

# "Sir, I don't sell, I buy" Citizens Irving Reviewed.

By Stéphane Comeau

Residents of New Brunswick are no stranger to the Irving name. It is found on hundreds of service stations and convenience stores throughout the province, on trucks delivering oil, on the storage tanks of the massive St. John oil refinery, on the vehicles of Irving Pulp and Paper inc. which haul their cargo through the highways and byways of New Brunswick. But, as most will already realize, the presence of the Irving family's commercial/industrial empire in New Brunswick, and in much of the rest of the Maritimes, goes much deeper than that. Their assets include many other names that New Brunswickers deal with every day: Cavendish Farms, SMT bus lines, RST trucking, all the English daily newspapers in the province, the Atlantic Advocate magazine, CHSJ television, MITV, Saint John Shipbuilding, the list goes on... Forbes magazine has called K.C. Irving, the family's patriarch, the third richest non-monarch in the world with assets estimated to be over 7 billion dollars. The story of the Irvings, Canada's wealthiest family, is the topic of a new book *Citizens Irving* by John DeMont.

The book begins with J.D. Irving's purchase of a sawmill in the quiet Acadian village of Bouctouche in 1881 at the age of 21, and follows the family from there through the amazing career of his son, Kenneth Collin (K.C.) Irving, who was the main builder of what we know today as the "Irving empire", and follows through with the heirs of the empire, K.C.'s three sons and their progeny, and their plans for the conquest of yet more markets. The story that emerges is amazing and multi-faceted: On one hand it has a fairy tale quality about it, telling how a fortune was amassed in an economically depressed province through hard work and good business sense. On the other hand it is a gross caricature of capitalism gone out of control with hints of attempts by the Irvings to bring down provincial governments and to dominate the media.

DeMont, who is currently Halifax bureau chief for Maclean's magazine, was in Fredericton in the past week on a tour to promote his new book during which I had the opportunity to discuss *Citizen Irving* with him. He says that he had no preconceived notions when he be-

gan this project - "I wanted to write an honest book, not just a big scream about corporate concentration...they [the Irvings] are almost too easy a target for that. I tried to get a little beyond that." To approach this project without any preconceived notions would be a difficult task for any Maritimer due (DeMont is a native of Halifax), but he apparently managed to succeed in this respect. *Citizens Irving* contains plenty of tidbits that will please and displease both supporters and critics of the Irvings.

DeMont gives the impression that many people have a "big brother may be watching" complex when it comes to discussing the Irving family: "One of the problems I had was that people were so reluctant, there was a paranoid atmosphere when it came to discussing the Irvings...when you mention their name most people won't go on the record. It was hard to get past that, but I'm happy with the progress I've made."

Of course such behavior amongst New Brunswickers is not really surprising when you consider that an estimated 1 in 5 workers in the private sector works directly for Irving. Add to that the number of indirect jobs that are connected to them and, says DeMont, "...it's overwhelming... the power they wield is comparable to that of government, if not greater." After all, would you be comfortable about talking to the media about your boss?

There is no shortage of people with opinions on the Irvings. DeMont thinks that the Irvings have been given a "fair shake" in terms of public opinion towards them in the province: "...people have mixed feelings about them. You will find hard core supporters and you will find a lot of hard core critics. A lot of people say - if they weren't around where would we be? The negative aspect comes when people consider that one group has this much power."

K.C. is the centrepiece of the book as the great builder and policy maker of the Irving empire. Although he has nominally passed control of the business to his three sons, it is said that even at the age of 92 he still has final say. Here we

## CITIZENS IRVING

K.C. IRVING AND HIS LEGACY



The story of Canada's  
wealthiest family

John DeMont

have a man who was a ruthless businessman that would go to extreme efforts to get what he wanted, often overpaying for assets that he thought would be profitable in the long run, or opening service stations across the street from his competitors in order to squeeze them out. But this was also the same man who went out of his way to satisfy his customers. Going to such lengths as driving through a blizzard on Christmas Eve while in his seventies to assist a motorist who had called one of his service stations for a tow truck. K.C. happened to be there to give his regards to his staff, no truck was available so K.C. set out to assist the motorist himself.

K.C.'s motivation, according to DeMont, was very straightforward "...it was never money, it was never power, it was to build things...to build this huge empire. It was sort of a game for him." Along these lines K.C. and his sons have never been ones to show-off their wealth, "...they are almost monastic in their habits, they work like dogs, they drive Fords and land rovers, they don't drive expensive cars or take big expensive vacations." They seem to have kept the Maritime aversion to ostentatious displays of wealth.

The secret of Irving success? In

addition to some shrewd decision making over the years and much hard work, there is vertical integration. For example, Irving newspapers are printed on paper from Irving mills, which is transported on Irving trucks, which are fuelled and repaired by Irving service stations. The service station buys its tools, its gasoline, and as much of the stock of its convenience store as possible from other Irving companies. Those items that cannot be supplied by an Irving company are purchased out of preference from companies that buy some of their goods from an Irving company. This pattern was characteristic of Irving's growth in the Maritimes and, DeMont points out, is "exactly" how the Irvings are proceeding with their expansion into New England.

What kind of feelings towards the Irvings did the author come away with after completing the book? "...if anything I learned a lot about K.C.," he says, "I have certainly come away with an admiration for the guy in some respects, he certainly was a genius...a visionary who could look ahead and anticipate what would happen, making investments that paid off decades down the road. I also

came away with concerns about the whole situation, the power they wield. You can really see it in a place like St. John where there is almost a great fear of them."

*Citizen Irving* is a very informative and interesting chronicle of the Irving empire. It does not pass many judgements but gives the reader information with which to make his own. It is quite likely that given the secretive nature of the Irvings it is the most that someone outside the family could do. It is however, as the author describes it, "a great yarn".



John DeMont, author