## SUNDAREADER

Telescope returns next week



SUNDAY, OCTOBER 2, 2005

ED KAISER. THE JOURNAL, FILE

EDITOR: DOUG SWANSON, 429-5359; reader@thejournal.canwest.com

EDMONTON JOURNAL

#### Why not go world class?

Edmonton deserves nothing less than the best in the winning design to refurbish its much-maligned art gallery, declares architecture critic Trevor Boddy

## Ready for anything

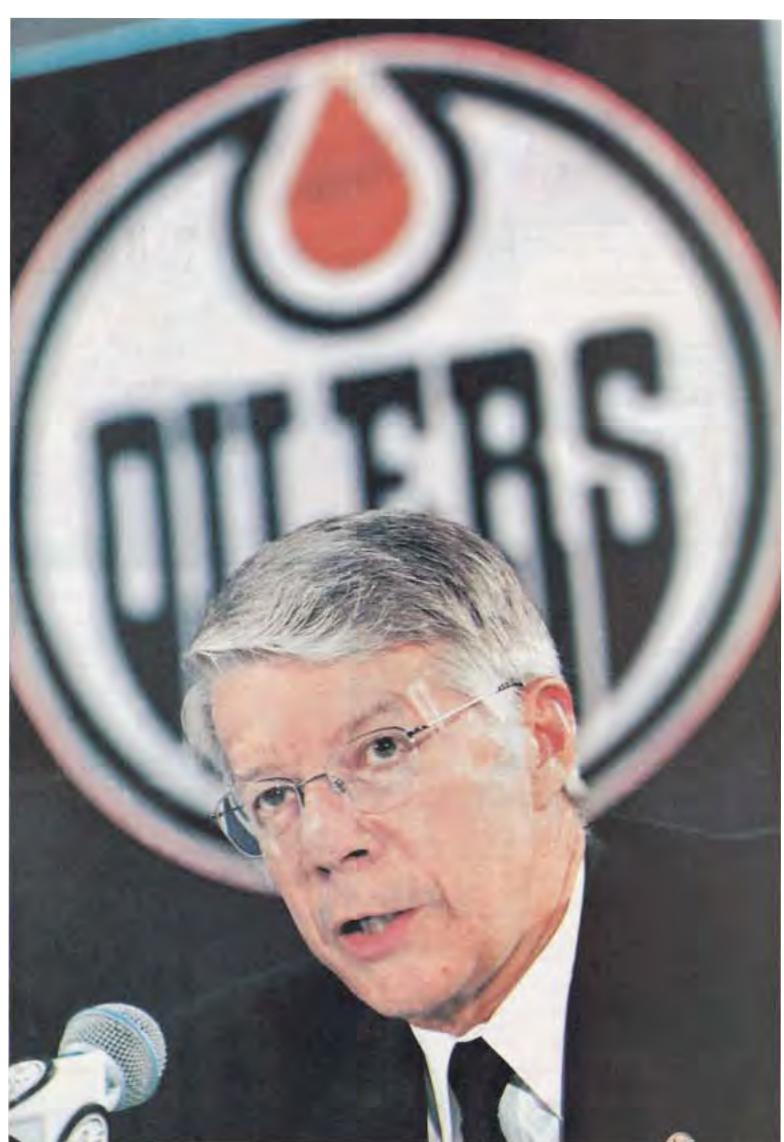
Scenes of desperate hurricane refugees have spurred some Canadians to form disaster plans so they can survive on their own

#### Personal mission

Betty Bigombe has taken it upon herself to mediate the peace in wartorn Uganda, using a mixture of determination and icy resolve

### Another shot in morality wars

Breakthrough
vaccines against
STDs work best
when given to
pre-teens. Critics
fear they are a
free pass to
promiscuity



Cal Nichols, chairman of the board of the Oilers ownership group, speaks at a press conference in May 2001.

# All-star owner

**TEAM PLAYER** / If Oilers hockey fans could thank only one person for keeping the NHL team in Edmonton, it would be Cal Nichols. His passion for saving the franchise was infectious, and reflects his community spirit and quiet persistence

BOOKS AUTHORS

10-12

Two tales of Alberta are offered up, but both are flawed: Pick your poison

Featured authors / Paul Anderson, Paulo Coelho, Steven Heighton, Ken McGoogan, Lisa Moore and Elie Wiesel, among others **ALL-STAR OWNER** / Bringing small-town values to the bruising business of big league hockey, Cal Nichols captained the ownership team that kept the Oilers afloat until a new labour deal righted a sinking NHL ship. His next goal . . . a new arena

# The man who saved the Oilers

DAVID STAPLES Journal Feature Writer **EDMONTON** 

Save the Oilers in 1996? Check. Save the Oilers in 1998? Check.

Win a power struggle with Glen Sather? Check. Win the hearts of disaffected Oilers fans? Check. Help keep the Oilers from drowning in red ink until 2004? Check.

Help lead owners to a victory in the 2004-2005 lockout? Check.

The list of successes is long, and Cal Nichols played a major part in every one of them. The 63-year-old board chairman, league governor and part owner of the Edmonton Oilers is the man most responsible for keeping the National Hockey League in Edmonton and for ensuring its future.

But Nichols's victories aren't so much personal triumphs as communal ones. He has achieved success not as an egotistical, flamboyant, high-flying soloist from the pages of an Ayn Rand novel, but as the ultimate community worker.

Today, Nichols sits in his northwest Edmonton office. His second-floor corner office at Gasland headquarters doesn't look out from on high at the city's landscape and glass-tower skyscrapers. Instead, he can see the gas station where he loves to sit and drink coffee, and also a few other blue-collar operations, the kind that he enlisted so effectively to succeed in his various Oilers-related campaigns.

Working with others for the betterment of himself and his community is what Cal Nichols knows, believes in and loves to do. I help you, you help me, we all work together, we

all go home happy.
Reciprocity, Nichols calls it. "I believe in being rewarded for superior effort, harder work," Nichols says. "You should benefit from

that, but in the process of benefiting, you should never forget where you came from, and how can I use my good fortune to help those who are less fortunate. I think it's about living life in balance." The finish line for Nichols's efforts to keep alive the Oilers franchise in Edmonton was always Septem-

ber 2004, when a new collective bargaining agreement could be hammered out with the NHL Players' Association. That agreement has been completed, but now Nichols has a new goal, one that will require the community to be mobilized in a manner it hasn't been in decades: the building of a new arena. If he succeeds, he will do it the way he has always done things, the way he learned as a young gas station operator in the small Saskatchewan town of St. Walburg, 70 kilometres northeast of Lloydminster.

Cal Nichols's father, Manford, was the mayor and Esso gas station owner in St. Walburg's neighbouring town, Paradise Hill, Sask. In 1962, after Cal graduated from high school, Manford co-signed the papers for 19-year-old Cal to take over the St. Walburg Esso station, a badly rundown shop.

"I was pretty scared," Nichols says of his first venture. "I was going to a strange town where people were strange to me, and I wasn't old enough to go into the beer parlour and have a drink with my cus-

His first year was rough, with little cash flow and endless labour. He got up at 5 a.m. to drive his fuel truck to local farms, returned to open his shop at 8 a.m., and worked all day, 60 or 70 hours a week.

"But it was normal," he says of his workload. "People in those towns, that's what they did — they worked hard and they worked long."

Nichols's biggest task was to woo new customers. He sent out his hired hand, Tony Weisbecker, to spray-paint the rusty gas storage tanks on local farms as a way to gain favour. Soon, many of the farmers who had been buying at other gas stations switched

"He did anything to make a deal. If the guvs couldn't pay for gas, he'd take lumber, he'd take a pig. He was a wheeler-dealer. As much as Nichols was driven to succeed, he

to Esso, Weisbecker says.

also felt an urge to do right, a trait he had learned from his parents and peers. "I just wanted to do the right thing. ... It was drilled into us: you don't embarrass yourself, you be polite," he says.

"You can't run and hide in a small town. If you do something inappropriate, or you get carried away with yourself, they will bang you down to earth as a community. On the other hand, when you started feeling down on yourself, they were there to pick "I believe in being rewarded for superior effort, harder work ... but in the process of benefiting, you should never forget where you came from ... '

Cal Nichols

you up. They kept it very level." Gas was sold on credit to farms, but after seven years of operation and hundreds of thousands of dollars in sales, Nichols only had \$287 in unpaid debts owing to him. The deep commitment to honest deal-

ing left its mark on him. "If you weren't honest, they ran you out of town," Nichols says. "This is where integrity and character starts from. They shape you."

"Cal has an inability to deceive," says his wife, Edna, a St. Walburg girl. "I don't think he can live with

First in sports, then in the larger community, young Nichols became a leader. He played on the local baseball and hockey teams, where he was the captain. "You do it once and it's almost expected of you," he says of leadership. "If you look like you have the qualities and capabilities of doing it, they don't even ask, it's kind of a grunting process. They shove you to the front of the line."

Nichols became a member of the Elks service club, a town councillor and, at age 23, the president of the local chamber of commerce. "He was always in the middle of the action," Edna says. "He is very ener-

His style of leadership developed as he led older men on various projects. "I never regarded myself as pushy. It was build by consensus. I knew no one person is likely to do it on his own sufficiently to satisfy everybody without the help of others. You got to pull everyone into it."

He helped plant trees, build playgrounds and raise funds for a new hockey rink. When the Elks took over the local movie theatre, Nichols was there, night after night, taking tickets and selling popcorn. The communal doctrine of reciprocity demanded it. "It was expected you'd pitch in and help out,"

Nichols says, "If you didn't act in a reciprocal manner there, they'd run you out of town, because what good are you to them? If you didn't do your share for the community, they just wouldn't buy your stuff."

Though he grew up in a Tommy Douglas-worshipping, CCF-voting family, Nichols grew away from hardcore socialist leanings. The aggressive attitude and relative prosperity across the border in Alberta attracted him

At age 26, he decided he didn't want to own a small business in St. Walburg all his life. He and Edna, a nurse, decided to move to Edmonton. Nichols invested in a Thorhild hotel and took a job with Esso, supervising bulk plants in northeastern Alberta. He did that for three years, then started to operate Esso's Edmonton bulk plant, turning it into the biggest-selling outlet in the province. He and Edna had two children, Ken and Kristine.

By 1982, Nichols was starting to feel stale at Esso. He and several partners, expecting the deregulation of the energy market, started a petroleum marketing firm, Northridge. In 1985, Nichols started Gasland, a service station chain that soon had 50plus outlets in Western Canada. To promote Gasland, Nichols hired Oilers winger Glenn Anderson to go to company openings and events. In 1993, Nichols got out of Northridge. In 1996, he

sold off the gas facilities of Gasland to Husky Oil. He kept the buildings and properties, leasing them back to Husky. But just as his career in the oilpatch was winding down, his business with the Oilers began. Nichols had been a decent hockey player himself and an ardent fan, an Oilers season-ticket holder for years. Like many fans, he loved to play at being GM, writing out lists of lineups and possible trades. In 1988 when Oilers owner Peter Pocklington sold



Every Thursday morning, Cal Nichols has coffee with some of his buddies at the Gasland City Truck Stop. Here he chats with, from left: Phil Klein, Blaine Yamkovy, Tim Shipton and Bill Scott.



Cal Nichols stands in front of a Stay Oilers Stay banner during the 1998 campaign to find local buyers for the NHL team. "Cal was the glue" that kept the Oilers franchise in town, one observer says.

like most Edmonton fans.

"This was, at the time, a catastrophic event in Edmonton history," he says. "I did everything I could to make sense of it." Fellow businessmen, most often from Calgary,

would tell him it was a great deal for Pocklington, that he got \$18 million for a player he was going to lose in a few years anyway. "But you don't want to hear that," Nichols says. "You'd say, 'Geez, there was still two or three Stanley Cups left in this thing." Many fans felt betrayed and stopped caring. Others lost interest in the early 1990s as the remaining parts of the Oilers were sold off or traded. Pocklington complained about a lack of fan and corporate support, saying Edmonton was a weak hockey market because it had only mom-and-pop operations, not the big corporate players it took for a team to thrive. He threatened to move the team to the U.S. In 1994, taxpayers' money was used to refurbish the Coliseum. Pocklington was also granted a favourable lease. In return, he signed something known as a location agreement, which gave local buyers the right to purchase the team for \$100 mil-

Things kept doing downhill. The Oilers were abysmal, missing the playoffs four straight years. from 1993-96. Worse, Canadian teams started dropping. In the summer of 1995, the Quebec franchise moved to Colorado. One summer later, the Winnipeg Jets were sold to Phoenix.

lion Cdn before Pocklington could sell to an Amer-

To help the remaining Canadian teams, which were burdened with smallish markets and a low Canadian dollar, the league office came up with the Canadian Currency Assistance Plan (CCAP), which would provide \$2.5 million to any team that met certain criteria, namely selling 13,000 season tickets per year and 90 per cent of corporate suites. In the late fall of 1995, Pocklington and Oilers gen-

eral manager Glen Sather told local businessmen that CCAP was Edmonton's only hope for survival. Pocklington organized a ticket-selling drive, with the goal of more than doubling the Oilers season ticket total of 6,200 by May 31, 1996. A group known as Friends of the Oilers (FOTO) was formed. Nichols went to the first meeting. Ini-

tially, he wondered if the sales goal would ever be met, what with the losing team and the still-boiling anger at Pocklington over his various business practices and high-handed statements. Pocklington's plan was to have businessmen in a certain sector sell tickets to other businessmen in

that sector. Nichols volunteered to handle all gas stations. He was no great friend of Pocklington, but believed Edmonton must not lose the Oilers. Nichols quickly realized Pocklington's plan would fail because the last thing one of his competitors was going to do was to buy a ticket from Cal Nichols of Gasland. Instead of hitting up rivals, Nichols thought back to his St. Walburg days and decided to lean

ers, accountant, lawyer, various tradespeople. Nichols started coming to FOTO meetings with large ticket orders, while others, using Pocklington's plan, came empty-handed. "It flabbergasted me that Pocklington in his wisdom could not see this, but he was different," Nichols says. "He never was around any small-town concepts. The reciprocity thing didn't even resonate with him because he didn't think that way."

What was Pocklington's attitude? "He just thought it was the community's duty to do this, to help him." While Pocklington was underwhelmed by Edmonton's mom-and-pop business culture, Nichols



COURTESY OF KEZIAH PHOTOGRAPHY Edna and Cal Nichols with their German shepherd, Zak

saw it as the key to the team's future, and his sales ( as "corporate pirates." pitch convinced small business owners that they, too, had a part to play in saving Oilers hockey. "Cal can match wits with anybody, but yet he nev-

er, ever, displayed arrogance," says local car dealer Bob Bentley, who worked with Nichols on the 1996 ticket drive. "He's not cocky. He's at times unassuming and yet when it comes time to speak up, he'll speak up. He's got that fortitude about him. And he does it in such a way that has far more meaning than the typical blowhard or the aggressive type." In April 1996, with the 13,000-season-tickets deadline still a month away and the goal not yet attained, Nichols and other FOTO members received an invitation from Pocklington to join him on an extravagant golfing trip to Pebble Beach in California.

Nichols told Pocklington he was unavailable. To this day, the trip rankles Nichols. "I could not buy into the whole idea that we're on one hand walking around Edmonton with a tin cup to get people to buy tickets, and before we even get to our goal line we're down there on an expensive junket."

Near the end of the ticket drive, still short of the goal, Nichols started to use language that hearkened back to his CCF roots, lashing out at the massive corporations that profited mightily in Edmonton but refused to buy any Oilers tickets, referring to them the Oilers up for sale. In August a local group, led by

Some in Edmonton felt Nichols had gone too far, but he got the attention of the national business leaders, who telephoned him. He gave them a little lesson in St. Walburg philosophy. "They were begging pardon. I said, 'Damn right, I'll excuse you in a minute, just go to buy tickets like the rest of us are expected to do. You're taking money out of this com-

munity. You owe something back to it." Nichols's wife, Edna, a deeply private and religious woman, worried that if the ticket drive failed, Cal would be branded as a silly upstart. At the time, she also wondered about his priorities.

"I wished that he had that same passion for some really noble cause," she says. "But I've come to accept the fact that this is his interest, it's his passion, it's what he knows about. You can't make him into a nuclear scientist, can you? He has to be what he is, and I've come to accept that."

In the end, the ticket drive succeeded, but the team's troubles never went away. In June 1997, the Alberta Treasury Branch (ATB) called in its loans on Pocklington, forcing him to put businessmen Jim Hole and Bruce Saville, came tolion Cdn stipulated by the 1994 location agreement. Nichols was invited to be part of Hole and Saville's group because of his work with FOTO. "He was viewed as Mr. Oiler from the standpoint

of gathering together the Edmonton business community to support the team," says Mike Crozier, the group's lawyer.

The group's initial interest in buying the Oilers quickly cooled after a meeting with Glen Sather, Nichols says. "He said, 'I hope you guys are prepared to lose \$10

million,' and he never defined if it was per year or over a period of time. He painted a terrible picture of the future of the game. Guys heard that and they didn't want to hear much more because who wants to buy into that hornet's nest?" But Nichols refused to give up.

He rethought his strategy. What if, instead of one or two owners buying the team, a larger group of smaller investors took over? What if the St. Walburg model he had used during the 1996 ticket drive was used to find investors, then sell season tickets and luxury boxes on an ongoing basis?

"I started thinking about this model, how could we come together as a community. I'm comfortable, but I'm not a big-asset person. But I'm an ideas guy. So I started phoning people.

Nichols met with Werner Baum, who had worked for years as the Oilers accountant, and ascertained that if one separated out a number of other Pocklington ventures from the books, the actual bottom line for the hockey team wasn't so bad, not the \$45 million Pocklington had talked about losing since 1990. With careful management, along with the NHL's CCAP program and millions coming in from league expansion fees, the team might be able to break even.

To buy the team, the Edmonton Investors Group (EIG) needed to raise a downpayment of \$60 million Cdn, which would allow them to secure an additional \$50-million Cdn loan. Nichols decided to put in \$1 million of his own money, a crucial first step if he was to have credibility. "It was a sign of good faith that I wasn't asking people to do what I wasn't prepared to do myself.

Through the fall of 1997, Nichols tried to raise money, but had only marginal success. He would go to downtown offices to meet powerful, wealthy individuals with deep roots in the community, but most turned him down. "Frankly, I was getting nowhere," he says. "It was really futile. I was surprised."

Edna would often find her husband up late at night with his deck of cards, playing solitaire, as he always did while working out major problems. The venture worried her, too, mainly because of the publicity and the potential for losing money.

"My stomach was in knots for a couple of years while it was going on," she says. "I wasn't saying not to do it, but I wasn't as enthusiastic. But my daughter (Kristine), she was younger, and she's such a huge hockey fan, and she really gave Cal a boost at times. They'd be high-fiving, 'Oh, we got another million!'Those are the little things that kept him going."

Bruce Saville, who had agreed to put in \$7 million, came to admire Nichols. "I developed a respect for his tenacity. ... He just never gave up and that would have been easy to do."

With Edmonton's old-money millionaires focused on donating to the arts and hospitals, Nichols decided to concentrate on midsize, oilpatch operations run by younger people, still active in their businesses, who were crazy about Oilers hockey. "That's

#### THE OILERS OWNERSHIP TEAM

Partners in the Edmonton Investors Group:

> Neal Allen, Nisku Iakob Ambrosius, Edmonton

> Ted Barrett, Los Angeles (purchased shares of Dick Colf in 2002)

Manuel Balsa, Edmonton ▶ Ed Bean, Edmonton Gordon Buchanan, Edmonton Bill Butler, Edmonton

Michael Dalton, Kelowna

Dave Addie, Lloydminster

▶ The Edmonton Journal Frmie Flko Edmonton

Fary Gregg, Edmonton Don Hamilton, Edmonton Ron Hodgson and Tom Mayson, Edmonton

Im Hole, Edmonton • Gerald Knoll, Nisku I Chris Kuchar, Edmonton/Nisku linberited shares of ▶ Lloydminster Consortium of Five (Marcel and Roger Roberge, Keith Weaver, Rusty Stalwick (Vermillion). D Larry Makelki, Lloydminster I Todd McFarlane, Phoenix

Art Mihalcheon, Edmonton ▶ Cal Nichols, Edmonton

Dick Paine, Edmonton

Bruce Saville, Edmonton Dale Sheard, Edmonton

when Cal really shone," Crozier says. "It wouldn't a substantial fee by the ATB when the Oilers were have happened without Cal. Period. Not even close." Nichols impressed potential investors with his straightforward presentation about the need to save Oilers hockey for the good of the community. "He's a likeable guy," Crozier says. "He's not smooth, but he's got a great grin and his eyeballs laugh all the

In January 1998, Nichols met for the first time with Lloydminster oilfield supply boss Larry Makelki. Afterwards, Makelki asked his accountant, Bruce Pennock, what he thought of the meeting. "Well, I sure like Cal Nichols," Pennock said. "He

comes across as a real straight shooter." "I like him, too," Makelki said. "He's a Saskatchewan boy who had nothing and has made some-

thing of himself." Makelki decided right then to put up \$5 million. Through Makelki's business contacts, Nichols got \$7 million more out of the Lloydminster oilpatch. "It was really the blue-collar millionaires that

pulled all this together," Nichols says. But Pennock credits Nichols. "Cal was the glue... The money stuck to him, because people believed

in him and trusted him.' Things heated up in February 1998 when a Houston sports tycoon. Les Alexander, offered Pocklington \$82.5 million US for the team. According to terms of the location agreement, local bidders had 90 days to come up with \$100 million Cdn. To en-

courage more investment. Nichols upped his own ante to \$3 million, much to Edna's distress. "I was really angry, angry that he put us at risk,"

With the sale of Gasland, Edna had hoped that at long last the couple could relax, enjoy things more, maybe go on a proper vacation or two. "All of a sudden this took over, and then the money," she says. "I don't have the financial mind that he has. ... I

just felt that insecurity again." "We had a few debates over it," Nichols says. "I never, ever wrote it off as a donation. I said, 'If we do this right there will be some contingent value in this." In the end, the \$60-million downpayment was raised. On May 5, 1998, the EIG took control of the Oilers. The EIG was made up of 37 investors, far more than other NHL teams, which often had just one owner. NHL commissioner Gary Bettman feared the relatively vast number of owners would lead to major problems in Edmonton, Crozier says.

"Bettman was afraid to death of this group. He'd say, 'How can you possibly run a group like that and come out with one common voice? It's not work-

By the fall of 1999, it appeared as if Bettman's fears were justified. The EIG ruptured over Glen Sather's management of the team. Some board members, such as Hole and Saville, saw Sather as a brilliant manager who, against all odds, kept the team competitive while holding costs down. But Sather and Nichols never saw eye to eye.

"We had trouble from the get-go," Nichols says. "I just came from different beginnings, different principles and philosophies."

Nichols had had issues with Sather as far back as the 1996 ticket drive, when he tried to get Sather out to ticket-selling events without any luck. "If you're the president and CEO, that's part of the job description, in my opinion," Nichols says. Another issue with Sather had to do with his con-

tract. Sather's \$2.5-million annual salary was more than any other NHL GM. Sather had also been paid

Firm Melton, Edmonton

Al Owen, Edmonton

Harold and Cathy Roozen, Edmonton

Simon Sochatsky, Edmonton

Barry Weaver (sold shares to EIG in 2003)

Im Woods, Edmonton Jim Zanello, Edmonton

sold to the EIG in 1998. This money had been promised to him by Pocklington as a reward for his long and successful work with the team, Sather says. But some of the EIG partners were miffed that Sather was getting this money at the same time as they were scratching to put together the \$60-million downpayment, EIG partner Ed Bean says. Yet another sore spot between Sather and Nichols was Nichols's belief that if the public was going to

the community, we had to be honest and open about the business, why we needed their help," Nichols But what Nichols saw as openness, Sather saw as a leak; the Oilers GM complained more than once to reporters about Nichols giving out confidential

trust the EIG, the new ownership group had to be

open about its finances. "If we're going to lean on

"It was very difficult," Nichols says of the conflict. "Glen Sather was a Hall of Famer. In Edmonton at that time, he was the hockey god. ... But there had to be a reality check. It gets so easy to get carried way

with your self-importance. "Sports is a weird business. It's so fraught with big egos and big money. Many in that industry just lose sight of reality and why we're really here in

this world. It's so easy to get a big head and a high opinion of yourself." Sather preferred to only deal with Hole, the EIG's nitial board chairman. Other board members started to publicly complain that Hole didn't pass along enough pertinent information to them. Things came to a head when board members realized the team was going to spend far more on player salaries than

had been budgeted for the 1999-2000 season. "The (management) group that was in place at the time had no control over costs and no attitude to try and control costs," says EIG member Gary Gregg. "There was a mindset that, 'This is hockey. It's going to lose money. Accept it.' And, of course, that doesn't work."

For his part, Sather resented suggestions he was mismanaging the team in any way, telling reporters: "I'd love to meet the guy who could run this hockey team any cheaper or any better than we're doing it." In December 1999, Nichols gave Hole and Saville an ultimatum: he wanted more accountability and cost controls or he wanted out.

"I said, 'I'm not going to put this much of our net worth at risk and not be right front and centre in the management of it. ... I certainly had more confidence in my own ability to sign the cheques than have somebody else do it.' "

When news got out that Nichols might sell his share in the team, a few local commentators were outraged. "Cal Nichols is going to end up looking like a guy who is taking his puck and going home," wrote the Edmonton Sun's Terry Jones. "It's the legend of Cal ... that will be soiled." The criticism stung.

"I took a lot of shit from certain factions of the media," Nichols says. "After you put this kind of resources into it, financial and effort, and then to be castigated by even one person is pretty hard to take. It was those times I just said, 'What the hell is this all about? Maybe we should just go and have our own

In the end, the vast majority of investors backed Nichols, even if it meant Sather might leave. In March 2000, Nichols became the team's new chairman. Two months later, Sather left to run the New York Rangers. When Saville quit the board, Nichols labelled him a "spoiled brat."

See NICHOLS / E8



Nichols chairs a meeting of the Oilers board of directors.