



# NEWSLETTER

## PROBUS CLUB VANCOUVER

#252-2025 West 42nd Avenue, Vancouver, B.C. V6M 2B5 (604)261-6818

*Clubs for retired and semi-retired professional and business persons, former executives and others*

...to find more about Probud go to [www.probus.org](http://www.probus.org)

### President

Denis Creighton  
604-922-6469

### Director

#### Probud Canada

Pidge McBride  
604-274-0446

### Past President

Gordon Thom  
604-739-0714

### Vice President

Jack Farley  
604-922-1515

### Secretary

Bill Weatherall  
604-263-3069

### Treasurer

Bill Manson  
604-988-2365

### Speakers Committee

Fred Cotton  
604-266-7060

### Membership

#### Committee

Nick Thornton  
604-263-0061

### Visits and

#### Entertainment

Don Hudson  
604-733-2643

### House committee

Doug Lambert  
604-266-2422

### Newsletter Editor

Roy Williams  
604-926-4727

### Membership Services

Ted Daem  
604-732-7758

### Historian and

#### Archivist

Tom McCusker  
604-261-4763

**Next Meeting:** Tuesday, October 18, 2005

**OCTOBER 2005**

**Time:** 9:30am

**Location:** H. R. MacMillan Planetarium and Space Centre - Lower Level

**Speaker:** Bob Armstrong, Chief Financial Officer, Ritchie Bros. Auctioneers

**Topic:** All About Auctions

## BOB ARMSTRONG



Ritchie Bros. Auctioneers is the world's leading industrial auctioneer. Starting from humble beginnings in British Columbia, Ritchie Bros. now

sells more used trucks and equipment than any other company in the world.

Ritchie Bros. has been in business since the 1950's. Starting out as a small furniture store in Kelowna in 1958, Dave Ritchie ran the store with his two brothers, Ken and John. One day they found themselves a little short of cash. They needed two thousand dollars to pay the bank and didn't know where they would find it.

A good friend of theirs suggested holding an auction. The brothers had excess inventory in their store so they took their friend's advice and held their first auction sale. The auction was a success; the brothers came up with the money they needed and decided that the auction business might be a good thing to go into.

After that successful auction, the brothers' auction business grew steadily.

Today Ritchie Bros. has over 110 offices around the world and conducts more than 150 unreserved industrial auctions every year, as well as approximately 100 smaller farm auctions. Total sales in 2004 were approximately USD \$1.8 billion. The Company currently has 30 auction sites around the world, with an average size in excess of 60 acres. The company also holds many off-site sales at temporary locations.

Ritchie Bros. did not become the world's leading auctioneer overnight. Only through many years of auction experience have they come to define a first-class industrial auction. Continuous growth around the world has allowed the company to broaden its scope and services. Ritchie Bros. has made unreserved industrial auctions well known throughout the world. A steadfast commitment to quality service and the unreserved auction process has enabled

### UPCOMING EVENTS

Museum of  
Flight, Boeing  
field in Seattle  
-Tuesday  
December 6th.

Ritchie Bros. to earn an exceptional reputation.

Ritchie Bros is a public company and is listed on both the NYSE and the TSX.

Bob Armstrong joined RBA in 1997 and has held several positions in both finance and internet services - he now serves as Vice-President of finance, Chief Financial Officer and Corporate Secretary. Bob is a chartered accountant, having worked with KPMG and he has held financial management positions in the shipping and television production industries.

## Minutes of the September 13th Meeting

**Attendance: 143 including 8 guests**

**President Gordon** called the meeting to order and requested guest introductions. Noting that **Bill Sauder** was absent and unavailable for recognition, he said that Bill was to receive the Order of Canada. After expressing enjoyment as President, Gordon recognized **John Hoyle** and **Fred Cotton** for their very early involvement in Probus. Gordon explained the Management Committee changes then thanked **Doug Lambert** for his unassuming work. He mentioned that no initiations were planned for the next two meeting while attendance is balanced against meeting room capacity. Committee Reports were then requested.

Treasurer, **Bill Manson**: Bill reported that the current Income and Expense Report would be available at the Membership Services Desk after the meeting.

Speaker Committee, **Fred Cotton**: Fred said that John Helliwell will speak in November. Fred asked **Ed Moul** to explain the spectacular growth of a small Kelowna Company providing October's speaker, Mr. Bob Armstrong.

Probus Canada, **Pidge McBride**: Pidge said that the Muskoka Rendezvous starts September 27th and he will give a full report next meeting.

Visits and Entertainment, **George Adams**: George said that the contract bridge evenings will start on October 17th and that the football night is sold out. The Storyeum visit is set for October 4th, but the CBC Archives visit is cancelled due to the strike. Arrangements have been made for the December 6th visit to Museum of Flight, in Seattle. George then thanked his committee, and wished **Don Hudson**, the new Chair,

well. President Gordon took this opportunity to ask members with questions regarding events to please call the contacts shown in the Newsletters rather than the Probus office. Answers will be faster and office congestion, minimized.

Newsletter, **Roy Williams**: Roy said that all copy for the next issue should go directly to Barbara Kemp by September 27th, as he will be at Rendezvous.

President Gordon then passed the meeting over to **Denis Creighton** who asked **John Hall** to introduce the speaker.

The 16th meeting of the Communist Party Congress in late 2002 arranged a peaceful transfer of power from the old guard to a group of able young technocrats. These new leaders set 2020 as the economic goal for China to quadruple its GNP. They promptly joined the WTO and that year trade increased 22%. Now Beijing and the coastal region have modern buildings, cars, and well-stocked stores and growth continues! Since 1978 the average income has quadrupled, 220 million people have risen above poverty and inflation is minimal. During Asia's recent economic downturn, China's GNP grew 8 to 9% annually. She is now the world's 6th largest economy, larger than Russia, India and Indonesia combined! She consumes 29% of the world's steel, 31% of the coal and 40% of its cement.

Never the less, China faces major challenges: To satisfy the rural to urban labour trend, China needs to create 22 million jobs annually. As She only creates 7 million, serious unemployment results. Corruption is also serious. Official audits show that 14 billion US dollars or 20% of Government revenues were squandered during the first half of 1999. Decreasing ecology is having its effect; eight of the world's ten most polluted cities are Chinese. China, with only 7% of its land arable, has 22% of the world's population. Arable land and water supply are decreasing due to urban/industrial sprawl. The wealth distribution and opportunity is uneven and the urban/rural gap is increasing. Urban incomes are three times that of rural areas, which have twice the population. Deep social unrest results. State owned enterprises are inefficient. They represent two thirds of urban workers yet produce one third of the goods. Banks are run politically and increased borrowing adds to bad debt.

Also, Government leadership, while recently impressive, lacks continuation assurance. China's two new leaders, Hu Jintao and Wen Jiabao must prove they have the capability to continue economic reform, and sustain prosperity as well as stability.

While quadrupling the GNP by 2020 is questioned, the Harvard School of Government feels that tripling could well be possible and would still produce startling results: By 2020 China should become the largest consumer market with 500 million middle class citizens. China would be second only to the US in world trade. Such growth is similar to that of the US in the 19th century and Japan in the 20th.

Dr. Drake feels before this target is realized several non-economic considerations must be addressed: Internally, the adverse effects of urban/rural unrest must be contained. The judicial system, banks and power sharing between the three government levels must be improved. External factors must also be revisited. These include; China's relations with Taiwan and its American protector, the concerns of the US and others towards China becoming a threat to power balance and the direction the Hu/Wen Government takes to secure energy supplies.

China wonders why Canada doesn't act to correct the bilateral trade imbalance. In 2004 the \$31 million trade between the two was 24/7 in China's favour! Dr. Drake concluded by expressing his considered belief that China's rapid growth will be peaceful and positive for the world.

During the question period we learned that:

- China buys nuclear power equipment from affordable sources including Canada, France and Russia.
- Calling China a capitalistic dictatorship is over simplification, but partially true.
- China's written rules of law look impressive; though interpreted by the Communist Party, they do allow outside arbitration.
- The China/Russia relationship is

long-standing hostility. However, they recently formed some alliances against the US.

- China is currently the major foreign holder of US bonds. If dumped on the market a major power struggle could result.

President Denis asked Dick Roberts to thank the speaker.

Bill Weatherall, Secretary

## FROM THE PRESIDENT

*(formerly known as the "President's Message")*

Since all they would let me do at the last meeting was introduce the introducer of our guest speaker, I do not have much to say this month!

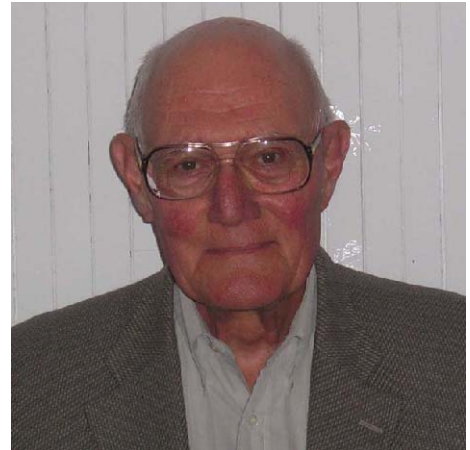
But I do have something to say about Gordon Thom, our President for the past twelve months.

I now understand how B.C.I.T. became a leading

technical graduate school under Gordon's tutelage. Gordon has the rumpled, avuncular look of - well, the head of a technical school - but combines this with an acute appraisal of and ease of working with people in a relaxed way.

Thank you, Gordon Thom.

Denis Creighton (formerly known at the "Vice-President")



## NOTICES

**Member Services Desk:** Ted Daem

**Cash Desk:** Lorne Bohlman, Bob Swannell

**Greeters:** Bev Machesney, Barry Done, Maldwyn Thomas

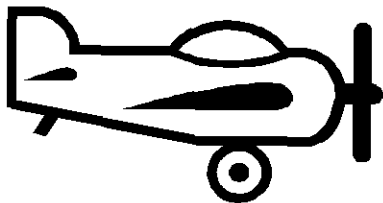
**It is with regret we announce the passing of JACK BROWN on August 13, 2005. Our condolences to his family. A donation will be made in his name by Probud to Lions Gate Hospital (Respiratory Care)**

## VISITS AND ENTERTAINMENT

### THE MUSEUM OF FLIGHT, SEATTLE

December 6th

Arrangements have been made for this tour on



Tuesday,  
December 6th.  
Participants will  
leave by bus at  
8:30am and return  
about 5:30pm.

The Museum of Flight is located just off Interstate 5, Exit 158 and only minutes south of Seattle. The Museum is open from 10:00 am to 5:00 pm. The visitors amenities include the Museum of Flight Store, the Museum's Wing's Cafe where visitors can enjoy great food and complimentary guided tours throughout the day. Complete details will appear in the next newsletter.



## BRIDGE

**Probud Members are invited to join with members of the Rotary Club of Vancouver for evenings of contact bridge.**

### **First Session:**

Point Grey Golf and Country Club

Wed. 7:30pm October 19th, 2005

### **Subsequent Sessions:**

November until April with a Christmas break  
2 tables hosted at members' homes 1st and 3rd

Wednesday at 7:30pm

Tea, coffee, dessert, snacks/beverage provided by hosts.

Members who are interested are asked to compete and return the enclosed form. Contact Jack Zaleski if you do not have a partner at this time. Others may be interested.

Partners do not necessarily have to be members

For further Information Contact:

Jack Zaleski 604-261-7492 or Fred Cotton  
604-266-7060

## FOOTBALL GAME SOLD OUT

I would like to thank the members for supporting the football event on October 1st. The Lions always have their hands full when they play Saskatchewan so you should see a great game. Remember the gates open at 5:30pm and the bar will be open at the same time!!

See you at the game.

Jack Farley



# Registration

## BRIDGE REGISTRATION

***Yes I would like to play bridge:***

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_ E-MAIL: \_\_\_\_\_

PARTNER (if you have one): \_\_\_\_\_

Address: \_\_\_\_\_

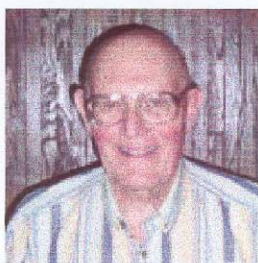
PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_ E-MAIL: \_\_\_\_\_

IF YOU DON'T HAVE A PARTNER AT THIS TIME SEND IN YOUR NAME ONLY. THERE MAY BE OTHERS IN THE SAME SITUATION.

Mail to : Jack Zaleski, 1741 S.W. Marine Drive, Vancouver, BC, V6P 6B1 or email [zaleski@shaw.ca](mailto:zaleski@shaw.ca)







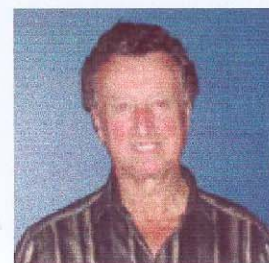
**DENIS CREIGHTON  
PRESIDENT**



**PIDGE McBRIDE  
DIRECTOR  
PROBUS CANADA**



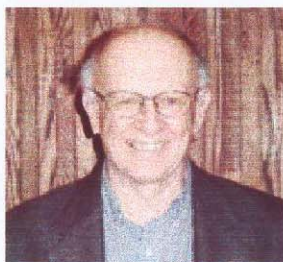
**GORDON THOM  
PAST PRESIDENT**



**JACK FARLEY  
VICE-PRESIDENT**



**BILL WEATHERAL  
SECRETARY**



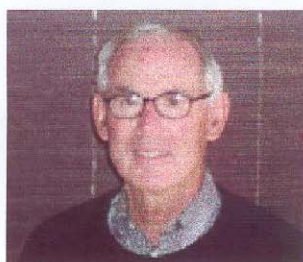
**BILL MANSON  
TREASURER**



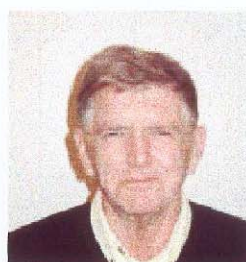
**FRED COTTON  
CHAIRMAN  
SPEAKERS  
COMMITTEE**



**NICK THORNTON  
CHAIRMAN  
MEMBERSHIP COMMITTEE**



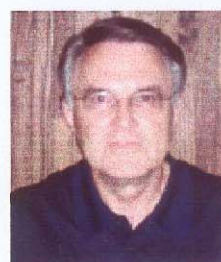
**DON HUDSON  
CHAIRMAN, VISITS &  
ENTERTAINMENT**



**DOUG LAMBERT  
CHAIRMAN  
HOUSE COMMITTEE**



**ROY WILLIAMS  
NEWSLETTER  
EDITOR**



**TED DAEM  
CHAIRMAN  
MEMBER SERVICES  
COMMITTEE**



**TOM McCUSKER  
HISTORIAN & ARCHIVIST**

**PROBUS CLUB OF VANCOUVER  
MANAGEMENT COMMITTEE  
2005-2006**