



Empire Maintenance

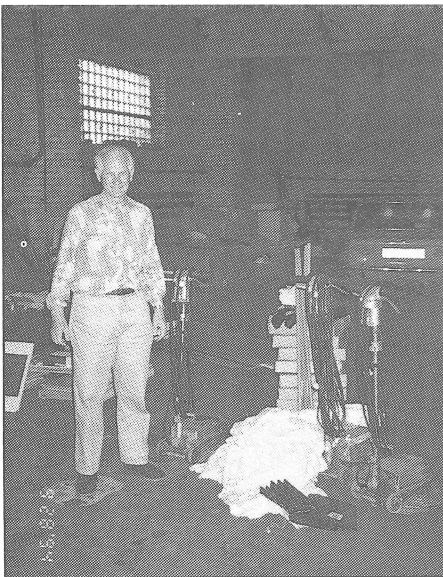
Success story of Canadian firm in Ukraine

by Diane Francis

Empire Maintenance Industries Inc. of Montreal is hardly a household word, but it should be. It has as many employees as Shell Canada Ltd., or some 4,500 workers in its ranks, and is a business that enjoys virtually guaranteed longevity.

Empire provides janitorial, mechanical maintenance services and security services to the country's biggest landlords and tenants. Clients include Montreal's Place Ville-Marie; Toronto's four Toronto Dominion Bank towers, BCE Place, shopping centres galore and other trophy buildings in B.C., Alberta and across the country.

Its just one of those wonderful Canadian



Maurice Mack with floor-cleaning equipment at one of his sites in Ukraine.

success stories that don't make headlines but stir the free enterprise soul. I learned about Empire because its chairman and founder, Maurice Mack, happens to be a director, as I am, of the Canada-Ukraine Chamber of Commerce. His father immigrated in 1926 to Montreal and became a window cleaner, providing a good lifestyle for his three sons.

Mack fulfilled his immigrant father's

dream by graduating in 1952 from McGill University as an engineer. But having achieved educational excellence, he realized quickly the trade plied by his father with a Grade 3 equivalent education provided Mack with far more opportunities than engineering.

"My father made \$200 a week cleaning windows with a Grade 3 education. He had three window cleaners working for him. I started working at Bell Canada with an engineering degree and made only \$75 a week. At the time, my Bell supervisor told me if I was lucky I'd make \$150 a week in seven years' time. I said to myself, I can't wait that long to catch up to dad. I'll clean windows for \$40 a week ... and hire a secretary for an hour a day at \$1.25 an hour to type proposals ..."

By 1954, after one year, Mack had enough contracts to support 50 employees and was making \$1,000 a week. He accomplished this by changing his father's business strategy, which consisted of cleaning small stores once a week, to landing office cleaning contracts with daily needs.

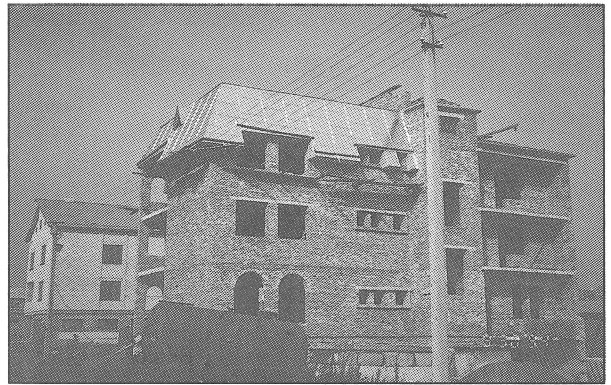
"I bought my dad out at the age of 53 and gave him a salary of \$200 a week," said Mack. The business is currently owned by the three Mack brothers. Now the company operates across the country and last year expanded into Poland and Ukraine, initially through Mack family connections. Poland is growing after some painful restructuring and Ukraine is still trying to get reforms passed. Combined, the two countries are twice the size of France and have huge consumer markets that lack goods and the type of services Empire Maintenance can provide.

"Ukraine is an interesting country," Mack said. "You've got to look at it long-term. Once they get their act together it'll be wide open. My parents would be so proud if they were alive that I'm involved in their homeland (Ukraine) and that's partially why I do this, but it also makes business sense.

"I have 75 relatives in Ukraine so I've picked four of them who I hope will succeed, and they direct the others. In Poland we're just growing slowly. It's very difficult and I'm working only with relatives

in both countries. They've not had entrepreneurial skills taught to them. Maintenance services are very new to Ukraine and to a lesser extent in Poland."

The Polish operation is only 25 miles from the German border and just two hours' drive from Berlin. Mack hopes to expand



Bed-n-breakfast in Ternopil to be opened for business this Fall.

into Germany where labor rates are 25 times higher than in Poland. "We considered our Polish operation a good training ground for an entry into Germany," he said.

Mack has also invested in a bed-and-breakfast destination in Ukraine and has entered into an arrangement with a Montreal company that is distributing pharmaceuticals in Ukraine.

The two countries afford huge long-term opportunities even to businesses that are not run by Ukrainians or Polish descendants. The ability to speak the language is helpful, but not essential. For instance, translators cost only \$20 a day.

The normally taciturn Mack agreed to be interviewed because he feels strongly that Canadian business should not ignore the region despite its troubles.

"Ukrainians who have a success story should get it out and we are certainly satisfied so far with our efforts there."

Diane Francis is editor of *The Financial Post*. Reprinted from *the Financial Post*. ■



EMPIRE MAINTENANCE INDUSTRIES INC.

MAURICE M. MACK
Chairman

180, Montée de Liesse, Montréal, Québec H4T 1N7
Tél.: (514) 341-6161 Fax: (514) 739-6588