

# Business gives computing a personal, hands-on touch

Murderbox crafts high-end computers with a flair for design and personality

BY MARKE ANDREWS  
VANCOUVER SUN

Charles Harwood's Murderbox is a cottage industry, literally.

Harwood builds Murderbox, a custom-made computer, in his Vancouver condo, and the business is — at least for now — strictly local. Harwood gets his message out by word-of-mouth, builds a single computer unit when he gets an order and personally installs it at the client's house.

"I'm only selling them locally for now because I want to have the ability, if an issue arises, to deal with it first hand," says Harwood. "I don't want to just build them and ship them off and hope for the best."

"If I'm going to be in this market, I want to make sure I'm providing 100 per cent service to my customers."

These are early days for Harwood's business. He built his first Murderbox for a friend, Vancouver screenwriter Simon Barry, last summer, and has made just three units thus far.

Harwood began using computers professionally in 1994 when he worked in the visual effects industry in Vancouver. He kept wanting to modify the machines he used at the office, seeing the shortcomings of each design. He also had an interest in esthetics, "which in the PC world is something that doesn't exist."

When Barry approached him about designing a PC for the screenwriter, Harwood researched the technology and came up with the Murderbox, an attention-grabbing name meant to play on the term "killer" when used to define the best of the best. At first, Barry's computer was a one-off, but that changed once the machine was built.

"Just seeing the way Simon reacted to it, and seeing how he appreciated the workmanship that went into this, that's when I came up with the idea of doing this [as a business]," says Harwood.

The Murderbox (details of which are at [www.murderbox.com](http://www.murderbox.com)) uses an existing aluminum chassis, the Silverstone TJ07, which Harwood modifies with his own interior design. The machine is water-cooled, a quiet alternative to noisy fans. He then installs the latest video card, hard drive and processor. Because technology for these latter items changes so quickly, Harwood does not want to stockpile machines, preferring to build them on an order-by-order basis.

"If a new product comes out tomorrow and you've commissioned me to build a computer today, if I haven't already ordered the [older] product, I can put the newest product in your computer," says Harwood, who will also upgrade a Murderbox if a buyer who already has one wants the latest technology.

A Murderbox sells for \$6,200, and is guaranteed for delivery within three



IAN SMITH/VANCOUVER SUN

Charles Harwood (left) builds custom-made, high-end computers, each of which is dubbed Murderbox. Customer Simon Barry's model moves liquid coolant around the computer to cool the machine, letting him do away with a noisy fan.

weeks.

Design is an element Harwood feels is missing at the big computer manufacturers, who mass-produce their products, and is often overlooked by hard-core computer users, who stress efficiency and performance.

"I wanted Simon's computer to look clean, unique and elegant," says Harwood. "I was very happy with the result, and I've since modified it."

Barry is a satisfied customer.

"The most important thing for me is it's completely silent," says Barry. "It plays high-definition movies and runs the latest

video games, which is important because I sometimes do video-game adaptations for screenplays. It's a restriction-less machine."

Harwood's cottage industry is partly by choice (quality control), and partly out of necessity (he's in this business on his own).

"I'm looking for some venture capital to get this to the next level," says Harwood, whose long-range plans include having a rep in every major Canadian city who could do the hands-on care that he's performed in Vancouver.

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# Apartment rental demand keeps growing

**ECONOMY** | Rising employment among young, house price increases key factors

BY FIONA ANDERSON  
VANCOUVER SUN

Rising house prices, and increasing employment rates among the young, are having a spinoff effect on rental apartments, according to an economic forecast by Credit Union Central B.C.

"Rental demand is growing owing to higher employment in the young prime renter-age group, more in-migration, and fewer renters opting for home-ownership," the Credit Union Central's *B.C. Housing Market Forecast 2008-2009* said.

Rental vacancy rates in the province was 1.0 per cent in October, and are predicted to drop to 0.5 per cent by October 2009. In some areas of the province — like Cranbrook, Salmon Arm and Parksville-Qualicum — vacancy rates are already down to 0.2 per cent or lower.

It's the tightest rental market since the early 1990s, said Helmut Pastrick, chief economist with the Credit Union Central B.C.

Ideally, apartment vacancies should be between two to three per cent, Pastrick said. But that really depends on what rent is doing. If vacancies are at two to three per cent and rents are only rising by one per cent, then there is too much supply. But if rents are going up five or six per cent, then there is probably not enough units for rent, he said.

Credit Union Central B.C. expects rents to rise by more than three per cent this year and next.

"Overall, the market is under-supplied."

But while more apartments are needed to catch up with the growing demand, that's not likely to happen for some time, Pas-

trick said.

Other than some government-sponsored social housing, construction of purpose-built rentals is "quite rare," Pastrick said.

"The rental market is at the bottom of the investment ladder," he said. "Ownership housing is just more profitable."

Pastrick believes there will not be a shift toward building new rentals until the condominium market is weak again, which will happen eventually.

David Goodman, of MacDonald Commercial Real Estate Services, said even if land were free, building rental units would be uneconomic.

With high construction costs, landlords need to charge about \$3.50 a foot — or \$2,100 for a 600-square-foot apartment — to make a profit, he said.

As a result, the only increase in rental supply is from investors who are buying condos to rent out, he said.

"Without those condos in the rental market people would be sleeping on the streets," Goodman said.

"I don't see any light at the end of the tunnel and I do see sharp increases in rents over the next two or three years," Goodman added.

Brenda Binnie, CEO of the B.C. Apartment Owners and Managers Association, believes one reason vacancy rates are low is because when people find a good deal they stay put.

Landlords can only raise rents by 3.7 per cent a year for existing tenants. When the tenants move out then they can charge more. So many landlords have tenants who are paying \$800 for a really good apartment, when the average rental rate in Vancouver is about \$1,400, Binnie said.

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# B.C. boomers won't head for old-age home

BY BRUCE CONSTANTINEAU  
VANCOUVER SUN

**RETIREMENT** | B.C. baby boomers want to live near young people when they retire but they hope those young people aren't their own kids.

Those are among the findings of an RBC/Ipsos Reid poll of Canadian baby boomers' retirement housing plans.

The online poll of Canadians born between 1946 and 1965 found that 80 per cent of B.C. residents want to retire where there is a mix of younger and older residents — the highest level in Canada.

But just 31 per cent of B.C. respondents want a home with separate living quarters for their adult children — the lowest level in Canada.

Fifty-six per cent of Quebec residents want homes with living quarters for adult children.

Kevin Lutz, RBC Royal Bank regional mortgage manager for B.C., said rising B.C. real estate values have put many parents in a strong position to help their children purchase their own homes.

"Rising property values in B.C. have given people a lot of equity in their homes so they can refinance and provide a very good downpayment for their kids," he said in an interview.

Fifteen per cent of Canadian baby boomers surveyed said they have adult children, aged 21 or over, living at home. Of that percentage, 41 per cent have returned home to live while 59 per cent have never left home.

Sixty per cent of Canadian baby boomers — and 58 per cent

in B.C. — said they want to stay in their existing communities when they retire.

"Most retiring boomers want to stay in their communities and live near young people rather than be confined to an old-age community," Lutz said. "That's obviously food for thought for developers planning retirement homes for people."

He said a lot of retiring Vancouver baby boomers buy downtown condominiums now because they don't want to leave the city.

The poll found 50 per cent of B.C. residents like the idea of retiring to a home in a downtown or urban centre — with easy access to the arts, cultural events, restaurants and entertainment venues. That's the second highest level in Canada, behind the 53 per cent of Quebec respondents attracted to urban centres.

The poll also found that 22 per cent of Canadian baby boomers believe their home will be their primary source of income when they retire.

"We're seeing people more comfortable with carrying debt throughout their retirement than ever before," Lutz said. "The previous generation was more about paying off their mortgages and being debt free but this generation is more into using home equity lines of credit into retirement."

The online survey of 1,238 adult Canadians was conducted between Jan. 17 and Jan. 21 this year and is considered accurate to within 2.8 percentage points, 19 times out of 20.

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# Expert bemoans sale of MDA

Sale of space firm would put Canada at a disadvantage, U.S. specialist says

BY DAVID PUGLIESE

A U.S. space specialist says if the sale of Canada's largest space firm goes ahead, Canada will be one of the few developed nations in the world that doesn't have its own domestic capability in the highly strategic industrial area.

Theresa Hitchens of the Washington-based Center for Defence Information said for its future economic growth and its place at the international table, Canada needs not only a national space strategy but its own industry supported in part by government.

MacDonald Dettwiler and Associates of Richmond — Canada's premier space firm — is being sold to the U.S. company Alliant Techsystems of Minnesota. The federal government has not yet decided whether to approve the \$1.325 billion sale.

MDA owns the Canadarm

space technology and has developed the new robot arm, Dextre, which is now in orbit and is being put together by an American shuttle crew.

MDA also built the recently launched Radarsat-2 satellite, a \$524-million spacecraft which will provide images for the forest and mining industries, among others, and allow the federal government to keep watch over Canada's Arctic territories.

Although taxpayers financed most of Radarsat-2's cost, the federal government signed a deal that gives MDA ownership of the satellite.

Hitchens, author of *Future Security in Space: Charting a Cooperative Course*, said the proposed sale of MDA makes sense for its shareholders since the company needs to continue to earn more profits.

But she said she is surprised the Canadian government has not intervened in the situation, adding that most nations provide a level of support to their own space companies.

Although there are smaller space firms in Canada, MDA is considered the only one capable

**Brazil has a space industry. Malaysia has one. Having space assets is good for your economic growth and then there are military applications.**

**THERESA HITCHENS**  
with the Washington-based Center for Defence Information

”

of shepherding a major project from start to finish.

Hitchens noted Canada has an international reputation for taking on niche space projects and a small but effective domestic industry.

"Brazil has a space industry," said Hitchens. "Malaysia has one. Having space assets is good for your economic growth and then there are military applications."

"I don't know another country that doesn't support [a domestic space industry]," she added. "Maybe Belgium. But Canada is a lot bigger country than Belgium."

Officials with Alliant Techsystems and MDA aren't commenting on the sale. But representatives from both firms previously

have said the proposed deal would be good for Canada and would give MDA access to new markets in the U.S. MDA shareholders also have endorsed the proposal.

In previous interviews, MDA officials have said they could not make substantial inroads into the U.S. space market to drum up work to be profitable enough.

Opposition to the sale, however, has crossed political boundaries. Conservative MP Art Hanger has questioned the deal while MPs from the NDP, Liberals and Bloc Quebecois also have raised concerns.

Former employees of the Canadian Space Agency, defence analysts and some current and former employees of MDA have come out against the proposed deal, saying it should be halted.

Marc Garneau, the first Canadian in space and a Liberal candidate in the next federal election, said the debate about the sale of MDA should spur government to develop a space policy which outlines the future the country wants to go and what level of industry support is needed.

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