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## Metlifecare change upsets

Metlifecare directors say it is business as usual for the retirement and nursing home operator after the sudden departure of the former managing director in a move which has upset minority shareholders.

Chairman Peter Fitzsimmons would not give reasons yesterday for Mark Russell's resignation on Friday. "I think everything that should have been said has been said and we don't want to enter into a dialogue over it."

Mr Fitzsimmons is understood to be taking on a more executive role until a new managing director is appointed.

There have been reports that Mr Russell fell out with 35 per cent-Metlifecare shareholder Todd Capital, over the company's direction. Todd's representative on the board, Robert Bryden, is overseas, but the other controlling shareholder, Auckland businessman Clifford Cook (who has a similar holding) said yesterday that Mr Russell's departure was not acrimonious.

The two parties have a five-year shareholding agreement.

Mr Russell's resignation has upset the two largest minority shareholders, New Zealand Funds Management and businessman Eric Watson, through Cullen Investments, who each own about 10% of the shares.

NZFM and Mr Watson recently signed a three-year agreement tying their holdings together. "We decided that combined, we have a better opportunity of having our views heard," said NZFM's equities manager Michael Lang from Auckland. He said they had not been told the reason for Mr Russell's departure, which had come as a surprise to them.

Mr Watson, who is also overseas, has said before that he would like to have a bigger say in how Metlifecare is run. He is already the controlling shareholder in ElderCare, another listed retirement home operator.

Mr Lang said Metlifecare's performance had not matched the potential provided by the quality of its buildings and geographic spread, with a focus on Auckland and Tauranga.

Mr Cook said the industry was not easy, partly because the slow general housing market meant many potential residents were not in a position to buy units.

Mr Watson and the Todd group last year paid about 240c for their shares, which are now trading at 159c.

Section: BUSINESS

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Sub-Topics: RETIREMENT ; AUCKLAND CITY ; NEW ZEALAND CITIES AND REGIONS

Biography: RUSSELL Mark

Corporate: TODD CAPITAL

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