAVE EXCEEDED OUR EXPECTATIONS BY 100%, AND WE FEEL THAT OUR FULL POTENTIAL IS YET TO BE REACHED."

DON MACPHEE - OWNER - YOFI CREATIONS

"WE LOOKED AT OTHER CENTRES FOR OUR FIRST TORONTO STORE AND DECIDED EATON CENTRE WAS THE BEST PLACE TO BE IN THE CITY. WE FELT CADILLAC FAIRVIEW'S PROFESSIONAL MANAGEMENT WOULD MAKE EATON CENTRE A GREAT SUCCESS AND WE'VE DONE SO WELL, WE'RE ABOUT TO OPEN OUR SECOND STORE THERE."

RODNEY JOHNSON - PRESIDENT - JAEGER FASHIONS OF CANADA LIMITED

"THE STORE HAS TURNED OUT TO BE EXACTLY WHAT WE EXPECTED IT TO BE, A SUCCESS. THIS, OF COURSE, HAS COME ABOUT BECAUSE OF THE VOLUME OF TRAFFIC. WE ARE DOING SUPERIOR VOLUMES OF BUSINESS IN THE EATON CENTRE STORE THAN WE DID IN THE OPENING PERIOD OF OUR STORE IN WATER TOWER PLACE, CHICAGO."

JIM GUNTHER - PRESIDENT - LEATHER ATTIC

"FANTASTIC. WE'RE OPENING A SECOND STORE FOR HIGHER PRICED LINES. I'M THAT CONFIDENT."

RALPH SNOW - CO-OWNER - NAG'S HEAD TAVERN

"BECAUSE EATON CENTRE IS UNIQUE, IT DRAWS PEOPLE FROM ALL WALKS OF LIFE AND ALL PARTS OF THE COUNTRY. I DEFINITELY RATE THIS LOCATION MUCH HIGHER THAN OUR OTHERS."

DON E. LEWIS - REAL ESTATE MANAGER - LAURA SECORD

"OUR SALES PER SQUARE FOOT ARE SUPER....THIS IS ONE OF THE TOP STORES IN THE CHAIN. BUSINESS HAS MORE THAN HELD ITS OWN SINCE THE OPENING FLURRY."

JOSEPH ABERGEL - OWNER - CALECHE BOUTIQUE

"WE NEEDED TO DOUBLE OUR SALES IN OUR OTHER STORES TO COME OUT OK. HERE WE'RE SO SUCCESSFUL, WE'RE LOOKING AT A LOCATION FOR A SECOND STORE IN THE NEXT PHASE."

AND NOW, SOME COMMENTS ABOUT THE PERFORMANCE OF OUR OWN STORE ALONG WITH AN EXPLANATION OF WHAT WE ARE TRYING TO DO FOR THE CUSTOMER.

WE DIDN'T JUST BUILD A NEW STORE; THAT WASN'T THE ORIGINAL IDEA. WE TRIED TO DO IN TORONTO MANY OF THE THINGS THE BOLD NEW MERCHANDISING APPROACH DID FOR US IN VANCOUVER. THE PROGRAM WAS A CONSCIOUS EFFORT TO PROVIDE THE MERCHANDISE OUR TRADITIONAL CUSTOMERS WANTED AND AT THE SAME TIME CAPTURE NEW CUSTOMERS. THIS WAS TRANSLATED INTO CUSTOMER PROFILES VARYING FROM THE BUSINESS GIRL TO THE TOURIST.

SINCE MY GREAT GRANDFATHER OPENED HIS FIRST STORE MORE THAN 108 YEARS AGO, EATON'S HAS ATTEMPTED TO BE A LEADER IN THE DEPARTMENT STORE FIELD. OUR NEW STORE IS NO EXCEPTION. THE NEW STORE IS DESIGNED AND MERCHANDISED TO APPEAL TO ALL AGE GROUPS.

CUSTOMERS, ON FIRST VISITING THE STORE THINK PRICES ARE HIGHER. I BELIEVE WE HAVE, AFTER THE INITIAL IMPACT, PROVED THEM WRONG. THE EFFICIENCIES BUILT INTO THE NEW STORE HAVE ALLOWED US TO CONTINUE TO PRICE OUR MERCHANDISE COMPETITIVELY.

IN FACT, WHEN IT COMES TO PRICES OF GOODS THERE IS NOT MUCH DIFFERENCE AMONG THE THREE MAJOR DEPARTMENT STORES IN DOWNTOWN TORONTO AS REPORTED BY WILLIAM CHISHOLM, RETAILING INVESTMENT ANALYST RECENTLY IN THE GLOBE'S "REPORT ON BUSINESS". PITFIELD, MACKAY, ROSS AND CO. LIMITED COMPARED PRICES ON 50 BRAND ITEMS THAT WERE COMMON TO EATON'S, SIMPSON'S AND THE BAY AND FOUND THE MAXIMUM VARIATION WAS ONLY 1.7 PERCENT, WHICH CANNOT BE CONSIDERED STATISTICALLY SIGNIFICANT. MR. CHISHOLM ALSO SAID EATON'S EXPENSIVELY FURNISHED NEW STORE HAS CREATED A HIGH PRICE IMAGE WHICH IN HIS VIEW WAS NOT WARRANTED. SIMPSON'S WAS THE HIGHEST, THE BAY THE CHEAPEST AND EATON'S IN THE MIDDLE OF THE RANGE.

HARDGOODS AND STANDARD DEPARTMENT STORE PRODUCTS ARE STILL AVAILABLE. IN AMONG THE CHIC MICRO-WAVE OVENS AND PASTEL REFRIGERATORS, SHOPPERS CAN STILL FIND A STANDARD 3-SPEED VIKING WASHING MACHINE OR BASIC ALUMINUM POTS AND PANS.

OUR RECENT TRANS-CANADA SALE PROVED THAT SHOPPERS STILL CONSIDER EATON'S THE PLACE TO SHOP FOR VALUE. IT WAS THE GREATEST TRANS-CANADA SALE IN THE COMPANY'S HISTORY AND DURING THAT SALE, THE EATON CENTRE STORE CHALKED UP RECORD SALES DAY AFTER DAY SINCE OUR OPENING AND EXCEEDED ALL PROJECTIONS.

A SIGNIFICANT CHANGE HAS BEEN TAKING PLACE IN DEPARTMENT STORE MERCHANDISING OVER THE PAST FEW YEARS. WE, AT EATON'S, HAVE ATTEMPTED IN OUR NEW DOWNTOWN STORE, TO BE A LEADER AND INCORPORATE AS MANY OF THESE CHANGES AS POSSIBLE AND TO PRESENT THE MERCHANDISE THROUGH INFORMATIVE MERCHANDISE DISPLAYS FOR THE CUSTOMER TO SEE AND FEEL. COUNTERS HAVE BEEN REMOVED FROM MANY DEPARTMENTS. DRAWERS AND CUPBOARDS HAVE BEEN EMPTIED AND THE MERCHANDISE PLACED UP-FRONT WHERE THE CUSTOMER CAN GET AT IT AND EXAMINE IT WITHOUT WAITING FOR A SALES PERSON TO DIG IT OUT. INFORMATIVE PACKAGING TELLS THE FEATURE STORY AND CUSTOMERS CAN MAKE THEIR CHOICE AND BE ON THEIR WAY. SOME CUSTOMERS INTERPRET THESE NEW MERCHANDISE LAYOUTS AND PRESENTATIONS AS A NEGATIVE. WE, AS DEPARTMENT STORE EXPERTS, ENTHUSIASTICALLY CAN POINT OUT THE BENEFITS.

THE TOTAL LAYOUT AND DECOR OF MODERN DEPARTMENT STORES HAS BEEN BRIGHTENED AND SERVICES DESIGNED TO PROVIDE THE TYPE OF SHOPPING ENVIRONMENT THE MAJORITY OF CANADIAN SHOPPERS SEEM TO WANT. PRIOR TO, AND DURING THE DESIGN PHASE OF OUR NEW STORES, WE UNDERTAKE MARKET RESEARCH, HOLD INTERVIEWS WITH CUSTOMERS AND CONSUMER PANELS, CONSULT WITH DESIGN EXPERTS AND VISIT MAJOR RETAIL STORES AROUND THE WORLD SO THAT WE CAN PROVIDE THE MOST APPEALING AND USEFUL SHOPPING FACILITIES FOR OUR CUSTOMERS. THE NEW EATON CENTRE STORE IS OUR MOST PROGRESSIVE MERCHANDISING EFFORT TO DATE

AND HAS SET NEW STANDARDS IN PRESENTATION OF MERCHANDISE AND CONVENIENCE IN CUSTOMER SHOPPING.

ALREADY SOME OF THE GREAT MERCHANTS OF THE WORLD - FROM EUROPE, AUSTRALIA, THE ORIENT AND THE UNITED STATES ARE BEATING A PATH TO OUR DOOR. THE REPUTATION OF THE EATON CENTRE IS SPREADING. THEY RECOGNIZE THE OPPORTUNITY IN MAJOR DEVELOPMENTS IN A DOWNTOWN CORE AND ARE TAKING THE OPPORTUNITY TO SEE WHAT HAS HAPPENED IN TORONTO.

THE ADVENT OF THE EATON CENTRE HAS ALSO BROUGHT ABOUT A MAJOR CHANGE IN FAMILY SHOPPING PATTERNS. SATURDAY, TRADITIONALLY A FAMILY SHOPPING DAY, HAS GROWN IN NUMBERS OF SHOPPERS AND BECOME ONE OF THE BIGGEST SALES DAYS OF THE WEEK. SATURDAY AT THE EATON CENTRE HAS BECOME A FAMILY OUTING - TEENAGERS AND YOUNGER SCHOOL AGE KIDS JOIN MOTHER AND FATHER AND THE BABY IN THE STROLLER FOR A SHOPPING EXPEDITION DOWNTOWN. AS A RESULT, OUR TOY DEPARTMENT AND CHILDREN'S WEAR AREAS HAVE ASSUMED DOMINANT POSITIONS. OUR CONTINUED EMPHASIS ON QUALITY MERCHANDISE IN A PRICE SENSITIVE MARKET SUCH AS CHILDREN'S WEAR HAS DONE MUCH TOWARD THE INCREASE IN SALES OF VOLUMES IN THIS AREA. ALREADY WE CAN REPORT SALES GAINS OF 40% OVER QUEEN AND COLLEGE STREET STORES COMBINED.

AND CHILDREN'S WEAR IS NOT THE ONLY AREA SHOWING REMARKABLE SALES GAINS OVER OUR TWO PREVIOUS LOCATIONS. WITH ONLY 8 MONTHS UNDER OUR BELT, SALES PER SQUARE FOOT HAVE IMPROVED 38% OVER THE COMBINED TOTAL OF OUR PREVIOUS DOWNTOWN LOCATIONS AND WE HAVE ACCOMPLISHED THAT WITH ONLY 69% OF THE SPACE.

AS MOST OF YOU KNOW, SALES OF FURNITURE AND APPLIANCES HAVE BEEN GENERALLY SOFT ACROSS THE COUNTRY THIS YEAR. HAD THIS NOT BEEN THE SITUATION DURING 1977, WE WOULD BE MILES AHEAD OF OUR TOTAL SALES PROJECTIONS.

HOW GREAT A SUCCESS IS OUR STORE? SIX MONTHS AFTER OPENING, WE DECIDED TO EXPAND OUR SALES AREA AND, AS A RESULT, WE MOVED OFFICES OFF THE SEVENTH FLOOR OF THE STORE AND TURNED THE 55,000 SQUARE FEET INTO ADDITIONAL SELLING AREAS. WE'VE CALLED IT THE "SEVENTH FLOOR ANNEX" IN MEMORY OF THE OLD ANNEX WHICH MANY CUSTOMERS KNEW AND LOVED AND IT OFFERS OUR CUSTOMERS AN EVEN WIDER ASSORTMENT OF MERCHANDISE AT SPECIAL PRICES. WHAT THIS ADDITIONAL SALES AREA IS DOING IS GIVING OUR TRADITIONAL CUSTOMERS THE OPPORTUNITY TO TAKE ADVANTAGE OF THE MANY SPECIAL VALUES THEY ALWAYS APPRECIATED FINDING IN OUR OLD ANNEX. IT ALSO MEANS WE RECOGNIZE OUR OBLIGATION TO SERVE OUR WIDE RANGE OF TRADITIONAL CUSTOMERS. AND LET ME TELL YOU, IT IS A SMASH HIT. THEY'RE BACK IN DROVES.

ANOTHER INNOVATION WAS NIGHT SHOPPING DOWNTOWN FIVE NIGHTS A WEEK. EVENING SHOPPING IS AN ACCEPTED AND SUCCESSFUL WAY OF LIFE FOR SUBURBAN SHOPPING CENTRES ACROSS NORTH AMERICA. THE RATIONALE IS THAT THESE CENTRES ARE WITHIN CONVENIENT DRIVING DISTANCE OF CUSTOMERS' HOMES. IN CONTRAST, EATON CENTRE IS THE FIRST CANADIAN DOWNTOWN DEVELOPMENT TO STAY OPEN FIVE NIGHTS A WEEK. ARE WE PROVIDING THE REQUIRED SERVICE CUSTOMERS FAVOUR? THE ANSWER IS A DEFINITE YES. FOR A LONG TIME, WE FELT THAT THE THOUSANDS OF PEOPLE WHO LIVE AND WORK IN THE DOWNTOWN AND CENTRAL AREAS OF TORONTO, ALONG WITH THE EVER INCREASING NUMBER OF MARRIED WOMEN JOINING THE WORK FORCE, SHOULD BE ENTITLED TO THE CONVENIENCE OF SHOPPING DURING THE SAME HOURS AS THOSE CUSTOMERS WHO SHOP AT THE MAJOR SUBURBAN CENTRES. ALSO, AS WELL AS HELPING TO REVITALIZE THE

DOWNTOWN TORONTO CORE, OPENING FIVE NIGHTS A WEEK HAS PROVIDED THE TRADITIONALLY BUSY POPULATION OF YONGE STREET WITH SOMEWHERE TO DINE, VISIT AND RELAX. THE CENTRE WAS DESIGNED WITH JUST THAT IN MIND. FROM THE BEGINNING, IT WAS INTENDED TO BE A THRIVING, BUSY PLACE FOR PEOPLE TO SHOP, VISIT AND ENJOY THEMSELVES. ARE THERE ENOUGH CUSTOMERS TO JUSTIFY NIGHT SHOPPING? AT THIS STAGE, 24% OF OUR SALES VOLUME IS RUNG UP BETWEEN 6 AND 9 P.M. AND THE VOLUME IS INCREASING WEEKLY.

WE DO NOT BELIEVE TORONTO EATON CENTRE WAS A GAMBLE. IT WAS CAREFULLY PLANNED AS ARE ALL MAJOR BUSINESS VENTURES. I HAVE ALREADY COMMENTED ON THE FEELINGS OF MANY OF THE TENANTS. AS FOR OURSELVES, WE ARE DELIGHTED AND THE FUTURE LOOKS EVEN BETTER.

LADIES AND GENTLEMEN, WHEN WE FIRST STARTED OUT ON THE DEVELOPMENT OF THE PROJECT, THE CLIMATE WAS CONSIDERABLY BETTER. HOWEVER, DESPITE CURRENT ECONOMIC CONDITIONS THAT HAVE MADE THE PAST YEAR LESS THAN BEST FOR RETAILERS, WE ARE MORE THAN PLEASED BY OUR DOWNTOWN DEVELOPMENT. NOW THAT THE FIRST PHASE IS COMPLETE, AND THE SECOND UNDERWAY, WE KNOW THE EFFORT WAS WELL WORTH IT. IT IS THE REALIZATION OF A DREAM AND SOMETHING THAT WE KNOW WILL CONTINUE TO BE A GREAT ASSET TO TORONTO.

THANK YOU.