Desmarais

Paul G. Desmarais, the Chairman and Chief Executive Officer of Power Corporation of Canada, is perhaps the most striking example of the modern French Canadian industrialist on the rise.

Through Power, he and his brother, Louis, are involved in a complex industrial empire, built originally on transport but now involving five French language dailies, a raceway, a hotel chain, and a life insurance company as well as the Canada Steamship Lines Ltd. Power Corporation has a net value of between $400 and $500 million.

Both brothers attended the University of Ottawa and Louis went on to McGill in Montréal. When Paul got out of the University his father's health was failing and the bus line was on the verge of bankruptcy, having 19 buses and $385,000 in debts. He took it over, revitalized it and began putting together the sinews of the Power Corporation when he acquired a provincial transport system, Provincial Transport Enterprises Ltd. He soon acquired other bus lines, Lévis, Rouyn-Noranda and Shawinigan. His next bold move came when the Province of Québec took over a private power company, Gatineau Power. Its shareholders were to divide some $12 million but a third of them were British and they refused to accept the cash since they would have had to pay very high income taxes. Instead the group remained a corporation, changing the name to Gelco, and used the undistributed money to buy common stocks. Gelco shares were worth $3 each. The next week the market crashed and the value plunged to 60 cents. Desmarais, who was a stockholder, flew to Great Britain and offered to buy the English-held shares for $1 a share. His offer was accepted by all the English shareholders and, in time, by most Canadians too. Four months later the Gelco shares were back at the original $3. Later Desmarais sold his Gelco shares for $12 million (their original aggregate value) and bought the Imperial Life Insurance Company. In time he acquired control, first, of Trans-Canada Corporation Fund and then of Power Corporation. Power Corporation now controls assets of over $5 billion.

The Simard family has been significant in Canadian industry for three generations. The dynasty was founded by Joseph Arthur Simard in 1917. At the top of the page opposite are Ludger, Joseph's brother and partner, Arthur, his son, and and Claude, a cousin who has served as Minister of State for Industry and Commerce in Québec.

Paul Desmarais, left center, and his brother Louis, right center, are involved in an industrial complex built around bus transport.

Robert Lemelin, left bottom, is a successful author and a major publisher.

J. Armand Bombardier, center bottom, was the inventor of the snowmobile. He was born in Valcourt, Québec, in 1907, and when he died in 1964 he had been granted 40 patents. There are more than one-and-a-half million snowmobiles in use throughout the world and a almost half of them are Ski-Doos, *of Bombardier manufacture.*

His Eminence Paul-Emile, Cardinal Léger, resigned as Archbishop of Montreal in 1967 to undertake missionary work in Africa. The Cardinal's brother, Jules, enjoyed an illustrious career in Canada's diplomatic corps, serving as Ambassador to Mexico, to Italy and to France. He is now the Governor General of Canada, the personal representative of the Queen.

Roger Lemelin

"When I came", Roger Lemelin said, "the structures were stale and full of dust. The prisoners of the structure could not produce. You can not work in a tomb. So, like Chairman Mao, I destroyed all the structure."

M. Lemelin is a dynamic publisher, a former meat packing tycoon, and one of French Canada's best known authors. His resemblance to Chairman Mao is considerably less striking than his resemblance to Henry Luce, of Time-Life, for whom he once worked.

In 1972, he became President and Publisher of *La Presse*, the Province's most widely read newspaper and the largest French-language paper published outside of France — after selling a meat packing business in which he had invested $50,000 for $2.5 million. *La Presse* was in poor shape — ridden by internal political strife, its circulation down to 140,000 — when Lemelin ran into his old friend, Paul G. Desmarais, chairman of Power Corp., of Canada, Ltd., who had bought the paper in 1967. Strolling in Place Ville Marie in the heart of Montréal, Lemelin said to Desmarais: "You are going to do exactly as I tell you and you will win, and I will come and be President."

He changed the management structure totally — replacing a President and seven Vice Presidents by himself and five operating managers, each in charge of a specific area, and acting jointly as an administrative Council, which meets each Tuesday. The change saved the company about $1 million a year, which was reinvested in bigger editorial budgets. Circulation climbed to 212,000 and profits to an anticipated $3 million this year.

Lemelin was a notable man long before he rejuvenated *La Presse*. He was born in a working-