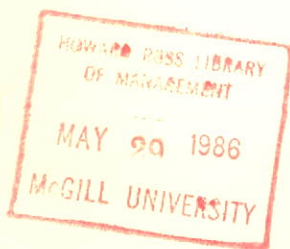
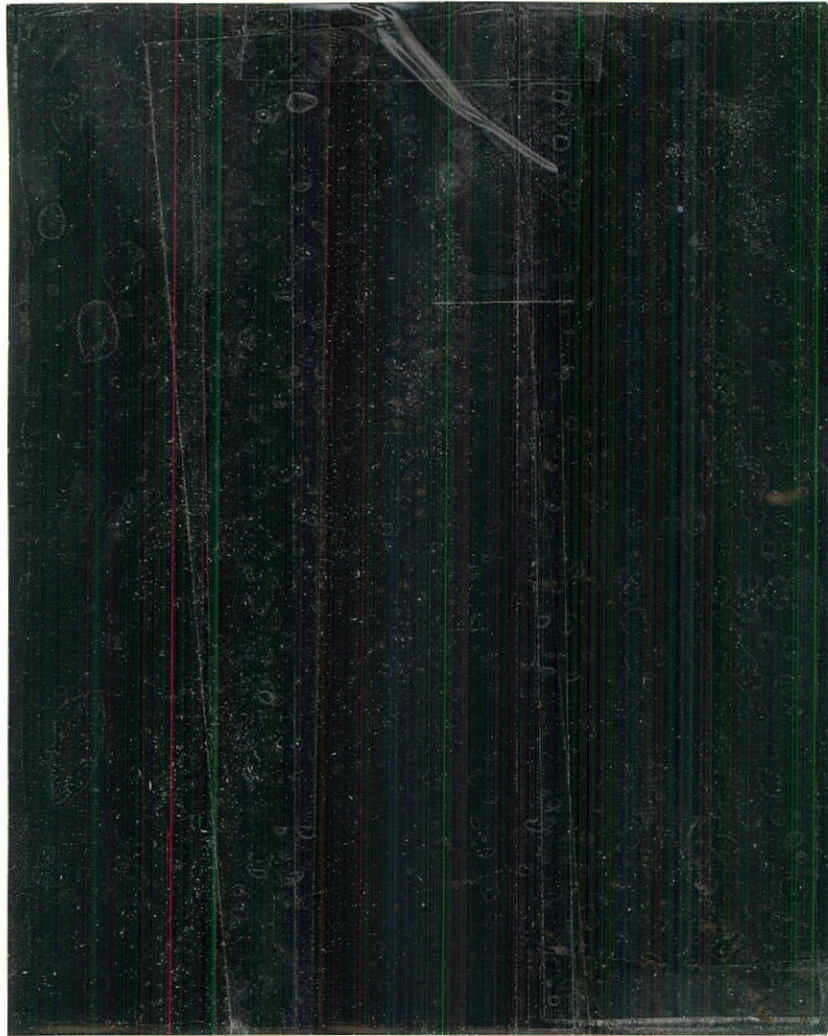


*T.G. Bright & Co. Limited*



*Annual Report For 1986*







## Brights Distinguished Awards

Wines from the cellars of Brights continue to earn recognition in major international competitions. Significantly, many of these honours are being earned by the most popular selling table wines.

Entre-Lacs, both red and white, have been honoured in competitions in The Netherlands, the United Kingdom, Spain, and the United States, while our best selling House Wine has earned honours in both Europe and North America.

Mon-Village took gold in Lisbon, while L'Entre-Côte and Interlaken earned silver medals in Ljubljana, Yugoslavia. Significantly, the medals are well balanced between white wines and dry red wines from the cellars of Brights.

In recent years, Brights President Canadian Champagnes have earned gold, silver and bronze medals in competitions in Spain, Yugoslavia, the United States and the United Kingdom. Hostetter Trockenweiss, released in 1985, straightaway grabbed a gold medal in Lisbon.

Riesling and Gewürztraminer have been regular winners internationally, while the robust Baco Noir has taken gold honours in Luxembourg, England, The Netherlands, Austria, and the United States.





## HIGHLIGHTS

	This Year	Last Year
SALES TO CUSTOMERS (NET) .....	\$42,593,075	\$42,340,629
NET INCOME .....	\$ 1,046,134	\$ 2,195,322
PER DOLLAR OF SALES .....	2.5%	5.2%
PER SHARE .....	\$ 1.01	\$ 2.13
CURRENT ASSETS .....	\$24,223,397	\$22,659,345
CURRENT LIABILITIES .....	\$11,054,051	\$ 8,978,926
WORKING CAPITAL .....	\$13,169,346	\$13,680,419
RATIO OF CURRENT ASSETS TO CURRENT LIABILITIES .....	2.2 to 1	2.5 to 1
SHAREHOLDERS' EQUITY .....	\$22,713,173	\$21,992,417
EQUITY PER SHARE .....	\$ 21.99	\$ 21.38

## ANNUAL MEETING

The annual meeting of shareholders will be held at  
T.G. Bright & Co., Limited, Dorchester Road, Niagara Falls, Ontario.  
at 4:00 p.m., Monday, June 16, 1986



KLÉBER RED AND WHITE TABLE WINES ARE BEING  
INTRODUCED IN ONTARIO THIS SPRING. BLENDED AND  
BOTTLED IN THE LOIRE VALLEY OF FRANCE. THEY JOIN A  
GROWING LIST OF QUALITY IMPORTED BRANDS BEING  
MARKETED BY OUR WINES OF THE GLOBE DIVISION.





## STRENGTH OF CHARACTER

Canadian character is based on the belief that actions speak louder than words.

Our fathers were proud of their accomplishments. They were proud of the labour of their hands and their brains. They were proud of our foods and beverages and the products of our mills and farms. They were proud of the reputation we enjoyed in the world, as people who could be counted upon to get a job done, in war as well as in peace.

But they didn't brag and boast and talk about it a lot. They were too busy doing the things that were necessary to make this vast and empty land a truly wonderful and unique country in which to raise a family, to live in peace with one's neighbours and to feel the inner satisfactions of accomplishment.

A man named Tom Bright had a dream that he put into action. His dream was to make wine in Canada. Those who "knew better" probably laughed at him and said he was a fool. But Tom Bright was a Canadian and he had a dream. And after 60 years of doing things, in spite of what the "experts" said, he and his family had built one of the largest winery operations in the world, in Canada.

Harry Hatch was another man who had a dream – that Canadians could make wines as good as any in the world. It took him and his family nearly 50 years of work and sweat and disappointment, of trying again and again and again, to make that dream come true. Working with farmers and winemakers, working in fields and wine cellars, working with people. It took many millions of dollars, but today Brights is internationally recognized as a maker of world-class wines that meet or exceed the highest quality standards in the world.

We believe in Canada. We believe in a bountiful future, a magnificent future, for all the people who have come to this land to grow in its freedom and space and great blessings of opportunity. We believe in the work of our people – the farmers who labour, our workers in the wine cellars and on the production lines, our sales people who take the extra step to satisfy a customer, our people in the offices who stay late to get it done, and get it done right.

And we believe that, God willing, and with the support of our thousands of employees, growers, suppliers, distributors, and customers that we will continue to provide Canadians with fine wines for generations to come.

CANADIAN MAKERS OF GOOD WINES SINCE 1874

## REPORT OF DIRECTORS



**T**o the shareholders, employees and friends of T.G. Bright & Co., Limited and its subsidiary companies, for the fiscal year ended March 31, 1986.

Net earnings in the fiscal year 1986 were \$1,046,134 compared to \$2,195,322 the previous year. Our sales value for the year ended March 31, 1986 increased .6% to \$42,593,075 from \$42,340,629 last year. Basic earnings per share were \$1.01 compared to \$2.13 last year. Capital expenditures of \$3,353,008 allowed us to complete the significant part of our modernization program in Ontario. We continued our dividend program this year and dividends of \$0.20 per share were paid on both Class A and Class B shares on April 1st and October 1st, 1985.

Brights continues to experience sales growth in Quebec and British Columbia. Our wineries in these provinces are contributing an increased share of the Company's earnings. Our Nova Scotia winery, while initially operating at a loss, is showing improvement and is expected to contribute to the Company's earnings in the near future. Our problem market is Ontario. For the fiscal year 1986, the Ontario wineries' share of the total Ontario wine market was 48.0%, a drop of 2.0%. In the last quarter the Ontario wineries' sales were down 22.0%. Our large share in the nation's largest market means that results in Ontario have a major influence upon our total country-wide performance. Predatory pricing practices of some French and other European wines in Ontario continued through 1985. These practices prevented domestic price increases. The selling prices of most of our wines remained the same as last year while taxes and operating costs increased.

Although 1985 was a year of considerable stress for the Canadian wine industry and our Company, we are confident that

both the short and long term prospects look good for Brights. Initiatives taken in 1985, brand developments begun in 1985, and recent changes in market environment suggest that we will enjoy a significant improvement in results in 1986-1987.

In 1985 we consolidated management, marketing and wine supply for all four Western provinces in our Western Division. We have already begun to see the positive impact on listings and volumes of a consistent "Western" approach and supply of Okanagan-made wine. Two new brands, Entre-Lacs and Classic Light, enjoyed good initial consumer acceptance in 1985 and show signs of continuing their upward trend into 1986 and beyond. Entre-Lacs was selected as an Expo '86 official wine and along with our established brands promises to expand our Western Division's share of market next year. British Columbia should enjoy good volume in 1986 due to the impact of visitors to Expo.

As you may have already read in the newspapers, changes in Ontario's wine mark-up structure were announced in late March. They will result in most wines, both imported and Canadian, being reduced in price and at the same time should stimulate our market share by widening the pricing gap between imported and Ontario wines. Throughout 1985 the Ontario Division maintained its number one position in white table wines, red table wines, and Canadian champagnes. With the introduction of new brands like Cuvée du Berceau, the Division's strategy of increasing its share leadership in conventional wine categories should produce volume and profit increments.

The Quebec market is still in a state of flux as consumers there adjust their buying patterns as more wines become available in grocery stores. Our Quebec





wineries kept pace with the growth in the Canadian market. Continued development of consumer desirable new brands and effective sales effort give every indication of continuing Brights-La Salle leadership in this important market.

In the fall of 1985 we opened a winery in Dartmouth, Nova Scotia and hired a General Manager for Atlantic Canada in early 1986. Our increased local presence, combined with our traditional strengths and the addition of new listings should result in an improvement in share volume and profit of this region of the country in 1986-1987.

The champagne litigation mentioned in previous reports has been placed on the court list for trial. No specific trial date has been set.

This year we welcomed two employees to our Quarter Century Club – George Yarich, Maintenance Department and Ken Klucha, Division I Bottling Department. They join the other 87 active and retired 25 Year members. During the past year several of our employees retired after years of dedicated service – Joe Palis, Bottling, retired after 47 years; Wally Barrett and Ted Douglas (Trucking Division) both with 45 years; Art Neff (Farm Research Division) after 38 years; Cyril Benson (Staff Winemaker) after 35 years; Anne Jay (Retail Store Manager) after 31 years and Jan Weber (Bottling) after 16 years. We regret to advise that our former Vice-President, Marketing, George H. Mowers, Charles Evans, Ivan Bessey and A.E. Daly passed away. All were retired employees.

George Mowers started with the Company in 1933 as Office Clerk. He progressed to several management positions such as Ontario Sales Manager, Ontario Retail Manager, General Sales Manager and finally Vice-President, Marketing.

He was also on the Board of Directors for many years. He retired in 1977 after 43 years of service. He was very active in the community serving as the first and only Chairman of the Greater Niagara Transit Commission for 26 years; a member of City Council for 10 years; the United Way; Victorian Order of Nurses and many other organizations.

In March 1986, Mr. Wm. C. Thompson, Vice-President, Finance resigned to pursue new financial management responsibilities outside our industry. Our best wishes and thanks go to Mr. Thompson. He contributed significantly to all parts of our business.

Our management team was strengthened with the addition of Mrs. J.A. Rands. Mrs. Rands joined Brights in March 1986 as General Manager – Atlantic Canada. During the year two appointments were made to our Board of Directors; Messrs. Robert S.K. Welch, Q.C., LL.D. of Niagara-on-the-Lake, Ontario and Wm. MacDonald Sobey of New Glasgow, Nova Scotia. Both gentlemen bring a wealth of useful experience to Brights.

In honour of our deceased Chairman, W.D. Hatch, an annual memorial post-graduate scholarship was set up with Brock University, St. Catharines, Ontario. This scholarship is to be awarded to students whose thesis research is concerned with a significant aspect of viticulture or oenology.

The continued support and confidence demonstrated by our employees, suppliers, and shareholders is greatly appreciated.

  
President



## CONSOLIDATED BALANCE SHEET

	March 31	
	1986	1985
<b>ASSETS</b>		
<b>Current assets</b>		
Cash .....	\$ 59,543	\$ 63,173
Accounts receivable .....	4,848,891	4,164,257
Taxes recoverable .....	209,661	—
Inventories (Note 3) .....	18,616,619	18,138,748
Prepaid expenses .....	488,683	293,167
Total current assets .....	24,223,397	22,659,345
Fixed assets (Note 4) .....	10,925,627	9,065,798
	<b>\$35,149,024</b>	<b>\$31,725,143</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Bank indebtedness .....	\$ 8,146,069	\$ 4,887,985
Accounts payable & accrued liabilities .....	2,701,422	2,454,063
Taxes payable .....	—	927,169
Dividends payable .....	206,560	205,709
Total current liabilities .....	11,054,051	8,474,926
Deferred income taxes .....	1,381,800	1,257,800
Shareholders' equity:		
Capital stock (Note 5) .....	3,135,433	3,053,424
Retained earnings .....	19,577,740	18,938,993
	<b>22,713,173</b>	<b>21,992,417</b>
	<b>\$35,149,024</b>	<b>\$31,725,143</b>

Approved by the Board:

C. Rathgeb, Director  
E.S. Arnold, Director





## CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

	For the year ended March 31	
	1986	1985
<b>Sales</b> .....	<b>\$58,294,049</b>	\$57,250,286
Less: Excise and sales taxes .....	<b>15,700,974</b>	14,909,657
	<b>42,593,075</b>	42,340,629
<b>Cost and expenses:</b>		
Cost of goods sold .....	<b>27,054,205</b>	25,768,380
Selling, general & administrative expenses .....	<b>12,143,440</b>	11,431,565
Interest .....	<b>687,117</b>	669,520
Depreciation .....	<b>1,493,179</b>	1,477,126
	<b>41,377,941</b>	39,346,591
<b>Income before income taxes and extraordinary item</b> .....	<b>1,215,134</b>	2,994,038
<b>Income taxes</b> .....	<b>169,000</b>	859,000
<b>Income before extraordinary item</b> .....	<b>1,046,134</b>	2,135,038
<b>Gain on sale of property less related income taxes of \$11,000</b> .....	<b>—</b>	60,284
<b>Net income</b> .....	<b>1,046,134</b>	2,195,322
<b>Retained earnings:</b>		
Beginning of year .....	<b>18,938,993</b>	17,159,609
	<b>19,985,127</b>	19,354,931
Dividends (\$0.40 per share)–		
Class A .....	<b>397,054</b>	220,360
Class B .....	<b>10,333</b>	195,578
	<b>407,387</b>	415,938
End of year .....	<b>\$19,577,740</b>	\$18,938,993
<b>Earnings per share –</b>		
Income before extraordinary item .....	<b>\$ 1.01</b>	\$ 2.07
Net income .....	<b>\$ 1.01</b>	\$ 2.13



## CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

	For the year ended March 31	
	1986	1985
<b>Operating activities:</b>		
Income before extraordinary item .....	\$ 1,046,134	\$ 2,135,038
Adjusted for items not involving a current cash flow –		
Depreciation and amortization .....	1,493,179	1,477,126
Deferred income taxes .....	124,000	287,000
	2,663,313	3,899,164
Changes in operating elements of working capital .....	(2,246,641)	1,681,056
Cash provided by operating activities .....	416,672	5,580,220
<b>Investment activities:</b>		
Purchase of fixed assets (net) .....	(3,353,008)	(2,968,847)
Extraordinary item – gain on sale of property .	—	60,284
Cash used in investment activities .....	(3,353,008)	(2,908,563)
<b>Financing activities:</b>		
Dividends .....	(407,387)	(415,938)
Issue of capital stock .....	82,009	224,664
Cash used in financing activities .....	(325,378)	(191,274)
<b>Net cash provided (used) in year .....</b>	<b>(3,261,714)</b>	<b>2,480,383</b>
<b>Bank indebtedness* at beginning of year .....</b>	<b>4,824,812</b>	<b>7,305,195</b>
<b>Bank indebtedness* at end of year .....</b>	<b>\$ 8,086,526</b>	<b>\$ 4,824,812</b>

\*Bank indebtedness is defined as bank indebtedness net of cash

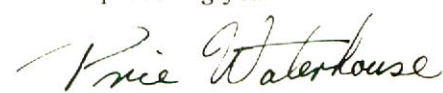
## AUDITORS' REPORT

To the Shareholders of  
T.G. Bright & Co., Limited:

We have examined the consolidated balance sheet of T.G. Bright & Co., Limited as at March 31, 1986 and the consolidated statements of income and retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

May 8, 1986

In our opinion, these consolidated financial statements present fairly the financial position of the Corporation as at March 31, 1986 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

  
 Chartered Accountants





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### MARCH 31, 1986

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Corporation are presented to assist the reader in evaluating the financial statements and other information in this report. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Canada.

##### Principles of Consolidation

The consolidated financial statements include the accounts of the Corporation and its subsidiaries.

##### Inventories

Inventories are valued at the lower of cost and net realizable value. The elements of cost included in inventories are direct costs for bulk wine and finished goods and laid-down costs for raw materials and supplies.

##### Fixed Assets

Fixed assets acquired by purchase or by way of capital lease are recorded at cost net of related investment tax credits and government assistance whether or not conditional in nature. Costs of maintenance and repairs are expensed as incurred. Depreciation is calculated on the diminishing balance method over the estimated useful life of the asset.

##### Income Taxes

Income taxes are recorded on the tax allocation basis of accounting whereby deferred income taxes are provided on all significant timing differences between accounting and taxable income, primarily accelerated depreciation claimed for tax purposes in excess of amounts recorded in the accounts. Investment tax credits are accounted for by the cost reduction method whereby such credits are deducted from the expenditures to which they relate.

##### Pension Plans

Pension costs are funded as they accrue. Based on the most recent actuarial study, there is no unfunded liability.

#### 2. CHANGE IN ACCOUNTING POLICY

Effective April 1, 1985, the Corporation changed its method of accounting for investment tax credits by adopting prospectively the recommendations of the Canadian Institute of Chartered Accountants relative to investment tax credits. Investment tax credits are now applied as a reduction to the related expenses or assets whereas previously they were recognized as a reduction of income tax expense. Had the former method of accounting for investment tax credits been continued, consolidated net income for the year ended March 31, 1986 would have increased by \$70,000 as a result of a reduction in income taxes offset by a slightly higher depreciation charge.

#### 3. INVENTORIES

	March 31	
	1986	1985
Raw materials and supplies	\$ 3,087,733	\$ 2,616,009
Bulk wine	9,750,613	9,885,488
Finished goods	5,778,273	5,637,251
	<b>\$18,616,619</b>	<b>\$18,138,748</b>

#### 4. FIXED ASSETS

	March 31	
	1986	1985
Land and buildings	\$10,117,891	\$ 6,690,961
Storage tanks, machinery and equipment	14,681,320	12,857,898
Automobiles and trucks	692,991	1,286,786
Construction in progress	—	1,852,309
	<b>25,492,202</b>	<b>22,687,954</b>
Less: Accumulated depreciation	14,566,575	13,622,156
	<b>\$10,925,627</b>	<b>\$ 9,065,798</b>

Fixed asset additions were reduced by government assistance of \$211,000 (\$1,250,000 in 1985).



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### MARCH 31, 1986

#### 5. CAPITAL STOCK

The Class A, Class B and common shares participate equally as to dividends. Class A and Class B shares are inter-convertible on a share-for-share basis and the rights of each class are identical. Dividends may be declared on the Class B shares by way of stock dividends of the Class B shares, provided that such dividend is equal or equivalent in value to the cash dividend contemporaneously declared on the Class A shares. Cash may be paid in lieu of any fractional interest in the Class B shares as a result of the stock dividend.

Authorized number of shares without nominal or par value –

Common	1,000
Class A	3,000,000
Class B	1,999,000
	5,000,000

Issued and outstanding –

	March 31	
	1986	1985
Class A	994,487	628,328
Class B	38,311	400,218
	1,032,798	1,028,546

During the year, the Corporation issued 4,252 Class B shares as a stock dividend with a value of \$82,009 and 366,159 Class B shares were exchanged for 366,159 Class A shares.

#### 6. INCOME TAXES

The reconciliation of the statutory income tax rate to the Corporation's effective income tax rate is as follows:

	1986	1985
Combined basic federal and provincial income tax rates	39.0%	45.7%
Inventory allowance	(20.6)	(8.0)
Manufacturing and processing profits deduction	(4.0)	(4.8)
Investment tax credit	—	(4.3)
Other	(0.5)	.1
Effective tax rate	13.9%	28.7%

#### 7. LEASE COMMITMENTS

Future minimum lease payments under long-term non-cancellable lease agreements for building and equipment are:

1987	\$ 390,000
1988	390,000
1989	332,000
1990	291,000
1991	264,000
Thereafter	2,863,000
	\$4,530,000

#### 8. COMPARATIVE FIGURES

Certain prior year's figures have been reclassified to conform with the 1986 financial statement presentation.

#### 9. SEGMENTED INFORMATION

The Corporation considers that its operations fall principally into one product class – wine. Operations are considered to be in one geographical area – Canada.





## SIX YEAR REVIEW

OPERATIONS	1986	1985	1984	1983	1982	1981
Gross Income .....	\$58,294,049	\$57,250,286	\$50,381,225	\$48,691,541	\$40,275,679	\$34,467,542
Excise and sales taxes .....	15,700,974	14,909,657	12,539,506	11,421,759	9,314,730	8,640,851
Net Sales .....	42,593,075	42,340,629	37,841,719	37,269,782	30,960,949	25,826,691
Cost of goods sold .....	27,054,205	25,768,380	22,828,370	23,715,562	19,526,766	15,750,786
Selling & other expenses .....	12,830,557	12,040,802	10,562,577	8,911,241	7,951,894	7,247,878
Provision for depreciation .....	1,493,179	1,477,125	1,473,559	1,295,461	960,028	927,359
Profit (Loss) before income taxes .....	1,215,134	3,054,322	2,977,213	3,347,518	2,522,261	1,900,668
Provision for income taxes .....	169,000	859,000	1,076,000	1,248,000	925,100	597,912
Net Profit (Loss) .....	\$ 1,046,134	\$ 2,195,322	\$ 1,901,213	\$ 2,099,518	\$ 1,597,161	\$ 1,302,756
Profit per dollar of net sales .....	2.5%	5.2%	5.0%	5.6%	5.2%	5.0%
Distribution of net profit						
Stock dividends paid & payable .....	\$ 10,333	\$ 195,578	\$ 217,350	\$ 106,213	—	—
Cash dividends paid & payable .....	397,054	220,360	189,032	180,818	—	—
Retained in business .....	638,747	1,779,384	1,494,831	1,812,487	1,597,161	1,302,756
Net profit per share .....	\$ 1.01	\$ 2.13	\$ 1.87	\$ 2.08	\$ 1.60	\$ 1.30

## FINANCIAL STATUS

Current assets .....	\$24,223,397	\$22,659,345	\$23,070,966	\$18,411,832	\$20,433,442	\$19,233,152
Current liabilities .....	11,054,051	8,978,926	9,685,874	5,975,399	9,527,124	9,317,373
Working capital .....	13,169,346	13,680,419	13,385,092	12,436,433	10,906,318	9,915,779
Property, plant & equipment (net) .....	10,925,627	7,213,489	7,574,077	6,924,197	6,470,825	5,538,703
Deferred income taxes .....	1,381,800	753,800	970,800	1,081,239	910,239	584,739
Shareholders' equity .....	22,713,173	21,992,417	19,988,369	18,279,391	16,466,904	14,869,743
Total assets .....	\$35,149,024	\$31,725,143	\$30,645,043	\$25,336,029	\$26,904,267	\$24,771,855
Ratio current assets to						
current liabilities .....	2.2 to 1	2.5 to 1	2.4 to 1	3.1 to 1	2.1 to 1	2.1 to 1
Equity per share .....	\$ 21.99	\$ 21.38	\$ 19.63	\$ 18.13	\$ 16.47	\$ 14.87

MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS

The accompanying consolidated financial statements of T.G. Bright & Co., Limited and its Subsidiaries and all information in this Annual Report are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in conformity with Canadian generally accepted accounting principles. The financial statements include some amounts that are based on best estimates and judgments. Financial information used elsewhere in the Annual Report is consistent with that in the financial statements.

Management, to meet its responsibility for the integrity and objectivity of data in the financial statements, has developed and maintains a system of internal accounting controls. Management believes that this system of internal accounting controls provides reasonable assurance that financial records are reliable and form a proper basis for preparation of financial statements and that assets are properly accounted for and safeguarded.

The Board of Directors carries out its responsibility for the financial statements in this Annual Report principally through its Audit Committee. The Shareholders' auditors have full access to the Audit Committee, with and without management being present.

These financial statements have been examined by the Shareholders' auditors, Price Waterhouse, Chartered Accountants, and their report is shown as a part of the financial statements.

E.S. Arnold  
President

G.C. Biggar  
Secretary









## DIRECTORS

Edward S. Arnold .....	Beamsville, Ontario
H. Clifford Hatch* .....	Walkerville, Ontario
Carr Hatch .....	Ottawa, Ontario
Meredith F. Jones .....	Cambridge, Ontario
David I. Matheson, Q.C.* .....	Toronto, Ontario
Bernard Panet-Raymond .....	Montréal, Québec
Charles Rathgeb* .....	Toronto, Ontario
William M. Sobey .....	New Glasgow, Nova Scotia
Robert S. Welch, Q.C. ....	Niagara-on-the-Lake, Ontario

(\*Audit and Compensation Committee)

## OFFICERS AND EXECUTIVES

Edward S. Arnold ....	President
David G. Diston .....	Vice-President, General Manager- Central Division
Roland Bergeron .....	Vice-President, General Manager- Eastern Division
Rob Domville .....	Vice-President, General Manager- Western Division
G. Clifford Biggar ....	Secretary

### Directors Emeriti

Victor Mollison .....	Port Colborne, Ontario
Earl K. Raham .....	Niagara Falls, Ontario

LEGAL COUNSEL .....	McMillan, Binch, Toronto, Ontario
AUDITORS .....	Price Waterhouse, Hamilton, Ontario
BANK .....	Toronto Dominion Bank, Niagara Falls, Ontario
STOCK TRANSFER AGENTS .....	Canada Trust, Toronto, Ontario

## SUBSIDIARIES

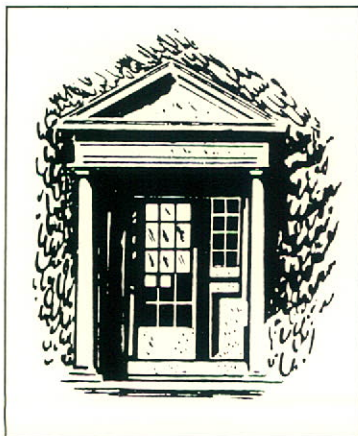
T.G. Bright & Co., Limited operates wineries in Niagara Falls, Ontario; Oliver, British Columbia; Winnipeg, Manitoba and Dartmouth, Nova Scotia.

Les Vins Brights Ltée, incorporated in 1933, is a wholly-owned subsidiary of T.G. Bright & Co., Limited and carries on production, bottling and marketing operations in the Province of Québec at Lachine and St. Joseph du Lac.

Les Vins La Salle Inc., incorporated in 1972, is a wholly-owned subsidiary of T.G. Bright & Co., Limited at St. Hyacinthe, Québec. It carries on production and bottling operations in the Province of Québec and other provinces in Canada.

Brights Wines Limited, incorporated in 1939, is wholly-owned and a retail subsidiary operating in Ontario. Retail locations include the following:

Belleville	Guelph	Niagara Falls	Peterborough	Sudbury
Burlington	Hamilton	Niagara-on-the-Lake	Pickering	Toronto
Cambridge	Kitchener	Oshawa	Sarnia	Windsor
Chatham	London	Ottawa	St. Catharines	







ENTRE-LACS  
11% alc./vol.  
750 ml  
DRY WHITE WINE  
VIN BLANC SEC  
OKANAGAN LAKE  
KASLO  
PENTAGON  
SICHA LAKE  
VALLEY LAKE  
OKANAGAN LAKE  
BRITISH COLUMBIA WINERIES TOAST THE WORLD  
EXPO 86  
THE 1986 WORLD EXPOSITION SELECTION  
OFFICIAL WINE

ENTRE-LACS  
12% alc./vol.  
750 ml  
DRY RED WINE  
VIN ROUGE SEC  
OKANAGAN LAKE  
KASLO  
PENTAGON  
SICHA LAKE  
VALLEY LAKE  
OKANAGAN LAKE  
BRITISH COLUMBIA WINERIES TOAST THE WORLD  
EXPO 86  
THE 1986 WORLD EXPOSITION SELECTION  
OFFICIAL WINE

ENTRE-LACS  
DRY WHITE WINE  
VIN BLANC SEC  
OKANAGAN LAKE  
KASLO  
PENTAGON  
SICHA LAKE  
VALLEY LAKE  
OKANAGAN LAKE  
BRITISH COLUMBIA WINERIES TOAST THE WORLD  
EXPO 86  
THE 1986 WORLD EXPOSITION SELECTION  
OFFICIAL WINE  
Litre  
11% alc./vol.  
BRITISH COLUMBIA WINERIES TOAST THE WORLD  
EXPO 86  
THE 1986 WORLD EXPOSITION SELECTION  
OFFICIAL WINE