# Creditor's Edge Newsletter

*The Latest News on the Financial Condition of the Nation's Businesses*

*Presented By:*

# Fairway Commercial Credit, Inc





### The Week of February 28th, 2005

## At Press Time

**Dana Corp.**, a Toledo, Oh. manufacturer of axles, driveshafts and other automotive components, reported a fourth quarter net loss of $133 million. The results included a $50 million loss from discontinued operations and an $83 million loss from continuing operations, including after-tax charges of $195 million. Sales rose 5.5%--to $2.2 billion. For the year, Dana's net income fell 63%--to $82 million, including a $13 million loss from discontinued operations. Its $95 million in income from continuing operations included a net gain of $15 million and an after-tax charge of $195 million. Fiscal sales increased 11%--to almost $9 billion.

**<u>TJX Cos. Inc.</u>**, a Framingham, Ma. offprice retailer, reported its fourth quarter net income fell 26%--to $177 million. Sales increased more than 5%--to $4.3 billion. For the year, TJX's net income inched up less than 1%--to $664 million, on a 12% increase in sales--to $14.9 billion. TJX owns the T.J. Maxx and Marshalls offprice retail chains.

# The Economic Outlook

The Commerce Department reported that **<u>housing starts jumped 4.7% in January</u>**, to a seasonally adjusted annual rate of nearly 2.2 million units. This is the highest monthly jump in housing starts in more than twenty years.

The Conference Board reported that its **<u>consumer confidence index fell to a measure of 104 in February</u>**, down from 105.1 in January. Still, the February reading was slightly higher than analysts had expected.

The Labor Department reported that its **<u>core wholesale price index rose 0.8% in January</u>**. Including prices for food and energy, prices rose 0.3%.

# Notes for Credit Executives

## BANKRUPTCY BILL MAKES IT TO THE SENATE FLOOR

The Senate Judiciary Committee yesterday approved the bankruptcy overhaul bill S. 256 by a vote of 12–5, with three of the committee's Democrats (Joseph Biden of Delaware, Dianne Feinstein of California and Herb Kohl of Wisconsin) voting with the Republicans. Chairman Arlen Specter (R–Pa.) did not attend the markup session as he was having a cancer treatment.

The committee accepted five amendments by voice vote and rejected several others, described below. Most amendments are being held for Senate floor action, which should begin during the week of Feb. 28. The Senate is in recess next week. The legislation, which traces its roots to 1997, is a priority for the Senate Republican leadership. However, a number of committee members signaled their vigorous opposition.

A major floor fight can be expected over the "Schumer amendment" excepting from discharge debts arising from protests at abortion clinics. Sen. Charles Schumer (D–N.Y.) told the committee he "will do everything [he] can to hold this bill up in any way until this amendment is in the bill." Sen. John Cornyn (R–Texas) announced that he plans to offer his bill to restrict a debtor's venue choice, so as to prevent a corporate debtor from filing in the place of incorporation, or where an affiliate is located. Other amendments will be offered on credit card disclosure, limits on marketing to young people, so-called predatory lending practices, waiver of the means test paperwork for those below median income, exemptions from the means test for those whose debts arise from health problems, relaxing the requirement that the consumer debtor's attorney investigate and verify the accuracy of schedules, exemptions from the bill’s rules for active military, and limits on the ability of corporate debtors to reduce pension and health benefits while in chapter 11, and more.

The committee adopted a few amendments by voice vote:

1. A Sarbanes–Oxley inspired amendment to clarify that any judgment, order or settlement agreement for violation of securities fraud law is not dischargeable.

2. To clarify that reasonable health and disability expenses are permitted to be considered as part of the means test for eligibility in chapter 7.

3. In cases where the trustee brings an action to recover a money judgment under Section 1409(b) of Title 28, to raise the dollar amount in question to $15,000 from the current $5,000 threshold.

4. An amendment to 11 U.S.C. 1104 on when a trustee is to be appointed in cases of suspected fraud; the agreed-upon language requires the U.S. Trustee to move for the appointment of a trustee under 1104(a) “if there are reasonable grounds to suspect that current members of the governing body of the debtor, the debtor’s chief executive or chief financial officer, or members of the governing body who selected the debtor’s chief executive or chief financial officer, participated in actual fraud, dishonesty or criminal conduct in the management of the debtor or the debtor’s public financial reporting.“ Thus, while the court appears to retain the discretion to determine whether the statutory grounds for a trustee appointment have been met, this language would appear to require the U.S. Trustee to move for an appointment on “reasonable grounds to suspect” the prohibited conduct.

5. An amendment limiting allowed administrative expenses under Section 503 of the Code for “key employee” compensation or “retention bonuses” absent a finding by the court that the services are “essential to the survival of the business,” the person has a “bona fide job offer from another business at the same or greater compensation” and the amount paid is not substantially in excess of the compensation given to non management employees. Severance payments to insiders would also be limited, as would transfers to consultants hired post-petition, where they were outside the ordinary course of business and “not justified by the facts and circumstances” of the case.

Among the amendments rejected yesterday were a “corporate abuse amendment” (Durbin/Kennedy) to limit stock payments and other insider deals and to enhance punishment for corporate insiders of bankrupt companies in cases of fraud; a move to strike certain of the small business amendments in Title IV of the bill (Feingold); an amendment to amend the term “disposable income” (Feingold) and an amendment to increase the homestead exemption for the elderly (Feingold).

# BANKRUPTCY NEWS

**Andover Industries Inc.**, a bankrupt Troy, Mi. maker of auto parts, is considering closing three manufacturing plants as part of its restructuring. The firm also hopes to change a bargaining agreement with more than 350 of its employees.

**Applied Production Solutions Inc.**, St. Charles, Mo., filed Chapter 7 in the U.S. Bankruptcy Court in St. Louis. The firm listed assets of only $48,000 and liabilities of nearly $1.2 million. The case number is 05-41216.

**APSCO Sales Corp.**, Denver, Co., filed Chapter 7 in the U.S. Bankruptcy Court in Colorado. The firm listed assets of only $91,000 and liabilities $1.7 million. respectively. The case number is 05-11534.

**Arbor House Associates LP**, Newton, Ma., filed Chapter 7 in the U.S. Bankruptcy Court in Boston. The company listed assets and liabilities of between $500,000 and $1 million each. The case number is 05-10527. Listed at the same address and also filing Chapter 7 was Hanson Gardens LP. Its case number is 05-10528.

**ATA Holdings Corp.**, the bankrupt Indianapolis, In. parent company of ATA Airlines, is cutting 267 jobs at its operations at Indianapolis International Airport. The job cuts, which will take place in April, include customer-service personnel, ramp agents and aircraft mechanics. ATA, which earlier said it would trim operations in Indianapolis and focus on Chicago, Il.'s O'Hare Airport, has 2,300 employees in Indianapolis and about 6,900 nationwide. Separtely, ATA reported losses of more than $100 million in 2004, largely because of high costs for fuel. ATA spent $146 million more on fuel in 2004 than it did in the previous year. In addition, ATA Airlines unit named John Denison as its new CEO. Mr. Denison had served for a month as ATA's co-chief restructuring officer. ATA, which is reorganizing under Chapter 11, recently said it would eliminate nearly 340 jobs.

**Awesome Sales & Service LLC**, Timonium, Md., filed Chapter 7 in the U.S. Bankruptcy Court in Baltimore. The firm listed assets and liabilities of $1.5 million and $1.3 million respectively.

**Awrey Bakeries Inc.**, Livonia, Mi., filed Chapter 11 in the U.S. Bankruptcy Court in Detroit. The firm listed assets and liabilities of $29.2 million each.

**Benchmark Consulting Group Inc.**, Bridgeville, Pa., filed Chapter 7 in the U.S. Bankruptcy Court in Pennsylvania. The company listed assets of less than $50,000 and liabilities of between $100,000 and $500,000. The case number is 05-20903.

**Best for Less Inc.**, Farmington, Pa., filed Chapter 7 in the U.S. Bankruptcy Court in Pennsylvania. The firm listed assets of only about $100 and liabilities of $619,000. The case number is 05-20752.

**Britton Construction**, Grayslake, Il., filed Chapter 7 in the U.S. Bankruptcy Court in Chicago. No schedules were listed. The case number is 05-03935.

**Bullseye Imaging Inc.**/**Corpworks**, Gardena, Ca., filed Chapter 7 in the U.S. Bankruptcy Court in California. No schedules were listed. The case number is LA05-10961-ES. For further information contact the debtor's attorney, Henry Glowa, at 323-525-2700.

**Cadro-Cera Corp.**, Studio City, Ca., filed Chapter 7 in the U.S. Bankruptcy Court in California. The firm listed assets and liabilities of $106,000 and $577,000 respectively. The case number is SV05-10226-KL. The firm has no outside representation.

**Casa Leon Inc.**, a Torrance, Ca. furniture retailer, filed Chapter 7 in the U.S. Bankruptcy Court in California. The firm listed assets of less than $2,000 and liabilities of $734,000. The case number is LA05-11214-BB. For further information contact the debtor's attorney, Christopher Johnson, at 626-683-8869.

**Chemical Processing Inc.**, Detroit, Mi., filed Chapter 11 in the U.S. Bankruptcy Court in Detroit. The firm listed assets and liabilities of $460,000 and $1.1 million respectively.

**Christian Corps International Inc.**, Aurora, Co., filed Chapter 11 in the U.S. Bankruptcy Court in Colorado. The company listed assets of less than $50,000 and liabilities of between $500,000 and $1 million. The case number is 05-11708.

**Collateral One Mortgage Corp.**, Boca Raton, Fl., filed Chapter 7 in the U.S. Bankruptcy Court in Florida. No schedules were listed. The case number is 05-30422.

**Commercial Press Inc.**, Kent, Oh., filed Chapter 7 in the U.S. Bankruptcy Court in Cleveland. No schedules were listed. The case number is 05-50307.

**Diamond Meat Co.**, Palos Hills, Il., filed Chapter 7 in the U.S. Bankruptcy Court in Chicago. No schedules were listed. The case number is 05-03597.

**DVI Inc.**, a Bucks County, Pa. medical finance firm which filed Chapter 11 a year and a half ago, has decided to liquidate. According to a plan filed with the Securities and Exchange Commission, DVI expects to realize between $69 million and $84 million in asset sales, net of secured claims. Litigation recoveries will fall between $37 million and $124 million.

**Elco Home Fashions Inc.**, Hamilton, Ontario, filed for bankruptcy protection in the U.S. Bankruptcy Court in California. No schedules were listed. The case number is LA05-11227-ES. For further information contact the debtor's attorney, Giovanni Orantes, at 213-624-2500. Back in December the company filed for bankruptcy protection under Canadian law in Ontario, Canada under case number 32-148770.

**Falcon Products Inc.**, a St. Louis, Mo. maker of commercial furniture which recently filed Chapter 11, listed consolidated assets and liabilities of more than $100 million each. Its case number is 05-41108, in the U.S. Bankruptcy Court in St. Louis. Being jointly administered with the Falcon Products filing are the Chapter 11 filings of Sellers & Josephson Inc., Johnson Industries Inc., Falcon Cos. International Inc., Howe Furniture, Falcon Holdings Inc., Shelby Williams Industries Inc., Madison Furniture Industries Inc. and Epic Furniture Group Inc.

**Federal-Mogul Corp.**, Southfield, Mi., reported sales for its quarter ended 12/31 of $1.5 billion, up 10% from the year-earlier quarter. For the twelve months the company had sales of nearly $6.2 billion, a 12% increase from the previous year.

**Gadzooks Inc.**, a bankrupt Carrollton, Tx. retailer of teenwear, agreed to be bought by Forever 21, a women's-apparel chain, following Forever 21's auction bid of more than $33 million in the U.S. Bankruptcy Court. The acquisition includes Gadzooks's 243 stores and its operating assets. Since filing Chapter 11 last year, Gadzooks has closed 125 stores and slashed its payroll by 1,300 employees. Forever 21, a closely-held Los Angeles, Ca.-based retailer, operates more than 200 retail locations and has annual sales of $640 million.

**GGC LLC**, Allison Park, Pa., had an involuntary Chapter 7 bankruptcy petition filed against it in the U.S. Bankruptcy Court in Pennsylvania. No schedules were listed. The case number is 05-21071.

**Hawaiian Village Inn of Florida Inc.**, Kissimmee, Fl., filed Chapter 7 in the U.S. Bankruptcy Court in Orlando. The firm listed assets of only $220 and liabilities of more than $640,000. The case number is 05-00672.

**Hickman Mills Inc.**, Dyersburg, Tn., filed Chapter 11 in the U.S. Bankruptcy Court in Memphis. The company listed assets and liabilities of between $1 million and $10 million each. The case number is 05-21386.

**Impath Inc.** has seen a 3/15 hearing scheduled to consider confirmation of the reorganization plan in its Chapter 11 bankruptcy. For further information contact the debtor's attorney, Weil, Gotshal & Manges LLP, at 212-310-8000.

**Kaiser Aluminum Corp.** filed its second amended joint liquidating plan and related disclosure statement for its Kaiser Alumina Australian Corp. and Kaiser Finance Corp. businesses.

**KBK Foods Inc.**, Waukesha, Wi., filed Chapter 11 in the U.S. Bankruptcy Court in Milwaukee. The firm listed assets and liabilities of $586,000 and $1.5 million respectively. The case number is 05-21235.

**Lafayette Tech Center LLC**, Lafayette, Co., filed Chapter 11 in the U.S. Bankruptcy Court in Colorado. The company listed assets and liabilities of between $1 million and $10 million each. The case number is 05-11707.

**Lendzions Inc.**, New Haven, Mi., filed Chapter 7 in the U.S. Bankruptcy Court in Detroit. No schedules were listed.

**Lionel LLC**, the Chesterfield, Mo.-based maker of toy trains, received approval from the U.S. Bankruptcy Court for a $60 million line of credit from Wachovia Bank N.A. and Guggenheim Funding Corp. The money will be used for marketing, working capital and debt refinancing. Meanwhile, Lionel is appealing a $40 million judgement that was entered against it last summer in favor of Mike's Train House Inc., which forced Lionel to file for bankruptcy protection last November.

**Mail2Media Inc.**, Royal Oak, Mi., filed Chapter 11 in the U.S. Bankruptcy Court in Detroit. No schedules were listed.

**Mirant Corp.** has seen a 4/20 hearing scheduled to consider the disclosure statement in its Chapter 11 bankruptcy. For further information contact the debtor's attorney, Thomas Lauria, at 305-371-2700.

**Penn Traffic Co.**, a Syracuse, N.Y.-based supermarket chain, has seen a 3/17 hearing scheduled to consider confirmation of the reorganization plan in its Chapter 11 bankruptcy. For further information contact the U.S. Bankruptcy Court for the Southern District of New York at 212-668-2870.

**Raytech Corp.** has seen a 3/8 hearing scheduled to consider the sale of certain stock in its Chapter 11 bankruptcy. For further information contact the U.S. Bankruptcy Court at 203-579-5808.

**Reality Fashion Inc.**, Plantation, Fl., filed Chapter 7 in the U.S. Bankruptcy Court in Florida. No schedules were listed. The case number is 05-20575.

**Resource Trading & Brokerage**, Chicago, Il., filed Chapter 7 in the U.S. Bankruptcy Court in Chicago. No schedules were listed. The case number is 05-03221.

**Robinson Paint Supply Co.**, Little Rock, Ar., filed Chapter 11 in the U.S. Bankruptcy Court in Little Rock. The company listed assets of between $100,000 and $500,000 and liabilities of between $500,000 and $1 million. The case number is 05-11152.

**Rossi Construction Inc.**, Shingle Springs, Ca., filed Chapter 7 in the U.S. Bankruptcy Court in California. The firm listed assets and liabilities of $1.5 million and $1.6 million respectively. The case number is 05-20656-C-7.

**Spiegel Inc.**, Downers Grove, Il., filed its bankruptcy reorganization plan, which calls for closing thirty-four of its Eddie Bauer furniture stores and cutting its payroll by 8%. Spiegel itself, with a value of $865 million under the reorganization plan, will be handed over to creditors and renamed Eddie Bauer Holdings. Otto GmbH, the German company, will no longer own Spiegel and is likely to forgo repayment of some $160 million in loans it made to Spiegel. Unsecured creditors, owed more than $1.3 billion, will get all of the common shares of Eddie Bauer Holdings, which results in a repayment to unsecured creditors of 90 cents on the dollar. Under Chapter 11 reorganization, Spiegel has sold off its trademark Spiegel catalog business and its Newport News direct-marketing unit, now hoping to emerge from bankruptcy protection with Eddie Bauer as a standalone operation headquartered in Redmond, Wa.

**Steel City Textiles Inc.**, Pittsburgh, Pa., filed Chapter 7 in the U.S. Bankruptcy Court in Pennsylvania. The company listed assets of less than $50,000 and liabilities of between $100,000 and $500,000. The case number is 05-21025.

**Stohr Racing Cars LLC**, Portland, Or., filed Chapter 11 in the U.S. Bankruptcy Court in Portland. No schedules were listed. The case number is 05-30754.

**Summit Textile Mfg. Co. Inc.**, Los Angeles, Ca., filed Chapter 11 in the U.S. Bankruptcy Court in California. No schedules were listed. The case number is LA05-11182-VZ. For further information contact the debtor's attorney, Dana Gail Cornblatt, at 561-620-1090.

**Sylvan Golf Centers Inc.**, Fountainville, Pa., filed Chapter 11 in the U.S. Bankruptcy Court in Philadelphia. The company listed assets and liabilities of between $1 million and $10 million each. The case number is 05-11436.

**THCR/LP Corp.** has seen a 4/5 hearing scheduled to consider confirmation of the reorganization plan in its Chapter 11 bankruptcy. For further information contact the U.S. Bankruptcy Court in New Jersey at 201-645-3930.

**Three Rivers Produce LLC**, Rifle, Co., filed Chapter 7 in the U.S. Bankruptcy Court in Colorado. The firm listed assets of only $6,000 liabilities of more than $900,000. The case number is 05-11784.

**Trico Marine Services Inc.** won an exit financing facility through senior secured lenders valued at $75 million. Trico is hoping to emerge from Chapter 11 by 3/15.

**Ultimate Electronics Inc.**, a Thornton, Co. seller of home-entertainment systems, said that Mark Wattles, its chairman and 54%-owner, will become chief executive officer. Mr. Wattles recently resigned as chairman and chief executive officer of Hollywood Entertainment, the Oregon-based chain of videostores. He bought up a more than 30% chunk of Ultimate Electronics shortly after it filed for bankruptcy protection last month. In addition, Ultimate Electronics' stock price tanked after the retailer said that following its reorganization most of its publicly traded common shares will be worthless. Separately, the company said that sales for its quarter ended 1/31 fell more than 19%--to $196 million.

**United Airlines** received approval from the U.S. Bankruptcy Court for a deal between the carrier and its lenders that extends its temporary financing by three months, until 9/30. The loan, through J.P. Morgan Chase & Co., Citigroup Inc., CIT Group and GE Capital, has lightened terms, including lower interest rates and reduced minimum cash requirements. Separately, the court ruled that the Chicago, Il. company may not suspend part of its pension payments for retired pilots as the company continues resolving disputes over the future of its retirement benefits. Also, United put back its planned emergence from bankruptcy protection from summer this year until the fall. The delay was formally noted when the U.S. Bankruptcy Court approved an agreement between the airline and its lenders that extends certain temporary financing arrangements.

**US Airways Group Inc.**, Arlington, Va., reached a deal for a $125 million equity investment from East Shore Aviation, an investment unit of Air Wisconsin.

**Venture Holdings Co. LLC** has seen a 4/6 hearing scheduled to consider the sale of certain assets in its Chapter 11 bankruptcy. For further information contact the debtor's attorney, Steven Towbin, at 312-541-0151.

**Visible Solutions Inc.**, Westlake, Oh., filed Chapter 11 in the U.S. Bankruptcy Court in Cleveland. No schedules were listed. The case number is 05-10984.

**Winn-Dixie Stores Inc.** will use its Chapter 11 filing to reorganize and improve its operations, reduce costs and increase its stores' productivity. The Jacksonville, Fl.-based grocery-store chain will seek the U.S. Bankruptcy Court approval to end two warehouse leases and the leases of 150 stores that it earlier closed, hoping to yield savings of about $60 million. Winn-Dixie, which has already begun paring down by selling manufacturing assets, also wants to sell the remainder of its manufacturing operations. The company, which filed for bankruptcy protection along with twenty-three of its U.S. subsidiaries in the U.S. Bankruptcy Court in Manhattan, N.Y., intends on keeping its 920 stores open. As part of its reorganization, the company arranged an $800 million financing package from Wachovia Bank.

**Y&C Medical Service Inc.**, Hialeah, Fl., filed Chapter 7 in the U.S. Bankruptcy Court in Florida. No schedules were listed. The case number is 05-10716.

# COMPUTERS / ELECTRONICS

**Advanced Digital Information Corp.**, a Redmond, Wa. maker of automated tape libraries, reported a first quarter net loss of $270,000. Revenue declined 6%--to $110 million.

**August Technology Corp.**, a Bloomington,, Mn. maker of semiconductor-inspection equipment, reported a fourth quarter net loss of $370,000. Revenue rose 16%--to $16.7 million. For the year, it had net income of $800,000 on a 70% jump in revenue--to $68.4 million.

**Avanex Corp.**, a Fremont, Ca. maker of photonic components for telecom networks, reported a second quarter net loss of $24.4 million. Its operating loss of $24.4 million included extra charges of $4.1 million. Revenue rose 55%--to $41.9 million.

**Boohkam Inc.**, a San Jose, Ca. maker of transmitters, transponders and other communications gear, reported a second quarter net loss of $41.1 million. The results included nonrecurring charges of $7.9 million. Revenue rose 13%--to $45.8 million.

**Brooktrout Inc.**, a Needham, Ma. maker of electronic components for electronic messaging, data access and other products, reported its fourth quarter net fell 57%--to $860,000. Revenue declined 1%--to $22 million. For the year, it lost $1.5 million, including extra charges of $2.5 million related to writeoffs. Revenue rose 7.5%--to $80.3 million.

**Computer Horizons Corp.**, a Mountain Lakes, N.J. provider of information-technology services, reported a fourth quarter net loss of $24.3 million, including charges of $24.1 million. Revenue rose 10%--to $67.6 million. For the year, it lost $25.2 million, including charges of $23.1 million. Revenue rose 7%--to $262 million.

**Cypress Semiconductor Corp.**, a San Jose, Ca. chip maker, announced it will reduce its payroll by 200 employees (about 5% of its workforce), including thirty-one job cuts at its plant in Bloomington, Mn.

Cypress recently said that it missed earnings expectations for 2004's fourth quarter, although the company more recently got a boost when one analyst said that Cypress is well positioned for an anticipated uptick in the semiconductor industry this year.

**Digital Insight Corp.**, a Calabasas, Ca. provider of banking software, reported its fourth quarter net tumbled 89%--to $3.9 million. Revenue rose 16%--to $48.9 million. For the year, its net income sank 64%--to $16.7 million, on a 22% increase in revenue--to $189 million.

**Edgewater Technology**, a Wakefield, Ma. high-tech consulting firm, reported its fourth quarter net fell 32%--to $400,000. Its operating income for the period was $160,000. Revenue rose 16%--to $7.9 million. For the year, it lost $590,000, including an operating loss of $830,000. Revenue edged up 1%--to $25.3 million.

**Evans & Sutherland Computer Corp.**, Salt Lake City, Ut., reported its fourth quarter net fell 6%--to $1.4 million. Revenue declined 27%--to $18.7 million. For the year, it lost $8.9 million on an 18% decline in sales--to $69.2 million. The quarter included an extra gain of $3.7 million while the year included charges of $7.8 million.

**Input/Output Inc.**, a Stafford, Tx. maker of seismic data imaging and software systems, reported a fourth quarter net loss of $1.6 million. Revenue rose 54%--to $67.8 million. For the year, it lost nearly $3 million. Revenue rose 65%--to $247 million. The quarter included gains on asset sales of $586,000 million while the year included gains of nearly $4 million.

**Integic Corp.**, a Chantilly, Va. software company, entered into an agreement to be bought by defense contractor Northrop Grumman Corp. of Los Angeles, Ca. for an undisclosed amount.

**Intellisync Corp.**, a San Jose, Ca. maker of synchronization software, reported a second quarter net loss of $973,000, an improvement over a charge-laden loss of more than $3.2 million in the year-earlier quarter. Revenue jumped 63%--to $16.3 million. The company's software is used to access, exchange and synchronize data in computers, handheld devices and other products.
**Intuit Inc.**, a Mountain View, Ca. maker of tax-preparation and accounting software, reported its second quarter net income slipped 1%--to $147 million. Its operating income of $149 million included extra charges of $4.2 million. Revenue rose 5%--to $663 million.

**LTX Corp.**, a Westwood, Ma. manufacturer of semiconductor test equipment, announced it will reduce its payroll by 153 employees (25% of its workforce). The company recently forecast that it will lose money in its third quarter. Separately, LTX reported a second quarter net loss of $19.2 million. Revenue declined 54%--to $27 million.

**MIM Corp.**, an Elmsford, N.Y. provider of pharmacy-management services, reported its fourth quarter net increased 23%--to $1.2 million. Revenue also rose 23%--to $167 million. For the year, its income sank 23%--to $7 million, on a 7% revenue increase--to $631 million.

**Numerex Corp.**, an Atlanta, Ga. supplier of wireless equipment and software, reported a fourth quarter net loss of $260,000. Revenue rose 19%--to $6.3 million. For the year, it reported a loss of $2.1 million, including an extra gain of $250,000. Revenue rose 14%--to $23 million.

**PC-Tel Inc.**, a Chicago, Il. provider of wireless connectivity products and other equipment, reported its fourth quarter net sank 87%--to about $1.1 million. Revenue declined 16%--to $15.3 million. For the year, it lost $2.7 million on a 6% increase in revenue--to $48.2 million. The quarter included restructuring charges of $129,000 and extra gains of more than $500,000 mostly related to the sale of assets. The year included an asset-sale gain of $2 million.

**Perot Systems Corp.**'s stock price tumbled 15% after the Plano, Tx. information-technology services firm announced that it lost a large outsourcing contract with Harvard Pilgrim Health Care. That contract accounts for about 5.5% of Perot's revenue and gross profit.

**Ramtron International Corp.**, a Colorado Springs, Co. maker of random-access memory chips, reported its fourth quarter net fell 41%--to $340,000. Its operating income for the period was $320,000. Revenue rose 26%--to $14.4 million. For the year, it reported net income of $3.6 million, including operating income of $3.9 million. Revenue rose 44%--to $57.8 million.

**SPSS Inc.**, a Chicago, Il. supplier of software for data mining, statistical analysis and other purposes, reported its fourth quarter net declined 42%--to $3.6 million. Revenue rose 5%--to $60.5 million. For the year, its net fell 40%--to $5.5 million, on a 7.5% increase in revenue--to $224 million.

**Synopsys Inc.**, a Mountain View, Ca. make of chip-design software, reported a first quarter net loss of $14.6 million. The results included nonrecurring charges of $5.7 million related to how it booked certain sales. Revenue declined 15%--to $241 million.

**Vastera Inc.**, a Dulles, Va. provider of business software and services, reported a fourth quarter net loss of $740,000. Revenue rose 5%--to $22.2 million. For the year, Vastera lost $4.3 million on a 1% increase in revenue--to $86.1 million.

**Vicon Industries Inc.**, a Hauppauge, N.Y. maker and seller of video and closed-circuit television systems, reported a first quarter net loss of $740,000. Revenue rose 9%--to $15.6 million.

**Wilson Greatbatch Technologies Inc.**, a Clarence, N.Y. maker of batteries for medical devices, reported its fourth quarter net fell 59%--to $1.9 billion. Revenue declined 6%--to $46.5 million. For the year, its net fell 30%--to $16.3 million. Fiscal revenue fell 7.5%--to $200 million.

**Zarlink Semiconductor**, a Canadian manufacturer of communications electronic components, said it will trim its payroll by 150 positions and call off development of a digital video chip as it attempts to turn itself around and return to profitability. The company, based in Ottawa, Ontario, added that it will report a loss in its fourth quarter.

# RETAILERS, RESTAURANTS, MANUFACTURERS OF CONSUMER PRODUCTS

**Acuity Brands Inc.**, an Atlanta, Ga. manufacturer of lighting fixtures, announced it will reduce its payroll by 1,100 employees (about 10% of its workforce). The move, aimed at saving $50 million in annual costs by the end of this year, will result in pretax expenses of $17 million, to be recorded in its second quarter. Acuity said that it has suffered from higher raw-material costs and slowed sales of its products at home-improvement retailers.

**Armanino Foods of Distinction Inc.**, a Hayward, Ca. maker of Italian-style frozen-food products, reported its fourth quarter net fell 49%--to $80,000. Revenue declined 5%--to $3.4 million. For the year, its net rose 17%--to $320,000 on a 3% drop in revenue--to $13.1 million.

**A.T. Cross Co.**, a Lincoln, R.I. maker of pens, reported its fourth quarter net fell 14%--to $1.8 million. Revenue rose 5%--to $41 million. For the year, it lost $850,000, on a 2.5% revenue increase--to nearly $130 million. The results included restructuring charges of $453,000 in the quarter and $2.3 million in the year.

**Atlanta Cars Magazine** is reportedly being acquired by Manhattan, N.Y. publisher Primedia Inc. for an undisclosed amount.

**Blockbuster Inc.**, the Dallas, Tx.-based chain of video-rental stores, was sued by the state of New Jersey, which is charging the company with failing to disclose a new policy on late-return fees. The litigation seeks restitution for certain customers that were charged the late fees. The dispute concerns a store policy whereby late rentals are not convertible to sales if they're more than eight days late. Blockbuster contends that it gave its customers sufficient warning.

**Bluefly Inc.**, a Manhattan, N.Y. online seller of closeout apparel, reported its fourth quarter net tumbled 94%--to only $7,000. Revenue rose 4%--to $14.5 million. For the year, it lost nearly $3.8 million. Revenue rose 15%--to $43.8 million.

**Brown-Forman Corp.**, Louisville, Ky., retained Goldman, Sachs & Co. to help it explore business alternatives for its Lenox unit. Options for Lenox, a china and crystal division, include a possible sale. Separately, Brown-Forman said its third quarter profit rose 19%--to $96.1 million. The results included a special pretax gain of $73.5 million on the sale of an investment and a pretax charge of $37 million for asset impairment related to Lenox's retail operations and other items. Revenue, boosted by strong sales of its Jack Daniel's, Southern Comfort and other liquor products, rose 9%--to $758 million.

**Campbell Soup Co.**, Camden, N.J., reported second quarter net income of $235 million, about the same as in last year's second quarter and short of analysts' expectations. The company blamed weak soup sales and more promotional spending. Sales in the quarter increased 6%--to $2.2 billion,.

**Clark Super Markets Inc.**, Pittsburgh, Pa., had a $59,000 state of Pennsylvania tax lien filed against it.

**Coca-Cola Enterprises Inc.** of Atlanta, Ga., the biggest bottler of Coca-Cola beverages, reported its fourth quarter net fell 36%--to $82 million. Sales rose 2%--to $4.4 billion. For the year, its net dropped 12%--to $596 million, on a 5% sales decline--to $18.2 billion.

**Coolbrands International Inc.**, a Markham, Ontario ice-cream company, plans to stop making certain low-calorie products produced by Weight Watchers International Inc. of Woodbury, N.Y. in order to settle a contract dispute.

**CSM**, a Netherlands-based company that supplies ingredients for bakeries, is selling four of its distribution units in the U.S. and closing an office in Schaumburg, Il. The restructuring will result in the loss of 148 jobs.

**Drugstore.com Inc.**, a Bellevue, Wa. Internet drug company, is dealing with disappointing results at an acquired unit. A year ago, the company said that, powered by its purchase of International Vision Direct Corp. contact-lens-selling unit, it would grow 20% and break even for 2004, on a pretax basis. But profits haven't met expectations, and in fact, rather than growing, Vision Direct's sales fell 12% in the second half of 2004 from the first half. While some are blaming the problems on new federal regulations that urge customers to buy lenses from doctors, some analysts are calling for drugstore.com to cut its losses and sell off the Vision Direct unit.

**General Motors Corp.**, Detroit, Mi., got news from Europe, saying that registrations of GM cars in that market increased 4.2% in January. The news is particularly good since overall new-car registrations in Europe slipped nearly 1% during the month.

**George F. Cram Co.**, a privately-held 139-year-old Indianapolis, In. maker of globes and maps, is reportedly being bought by Herff Jones Inc., a crosstown company that makes school-related products, for an undisclosed amount. Cram has been a leading maker of globes and maps for schools and retailers across the U.S. and recently has been expanding globally. The company now exports its products to twenty-five countries, with globes printed in such languages as French, Spanish and Chinese. Privately-held Cram doesn't reveal finances, but Herff Jones had sales in 2003 of $419 million.

**Green Mountain Coffee Roasters Inc.**, a Waterbury, Vt. wholesale coffee roaster, reported its first quarter net fell 7%--to $2.4 million. Revenue rose 16%--to $50.4 million.

**Hanover Direct Inc.**, an Edgewater, N.J. catalog and mail-order firm, said that it will sell its Gump's department store in San Francisco, Ca. to an investment group for an undisclosed amount.

**Hollywood Entertainment Corp.**'s board is urging that its shareholders rebuff Blockbuster Inc.'s $14.50-a-share takeover offer, as a result of expected antitrust difficulties that would be involved with a Blockbuster/Hollywood merger. Hollywood, headquartered in Wilsonville, Or., has already agreed to a deal to be bought by Movie Gallery Inc. of Dothan, Al. for $13.25 a share. Meanwhile, Movie Gallery it urging shareholders of Hollywood to accept the Movie Gallery offer.

**Jarden Corp.**, a Rye, N.Y. maker of kitchen gear, camping equipment and other products, reported a fourth quarter net loss of $3.4 million. Revenue rose 24%--to $237 million. For the year, its net income rose 34%--to $42.4 million, on a 43% increase in revenue--to $839 million.

**Jays Potato Chips**, Chicago, Il., is adding three more products in an effort to boost its marketshare. This is the second time that Jays, which sells in eight states in the Midwest, has added new products since it was bought out last year. The firm, which was once the leader in the Chicago market, has been struggling with the competition from snack-food giant Frito-Lay, a unit of PepsiCo Inc. of Purchase, N.Y. A year ago, Jays was bought out of bankruptcy protection by a group that included businessman Tim Healy and Willis Stein & Partners for $30 million.

**J.L. Goodman Furniture Co.**, a family-run Newburgh Heights, Oh. firm, hopes to achieve success by focusing on its core mattress operations. J.L. Goodman is launching its first new product in seventy-five years through its White Dove business, which sells mattresses. Goodman has undertaken significant marketing to promote White Dove's SleepLogic mattress nationwide, following a five-year development. A decade ago, Goodman had to retrench and had to close its five local furniture stores as a result of declining sales.

**Jones Apparel Group Inc.**, the Bristol, Pa. apparel designer, reported its fourth quarter net fell 18%--to $34.1 million. Sales rose 10%--to $1.1 billion. For the year, its net declined 8%--to $302 million, on a 6% sales increase--to nearly $4.7 billion.

**Kohl's Corp.**, the Menonomee Falls. Wi. operator of department stores, said it will restate results going back as far as 1998 and extending through the first three quarters of 2004 in order to accommodate changes in the way it accounts for certain leasing transactions.

**Kraft Foods Inc.** told analysts at a conference in Arizona that it aims to establish leadership in four global food categories, while it continues trimming down its wide-ranging portfolio of food brands. The Northfield, Il. firm's CEO, Roger Deromedi, said Kraft will focus on cheese and dairy, biscuits, coffee and specialty beverages, which together account for about 53% of the firm's revenue. Also in its powdered-drinks, pizza and other units it will focus on fewer but bigger new products. Recently Kraft agreed to sell off its LifeSavers, CremeSavers and Altoids candy businesses to Wm. Wrigley Jr. Co. of Chicago for nearly $1.5 billion. A number of other smaller divestitures have also been announced.

**Land O'Lakes Inc.**, the Arden Hills, Mn. dairy cooperative, entered into a deal to sell nearly all of its swine-production assets to Maschhoffs Inc., a century-old family-owned pork-production management firm in Clinton County, Il., for an undisclosed amount.

**Levi Strauss & Co.** reported a fourth quarter loss of $19.4 million, a sharp improvement over its $245 million loss in the year-earlier period. Sales slipped 3%--to about $1.2 billion. The results reflect a turnaround at the San Francisco, Ca. jeanswear maker, which under direction from turnaround firm Alvarez & Marsala has lowered salaries and healthcare expenses as the company also reduced its product lines by jettisoning unprofitable lines and focusing on its core products. Levi Strauss foresees a stronger 2005, although continuing trimming of its product lines will likely results in lower revenue. For all of 2004, the company reported net income of $30 million, compared to a year-ago loss of $349 million, on a slight decline in sales--to just under $4.1 billion.

**Lithia Motors Inc.**, a Medford, Or. seller of motor vehicles, reported its fourth quarter net slipped 1%--to almost $9.9 million, including operating income of $9.9 million. Sales rose more than 9%--to $670 million. For the year its net income increased 20%--to $42.7 million, including operating income of $42.6 million. Fiscal sales also rose more than 9%--to $2.7 billion.

**Lucille Farms Inc.**, a Montville, N.J. maker of cheese products for foodservice and food-manufacturing companies, reported a third quarter net loss of $600,000. Revenue rose 7%--to $11.6 million.

**Masonite International Corp.**, a Mississauga, Ontario manufacturer of doors, received a sweetened offer to be acquired by Kohlberg Kravis Roberts & Co. of Manhattan, N.Y. for nearly $1.9 billion. This is about 5% higher than an earlier KKR offer. It's reported that two big holders of Masonite's shares, Eminent Partners and the Ontario Teachers' Pension Fund, are supportive of the higher bid.

**May Department Stores Co.** of St. Louis, Mo. has resumed merger talks with Cincinnati, Oh.-based **Federated Department Stores Inc.** The two companies had been in merger negotiations until recently, but talks broke down over the issue of price. It's now believed that the two department-store operators differ by no more than $2 a share on a merger price. Analysts expect that a merger will take place at a price somewhere in the range of $36 to $40 a share.

**Mitsubishi Motors Corp.**, the financially troubled Japanese carmaker, is denying an earlier report that it has put its U.S. operations on the selling block. Mitsubishi, whose U.S. operations include a manufacturing facility in Normal, Il., will attempt a turnaround, according to the plan announced about a month ago. There had been some reports that Mitsubishi's president was meeting with representatives from investment concern Ripplewood Holdings LLC and manufacturer Magna International concerning a possible sale. Last month Mitsubishi arranged more than $5 billion in emergency money from several of its sister Mitsubishi companies in Japan.

**Northland Cranberries**, Wisconsin Rapids, Wi., sold its branded-juice operations to Apple & Eve, a Port Washington, N.Y.-based juice company, for $10.8 million.

**Oshkosh B'Gosh Inc.**, an Oshkosh, Wi. maker of children's apparel, asked Goldman Sachs Group, its financial adviser, to help it explore strategic alternatives, including putting the company up for sale. Oshkosh added that it trimmed its board from nine to seven members in an attempt to ensure that it has a majority of independent directors as it considers its options.

**Outback Steakhouse Inc.**, a Tampa, Fl. restaurant chain, reported its fourth quarter net fell 15%--to $38.7 million. Revenue rose 18%--to $846 million. For the year, its net slipped 6%--to $159 million, including impairment charges of $2.4 million. Revenue rose 20%--to $3.3 billion. Outback Steakhouse operates more than 1,000 casual-dining restaurants.

**PC Mall Inc.**, a Torrance, Ca. direct-mail seller of computers and related products, reported a fourth quarter net loss of $42,000, compared to net income of $1.1 million in the year-earlier period. Sales rose 12%--to $325 million. For the year its net income fell 67%--to $1 million, on a 19% increase in revenue--to almost $1.2 billion. The quarter included pretax charges of $1.8 million while the year included extra charges of $2.9 million.

**RadioShack Corp.**, a Fort Worth, Tx. retailer of consumer electronics, reported its fourth quarter net increased 3%--to $131 million. Sales were up 7%--to $1.6 billion. For the year, its net income increased 13%--to $337 million. Sales for the year increased 4%--to $4.8 billion.

**RC2 Corp.**, an Oak Brook, Il. maker of die-cast car and truck replicas, reported its fourth quarter net fell 30%--to $10.9 million. Revenue rose 39%--to $140 million. For the year, its net income fell 12%--to $34 million, on a 23% increase in revenue--to $381 million.

**SCP Pool Corp.**, a Covington, La. wholesale distributor of pool supplies, reported a fourth quarter net loss of $2.7 million. Sales were up 11%--to $210 million. For the year, its net income jumped 32%--to $66.9 million, on a 13% increase in sales--to $1.3 billion.

**Sears, Roebuck and Co.** of Hoffman Estates, Il. and **Kmart Holding Corp.** of Troy, Mi. are holding special shareholders' meetings on 3/24 to vote on a plan for the two big retailers to merge in an $11 billion deal.

**Sharper Image Corp.**, a San Francisco, Ca. specialty retailer, said that it hired Jeff Nachbor as its chief financial officer. Mr. Nachbor earlier served as senior vice president and controller at office-supplies retailer Staples Inc. He fills a hole left by his predecessor, Jeff Forgan, who resigned back in November. Sharper Image has been trying to reduce costs and sell inventory, recently projecting a first quarter loss of up to 32 cents a share. The firm's president recently predicted that the retailer would lose money for 2005's first three quarters.

**Smart & Final Inc.**, a Los Angeles, Ca. warehouse food retailing concern, reported its fourth quarter net fell 47%--to $4.2 million, including operating income of $4.6 million. Sales increased 6%--to $471 million. For the year, the retailer reported net income of $30.2 million, including operating income of $31.5 million. Sales rose 13%--to just under $2 billion.

**Stamps.com Inc.**, a California-based online seller of postage stamps, reported fourth quarter net income of nearly $1.5 million. Revenue jumped 83%--to $11.7 million. For the year, it lost $4.7 million, including a $987,000 charge related to the disposal of assets. Revenue rose 80%--to $38.1 million.

**Starbucks Corp.** completed its review of certain lease accounting, deciding that it hadn't been consistent with generally accepted principles of accounting. The Seattle, Wa. coffeehouse chain will have to restate results for 2002 through 2004 by reducing earnings for that period by $12.6 million. Separately, in a move to go beyond its caffeine and muffin products, the company said that it will team up with Jim Beam Brands, a unit of Fortune Brands, to develop an alcoholic coffee beverage. The plan is one of a number of moves aimed at diversifying its products, including current experiments with offering breakfast sandwiches at its coffeeshops and making other menu additions.

**Wal-Mart Stores Inc.**'s fiscal 2004 sales of $288 billion make the Bentonville, Ar. retailer the top revenue generator among U.S. corporations, but some numbers point to some weakness at the discount giant. Economic concerns and high gas prices have slowed sales, and while grocery revenue continues steady, sales of more-profitable items like sporting goods and electronics have dropped. Wal-Mart has also been facing higher expenses and its profits are more and more coming from sources other than its core retail stores, such as its MoneyGram and check-cashing services. Further, while its net income last year rose 13%--to nearly $10.3 billion, same-store sales rose 3.3%, including a 2.9% increase at its Wal-Mart locations and a 5.8% increase at its Sam's Club warehouse unit. The company has vowed to continue working to lower operating expenses.

**Wendy's International Inc.**, Dublin, Oh., is forecasting higher earnings for 2005, citing strong sales at its restaurants and better results from its Baja Fresh Mexican Grill chain. However, Wendy's prediction of 2005 earnings of between $2.17 and $2.23 a share, not including charges, fell short of Wall Street expectations.

**Wild Oats Market Inc.**, a Boulder, Co.-based grocery chain, reported a fourth quarter net loss of $3.8 million. Sales rose 11%--to $282 million. For the year, the natural-foods company lost $7.1 million on an 8% increase in sales--to more than $1 billion. The quarter included extra charges of $269,000 while the year included charges of $2.7 million.

# INDUSTRIAL MANUFACTURERS, NATURAL RESOURCES

## AND ENERGY FIRMS

**Advanced Energy Industries Inc.**, a Fort Collins, Co. manufacturer of power conversion and control products, reported a fourth quarter net loss of $23 million. Revenue rose 18%--to $88.4 million. For the year, it lost $12.7 million, while revenue rose 51%--to $395 million. The quarter included charges of nearly $7 million while the year included charges of $7.2 million related to impairment and restructuring.

**Advanced Lighting Technologies**, Solon, Oh., is shutting down its Canadian plant in Amherst, Nova Scotia and cutting its workforce by 10%. Advanced's products are used in gas stations and stores.

**Allegheny Energy Inc.**, a Greensburg, Pa. electricity company, reported fourth quarter net income of $72.4 million. Its operating income of $81.3 million included an extra gain of $94.8 million. Sales rose more than 3%--to $689 million. For the year, the firm lost $311 million, including operating income of $130 million. Revenue jumped 26%--to $2.8 billion. The fiscal results also included a gain of $94.8 million.

**ArvinMeritor Inc.**, a Troy, Mi. automotive supplier, plans to reduce its salaried payroll by 400 positions this year, while also selling or closing unprofitable manufacturing operations.

**Ballard Power Systems Inc.**, Burnaby, British Columbia, reported a fourth quarter net loss of $55.1 million. Revenue declined 30%--to $20.5 million. For the year, it lost $175 million on a 32% drop in revenue--to $81.4 million. The quarter included charges of $16.3 million while the year included charges of $40.7 million. The Canadian company develops power technology to serve as alternatives to traditional combustion engines.

**Barnes Group Inc.**, a Bristol, Ct. supplier of springs, fasteners, sealants and other products, reported its fourth quarter net fell 53%--to $3.3 million. Revenue rose 14%--to $252 million. For the year, its net income edged up 1%--to $33.4 million, on a 12% revenue increase--to $995 million.

**BE Aerospace Inc.**, a Wellington, Fl. maker of cabin components for aircraft, reported a fourth quarter net loss of $9.3 million. Revenue rose 16%--to $190 million. For the year, the company lost $22 million on a 17% increase in revenue--to $734 million. Both the quarterly and fiscal results included an $8.8 million loss related to the extinguishment of debt.

**Cambior Inc.**, a Longueuil, Quebec gold-mining company, reported a fourth quarter net loss of $76.7 million, compared to net income of $4.6 million in the year-ago quarter. Revenue rose nearly 40%--to $81.9 million. For the year it lost $73.8 million on a 55% jump in revenue--to $301 million. The quarter and year both included writedowns of $73.2 million.

**Circor International Inc.**, a Burlington, Ma. manufacturer of fluid-control equipment, reported its fourth quarter net tumbled 98%--to $130,000. Revenue rose 11%--to $107 million. For the year, its net fell 34%--to $11.8 million, on a 6% increase in revenue--to $381 million.

**DTE Energy Co.**, a Detroit, Mi. electric utility, said it would buy back as much as $700 million in common stock over the next three years.

**El Paso Electric Co.**, an El Paso, Tx. electricity distributor, reported a fourth quarter net loss of $1.2 million. This compares with net income of $2.2 million in the year-earlier period. Revenue rose 3%--to $103 million. For the year, its net income fell 41%--to $35.2 million. Revenue edged up nearly 1%--to $448 million.

**Exelon Corp.**, a Chicago, Il. power company, said that it will exchange or sell some of its power-generation capacity in order to gain approval from regulators for its plan to merge with Public Service Enterprise Groups Inc. of Newark N.J. Pending approval by regulators, the $13 billion deal is expected to be wrapped up in the first quarter of next year. The two companies have said that their merger will result in up to 1,500 layoffs, or about 5% of their combined payroll.

**Goldcorp.**, a Toronto, Ontario-based mining company, reported its fourth quarter net income declined 65%--to $15 million. Revenue fell 53%--to $51.9 million. For the year its net income fell 48%--to $51.3 million, on a 27% decline in revenue--to $191 million.

**Hanover Compressor Co.**, Houston, Tx., reported a fourth quarter net loss of $20.2 million, an improvement over its $36.4 million loss in the year-earlier period. Its recent $26.2 million loss from continuing operations included an extra gain of $260,000. Revenue rose 18%--to $310 million. For the year, the company lost $44 million. Its fiscal $54.1 million loss from continuing operations included an extra litigation-related gain of $4.2 million. Revenue for the year rose 11%--to $1.2 billion. Hanover rents and repairs compressors and provides gas-compression services for the oil and gas industry.

**Hecla Mining Co.**, a Coeur d'Alene, Id. mining company, reported a fourth quarter net loss of $3.8 million, compared to a profit of $2.2 million in the year-earlier period. Revenue declined 9%--to $28.7 million. For the year, it lost $6.1 million, on a 12% increase in revenue--to $131 million.

**Honeywell International Inc.**, the New Jersey-based industrial manufacturer, is taking pretax charges of $278 million in its fourth quarter to cover costs for cleaning up chromium residue in Jersey City, N.J. The company recently reported fiscal 2004 net income of nearly $1.5 billion on revenue of $25.6 billion, including net income of $419 million in the fourth quarter.

**Kadant Inc.**, an Acton, Ma. maker of paper-recycling equipment, reported a fourth quarter net loss of $5.3 million, including an operating loss of $4.8 million. Revenue declined 6%--to $45.9 million. For the year, its net sank 94%--to $650,000, including operating income of mor than $5.7 million. Revenue rose 2%--to $195 million. Both the quarter and year included restructuring charges of $9.5 million.

**Kerr-McGee Corp.**, the big Oklahoma City, Ok. oil, gas and chemicals company, reported that a team including financier Carl Icahn and a related partnership announced that they plan to buy up to $500 million of its stock. Kerr-McGee saw its stock price bumped up 4% on the news.

**PG&E Corp.**, the San Francisco, Ca. energy firm, reported its fourth quarter net income jumped to $871 million, boosted by a $684 million gain from selling off its interest in an energy unit. The results compare with net income of $37 million in the year-earlier period. Revenue increased 20%--to nearly $3 billion. The company also benefitted from colder-than-average weather and higher rate for electricity transmission.

**Progress Energy**, Raleigh, N.C., is selling its Progress Rail railroad-equipment-repair unit in Albertville, Al. to One Equity Partners, a unit of J.P. Morgan Chase & Co. Of Manhattan, N.Y., in a deal valued at $405 million. Proceeds from the sale of Progress Rail, which has 3,500 employees and annual revenue of $1.1 billion, will be used to lower Progress Energy’s debtload.

**Spartan Motors Inc.**, a Charlotte, Mi. maker of heavy-duty chassis and other products, reported its fourth quarter net declined 68%--to $400,000, including operating income of $400,000. Revenue rose 32%--to $80.3 million. For the year, its net slipped 3%--to $5.9 million, including operating income of $5.9 million. Fiscal sales also rose 32%--to $312 million.

**Starcraft Corp.**, a Goshen, In. firm that upgrades vehicle parts, reported its first quarter net plummeted 89%--to $140,000. Revenue rose 6%--to $46.3 million.

**Superior Industries International Inc.**, a Van Nuys, Ca. maker of auto wheels and aluminum accessories, reported its fourth quarter net fell 48%--to $11.9 million. Sales rose nearly 2%--to $235 million. For the year, its net income sank 39%--to $44.7 million, on a 7% increase in sales--to $902 million.

**Sytex Group**, a Doylestown, Pa. seller of technology and training service for federal agencies, is being bought by Lockheed Martin Corp., the Bethesda, Md. defense contractor, for $462 million. The purchase of Sytex, which had sales last year of $425 million, is aimed at boosting Lockheed's information-technology business. The acquisition is expected to be completed early this year.

**Textron Inc.**'s Lycoming unit was ordered by a jury in Texas to pay damages of $96 million, following a finding that Lycoming designed defective plane engines and defrauded a subcontractor in order to try to hide mechanical problems that led to plane accidents. The subcontractor, Interstate Southwest Ltd. of Navasota, Tx., will get $86.4 million of the damages. If the jury verdict is upheld, it might set a legal precedent for future lawsuits that might be filed against Lycoming by plane-crash victims' survivors.

**Trex Co. Inc.**, a Winchester, Va. manufacturer of alternative wood/plastic products used in residential and commercial decks, reported a fourth quarter net loss of $351,000, an improvement over its $763,000 loss in the year-earlier period. Revenue rose 35%--to $29.6 million. For the year, its net increased 29%--to $27.2 million, on a 33% increase in revenue--to $254 million.

**TRW Automotive Holdings Corp.**, a Livonia, Mi. maker of automotive components, reported a fourth quarter net loss of $62 million, compared to a loss of $1 million in the year-earlier fourth quarter. Sales rose 7%--to $3.2 billion. For the year, it reported net income of $29 million on sales of $12 billion. The quarter included pretax charges of $119 million while the year included pretax charges of $167 million related to debt retirement. For the upcoming first quarter, TRW anticipates earnings of between 24 cents and 38 cents a share on revenue of $3.1 billion.

**U.S. Steel Corp.**, **Nucor Corp.** and **AK Steel Holding Corp.**, three big U.S. steelmakers, all saw their stock prices jump amid speculation that buyouts may be in the offing in the steel sector. U.S. Steel, based in Pittsburgh, Pa., saw a more than 7% jump in its stock price, while Charlotte, N.C.-based Nucor's stock rose more than 5% and AK Steel, based in Middletown, Oh., surged 6%. It's believed that Mittal Steel Co. of the Netherlands and Arcelor SA of Luxembourg may lead a spate of acquisitions amid recent high prices for steel. Mittal Steel itself is currently in the process of acquiring International Steel Group Inc. of Richfield, Oh. in a deal that would make it the biggest steelmaker in the world.

**Western Power & Equipment Corp.**, a Vancouver, Wa. dealer of construction and industrial equipment, signed a letter of intent on a senior financing deal valued at up to $37 million. The financing, through Congress Financial, will be used partly to repay and terminate its credit facility and a forbearance agreement it has with GE Commercial Distribution Finance. Western Power will also use some of the money for working capital and other corporate purposes.

**Weyerhaeuser Co.**, the Federal Way, Wa. forest-products company, is selling five sawmills, two manufacturing operations, more than 600,000 acres of timberland and rights to cut on certain government land to Toronto, Ontario-based Brascan for $975 million. Weyerhaeuser has been selling off certain assets in an effort to reduce debt while Brascan has been increasing its timber holdings as its shifts its business away from mining.

# SERVICES FIRMS

**Ablest Inc.**, a Clearwater, Fl. temporary-staffing firm, reported its fourth quarter net tumbled 81%--to $510,000. Its operating income for the period was $510,000. Revenue rose 13%--to $33.8 million. For the year, its net income sank 70%--to $880,000, including operating income of $880,000. Revenue rose 12%--to $116 million.

**Administaff Inc.**, a Kingwood, Tx. staffing company, reported its fourth quarter net fell 56%--to $3.6 million. Its operating income for the period was $3.6 million. Revenue rose 9%--to $249 million. For the year, its net income jumped 49%--to $19.2 million, including operating income of $19.2 million. Revenue rose nearly 9%--to almost $970 million.

**Aon Corp.**, Chicago, Il., reportedly wants to sell its Swett & Crawford unit, the biggest wholesale brokerage operation in the U.S. Aon's thinking comes amid an industrywide crackdown on perceived conflicts of interest between insurance companies and brokers. Aon itself hasn't been charged with any wrongdoing, although the firm has set aside $50 million to cover any possible future settlements.

**Bally Total Fitness Holdings Corp.**, the Chicago, Il.-based operator of health clubs, is facing a criminal investigation over certain accounting matters that led to the recent dismissals of two company executives. The U.S. attorney for the District of Columbia has requested information regarding the investigation, which follows an internal investigation that turned up a number of accounting errors. Bally was specifically told by federal prosecutors to preserve its accounting records.

**Bank of America Corp.**, Charlotte, N.C., is reportedly getting ready to sell one of its finance units to French-based Societe Generale SA for an undisclosed amount.

**Bressler-Kelso Outdoor**, a unit of Bressler Venture Management in Florida, reportedly sold the assets of its Wichita, Ks. office to Lamar Advertising, one of the biggest outdoor advertisers in the U.S., for an undisclosed amount. Lamar, headquartered in Baton Rouge, La., currently has operations in forty-three states.

**Broadwing Corp.**, a Columbia, Md. provider of voice and data communications services, reported a fourth quarter net loss of $43.4 million. Revenue rose 54%--to $220 million. For the year, Broadwing lost $152 million while revenue more than doubled--to $672 million. The quarter included charges of $919,000 while the year included charges of $3.9 million related to restructuring.

**Burlington Northern Santa Fe Corp.** and **Union Pacific Corp.**, the two biggest railroad companies in the U.S., are being investigated by the Justice Department regarding pricing practices in coal shipments to utilities, particularly out of the Powder River Basin area in Wyoming. Union Omaha, Ne.-based Union Pacific, the biggest railroad firm, said that it's cooperating with the investigation. Burlington Northern, based in Fort Worth, Tx., is also cooperating with the Justice Department probe.

**Cablevision Systems Corp.**, Bethpage, N.Y., reported a fourth quarter net loss of $306 million. Its operating loss of $310 million included extra charges of $1.8 million. Revenue increased 11%--to $1.4 billion. For the year, Cablevision, the U.S.'s sixth-biggest cable company, lost $676 million. The results included a $1.7 million loss from discontinued operations, a $667 million loss from continuing operations and a $7.4 million extraordinary item. Revenue rose 18%--to $4.9 billion. The fiscal results included nonrecurring charges of $97.5 million.

**Citizens Communications** of Stamford, Ct. is selling its conferencing-services operations to Premiere Global Services, a provider of conference-call services, in a deal valued at $41 million. The unit being sold has projected annual revenue of about $21 million. Premiere Global, based in Atlanta, Ga., had 2003 revenue of $381 million.

**Delta Air Lines Inc.**'s chief financial officer, Michael Palumbo, is standing by the Atlanta, Ga. carrier's decision to restructure itself without resorting to Chapter 11. Mr. Palumbo said that restructuring outside the U.S. Bankruptcy Court allows it to focus on improving its business plan instead of getting distracted by Chapter 11 matters. While the company continues to lose money, by staying out of court the firm considers itself better positioned to focus on its strategic goals.

**Deltathree Inc.**, a Manhattan, N.Y. VOIP routing network, reported a fourth quarter net loss of $600,000. Revenue rose 60%--to $6.2 million. For the year, it lost more than $3.2 million on a 60% increase in revenue--to $21.1 million.

**Digital Generation Inc.**, an Irving, Tx. distributor of services for advertisers and broadcasters, reported a fourth quarter net loss of $240,000. Revenue rose 38%--to $18.5 million. For the year, its net fell 24%--to $3.2 million, on an 8% increase in revenue--to $62.4 million. Both the quarterly and fiscal results included impairment charges of $9.1 million.

**E-Loan Inc.**, a Pleasanton, Ca. provider of Web-based loan services, reported its fourth quarter net income more than quintupled--to $1 million. Revenue rose 36%--to $36.2 million. For the year, its net tumbled 97%--to $810,000, on an 11% drop in revenue--to $135 million.

**FLYi Inc.**, the Dulles, Va. parent company of Independence Air, has nearly finished up its transition to becoming a low-cost airline. The company reached deals with its airplane lessors on new leasing terms by ending forty-five aircraft leases and deferring $70 million in rental payments under a restructuring plan that keeps the company out of bankruptcy. The restructuring yielded savings of $95 million for FLYi.

**IAC/InterActiveCorp**, Manhattan, N.Y., reported a fourth quarter net loss of $42.6 million. Its operating loss of $41.1 million included extra charges of $182 million. Sales slipped 5%--to $1.7 billion. For the year, its net income declined 1.5%--to $165 million. Its fiscal operating income of nearly $186 million included extra charges of more than $186 million. Fiscal revenue fell 2%--to $6.2 billion. The firm's businesses include the Home Shopping Network, Lending Tree, Expedia and Ticketmaster.

**Kintera Inc.**, a San Diego, Ca. marketer of software and services for nonprofit organizations, reported a fourth quarter net loss of $5.9 million. Revenue rose 176%--to nearly $7.8 million. For the year, it lost $19.2 million on a threefold increase in revenue--to $23.7 million.

**MCI Inc.**'s $6.7 billion deal to be bought by **Verizon Communications Inc.** of Manhattan, N.Y. isn't yet a done deal, with **Qwest Communications International Inc.**, which looked like it lost out, working to put together bid to buy Reston, Va.-based MCI. Qwest, based in Denver, Co., wants to make an offer that will help revive talks with MCI, as Qwest itself takes a close look at the details of Verizon's offer. The earlier Qwest bid was actually higher, coming in at about $8 billion, although Qwest's own $17 billion debtload and the lack of a Qwest wireless unit made the Qwest offer less attractive overall.

**Mediacom Communications Corp.**, a Middletown, N.Y. provider of cable services, reported its fourth quarter net sank 72%--to just under $2 million. Revenue increased 2.5%--to $265 million. For the year, it reported net income of $13.6 million, a turnaround from its loss of $62.5 million in the year-earlier period. Fiscal revenue increased 5%--to more than $1 billion. The fiscal results included an extra gain of $5.9 million from asset and investment sales.

**Nextel Communications Inc.**, a Reston, Va. wireless telecom firm, reported its fourth quarter net fell 26%--to $471 million. The quarter included an income-tax provision of $232 milloin while last year's fourth quarter included an extra gain of $213 million from investment sales.m Revenue rose 19%--to $3.6 billion. For the year, Nextel, which is being bought by Sprint Corp., reported its net nearly doubled--to $3 billion, on a 24% increase in revenue--to $13.4 billion. The fiscal results included an extra gain of $26 million from the sale of investments. Nextel said that it added 955,000 new subscribers during the recent quarter and 2.9 million subscribers during the year, bringing its subscriber base as of the end of 2004 to 16.2 million.

**On The Road Media Group**, a New York-based outdoor advertising company, is reportedly in a deal to be acquired by Limelight Media Group, a manager of out-of-home advertising and promotional digital networks, for an undisclosed amount.

**Pinnacle Entertainment Inc.**, a Las Vegas, Nv. operator of riverboat and land-based casinos, reported a fourth quarter net loss of $4.8 million, an improvement over its $8.6 million loss in the year-earlier period. Revenue rose nearly 6%--to $133 million. For the year, it had net income of $9.2 million, a turnaround from its loss of $28.2 million in the year-earlier period. Revenue rose 4%--to $553 million. The year included an extra gain of $42.4 million from the sale of assets.

**PowerPM Inc.**, a Manhattan, N.Y. project management consultant, is being bought by GlassHouse Technologies Inc. of Framingham, Ma. for an undisclosed amount.

**Primedia Inc.**, the big Manhattan, N.Y. publisher, is selling its About.com Web operations to New York Times Co., also in Manhattan, for $410 million. The acquisition of About.com, a community-portal network that provides information on thousands of topics, will boost the Times's advertising market. About.com has about 22 million visitors each month, compared to 13 million users monthly at the Times's New York Times, Boston Globe and other Web businesses.

**Primus Telecommunications Group Inc.**, a McLean, Va. provider of telecom services, reported a fourth quarter net loss of $1.8 million. Its operating loss of $1.8 million included extra charges of $2.2 million. Revenue declined less than 1%--to $337 million. For the year, Primus lost $10.6 million, including an operating loss of $10.6 million. Revenue rose 5%--to $1.4 billion. The fiscal results included nonrecurring charges of nearly $15 million.

**RailAmerica Inc.**, a Boca Raton, Fl. operator of short-line railroads, reported its fourth quarter net income tripled--to $4.3 million, including operating income of $4.5 million. Revenue rose 12%--to $104 million. For the year, it lost $25.9 million. Its fiscal operating loss of $21.4 million included a net impairment charge of $8.7 million. Revenue rose 12%--to $396 million.

**Redwood Marketing Inc.**, Nashville, Tn., had a $39,000 federal tax lien filed against it.

**Savvis Communications Corp.**, a Town & Country, Mo. provider of Internet services, reported a fourth quarter net loss of $21.7 million. Revenue rose 140%--to $166 million. For the year, it lost $149 million on a 144% increase in revenue--to $617 million. The quarter and year included integration-related charges of nearly $1.9 million and $27.7 million respectively.

**South Coast Bancorp** of Irvine, Ca. is being bought by First California Bank of Camarillo, Ca. in a deal valued at about $36 million.

**Standard Register Co.**, a Dayton, Oh. printer of business forms, reported fourth quarter net income of $13.4 million. Its operating income of $340,000 included extra charges of $1.6 million related to impairment and restructuring. Revenue rose 7%--to $236 million. For the year, it lost $30.2 million. Its fiscal operating loss of $44.7 million included impairment and restructuring charges of $62.1 million. Fiscal revenue declined slightly--to $890 million.

**Telephone and Data Systems Inc.**, a Chicago, Il. telecom holding company, indicated that it wants to make its U.S. Cellular Inc. business a wholly owned subsidiary rather than a separate company. The board of Telephone and Data voted to authorize the use of special common stock to buy up the 18% that it doesn't already own of U.S. Cellular.

**Terremark Worldwide Inc.**, a Miami, Fl. operator of network access point systems, reported a third quarter net loss of $5.3 million, an improvement over its more than $9.1 million loss in the year-earlier period. Revenue jumped nearly fourfold--to $18.6 million.

**Traffix Inc.**, a Pearl River, N.Y. online direct marketing firm, reported its fourth quarter net tumbled 86%--to $120,000. Revenue rose 47%--to $10.8 million. For the year, its net soared 141%--to $1 million. Fiscal revenue rose 15%--to $37.3 million.

**TV Azteca SA de CV**, a big Mexican-based television broadcaster, reported its fourth quarter net fell 23%--to $43 million. Revenue edged up less than 1%--to $216 million. For the year, its net fell 7%--to $137 million. Revenue rose 9%--to $739 million.

**US LEC Corp.**, a Charlotte, N.C. provider of telecommunications services, reported a fourth quarter net loss of $5.9 million. Revenue rose 20%--to $92.1 million. For the year, it reported net income of $19.8 million. Revenue rose 15%--to $356 million.

**USF Corp.**, a Chicago, Il.-based trucking company, is in talks to be acquired by competitor Yellow Roadway Corp. of Overland Park, Ks. in a deal that could be valued at more than $1 billion. In part, Yellow Roadway is taking advantage of its high stock price, which has soared more than 80% over the past twelve months, as Yellow Corp. integrated the 2003 acquisition of the former Roadway Corp. Last year Yellow Roadway reported net income of $184 million on revenue of $6.8 billion, while USF had net income of $23.8 million on revenue of $2.4 billion.

**Wireless Facilities Inc.**, a San Diego, Ca. wireless communications network company, reported its fourth quarter net more than quadrupled--to $11.3 million, including operating income of $11.1 million. Revenue increased 27%--to $101 million. For the year, its net sank 58%--to $4 million. Its fiscal operating income of $6.4 million included extra charges of $13.9 million. Revenue rose 55%--to $397 million.

# HEALTHCARE PROVIDERS AND TECHNOLOGY FIRMS

**Abgenix Inc.**, a Fremont, Ca. genetic-technology firm, reported a fourth quarter net loss of $42.9 million. Revenue declined 7%--to $5.9 million. For the year, it lost nearly $188 million on a 5% revenue increase--to $17.8 million. The fiscal results included impairment charges of $17.2 million.

**Accredo Health Inc.**, a Memphis, Tn. drug distributor, entered into an agreement to be bought by Medco Health Solutions Inc., a Franklin Lakes, N.J. pharmacy-benefits manager, in a cash-and-stock deal valued at $2.2 billion. The acquisition boosts Medco's business in the specialty-drugs market. Last year Accredo reported net income of $76.1 million on sales of $1.7 billion.

**American Medical Systems Holdings Inc.**, a Minnetonka, Mn. maker of urological and erectile-dysfunction products, reported its fourth quarter net fell 35%--to $6.7 million. Revenue rose 27%--to $60 million. For the year, it lost $3.1 million on a 24% increase in revenue--to $209 million. The quarter included charges of $4.5 million while the year included charges of $39.5 million.

**ATS Medical Inc.**, a Minneapolis, Mn. maker of heart valves, reported a fourth quarter net loss of $5.4 million. Revenue rose 28%--to $7.2 million. For the year, it lost $16.6 million on a 52% increase in revenue--to $28 million.

**Caliper Life Sciences Inc.**, a Hopkinton, Ma. maker of microchips used for extracting and analyzing small fluid samples, reported a fourth quarter net loss of $6.9 million. Revenue increased 13%--to $24.1 million. For the year, it lost $31.6 million on a 62% jump in revenue--to $80.1 million. The quarter included charges of nearly $3.6 million while the year included charges of $6.8 million.

**Emergent Genetics**, a Boulder, Co. producer of cotton seeds, entered into an agreement to be bought by Monsanto Co. of St. Louis, Mo. in a $300 million deal. Emergent, with about 12% of cotton-seed sales in the U.S., had sales last year of $68.9 million.

**Exelixis Inc.** reported a fourth quarter net loss of $51.9 million. Revenue rose 14%--to $15.7 million. For the year, the firm lost $137 million on a 3% increase in revenue--to $52.9 million. The quarter included charges of nearly $26 million while the year included charges of $28.7 million. Exelixis, based in South San Francisco, Ca., collects genetic information used for developing drugs, insecticides and other products.

**Genta Inc.**, a Berkeley Heights, N.J. drug company, reported fourth quarter net income of $14.6 million, including an $11.5 million gain from the extinguishment of debt. Its revenue jumped 265%--to nearly $10 million. For the year, it lost $32.7 million, including a $1.3 million charge related to the disposition of certain assets. Revenue jumped 119%--to $14.6 million.

**Gentiva Health Services Inc.**, a Melville, N.Y. provider of home healthcare services, reported its fourth quarter net sank 83%--to $6.9 million. Revenue increased 11%--to $226 million. For the year, its net income fell 53%--to $26.5 million, on a 4% revenue increase--to $846 million. The year included an extra gain of $946,000 from the sale of an investment.

**Ischemia Technologies**, a Denver, Co. maker of heart-diagnostic tests, entered into an agreement to be bought by Inverness Medical Innovations of Waltham, Ma., a supplier of home pregnancy tests, in a stock deal valued at $22.4 million.

**Johnson & Johnson**, the New Brunswick, N.J. maker of healthcare and medical products, received a request from federal regulators regarding its plan to buy **Guidant Corp.** for more than $25 billion. J&J still hopes that its merger with Guidant, an Indianapolis, In. maker of medical devices, will still get regulatory approval by the end of October.

**King Pharmaceuticals Inc.**, Bristol, Tn., said that while its third quarter results will be helped by a certain review of product returns, those gains will be offset by extra charges. Late last year, King said it would restate certain results going back as far as 2002 related to the way it timed recognition of certain expenses for product returns. Separately, King's board said it hasn't yet determined whether to go ahead with an earlier announced deal to buy Mylan Laboratories Inc.

**Merck & Co.** announced that it will consider putting its Vioxx painkiller back on the market, if a Food and Drug Administration committee decides that Vioxx's risks are also found in other treatments. Reversing the recall, which was made back in September, might help the company in legal battles with consumers who are suing the company for the risks involved with the drug. Meanwhile, hundreds of lawsuits that have already been filed in federal courts are to be consolidated in a federal court in New Orleans, La. Merck, based in Whitehouse Station, N.J., recently took Vioxx off the market after the drug was found to have increased risks for heart attacks and strokes in patients. Some analysts estimated that Merck could face liabilities in federal and state cases of as much as $30 billion.

**Merge Technologies Inc.**, a maker of medical imaging technology for small and medium-sized hospitals and clinics, may itself become a takeover target after making a number of acquisitions over the past few years. Now considered a top company in its market, Merge could be attractive for larger medical-products firms such as GE Healthcare, Siemens Medical Systems or Philips Medical Systems. According to one analyst, an acquisition of Merge could take place over the next one to two years. Merge Technologies recently doubled its size to about 500 employees when it said it would acquire Canadian-based Cedera Software Corp., a Mississauga, Ontario medical-imaging company, for $393 million in stock. The combined company will have annual revenue of more than $100 million.

**NuVasive Inc.**, a San Diego, Ca. maker of minimally invasive medical devices, reported a fourth quarter net loss of $2.7 million. Revenue jumped 127%--to $9.1 million. For the year, it lost $14.2 million on a 133% increase in revenue--to $28.1 million.

**Proligo Group**, a Boulder, Co. company that supplies genetic synthesis research tools, is being bought by Sigma-Aldrich for an undisclosed amount. Sigma-Aldrich, headquartered in St. Louis, Mo., makes chemicals for research labs.

**Quidel Corp.**, a San Diego, Ca. maker of diagnostic products for diseases, reported a fourth quarter net loss of $640,000. Its operating income for the period was $6.1 million. Sales slipped 1.5%--to $31.9 million. For the year, it lost $6.6 million, including operating income of $1.6 million. Revenue declined 15%--to $78.7 million.

**RITA Medical Systems Inc.**, Mountain View, Ca., reported a fourth quarter net loss of $1.9 million. Revenue jumped 161%--to $11 million. For the year, it lost $9.3 million on a 70% increase in revenue--to $28.2 million. The quarter included restructuring charges of $220,000 while the year included restructuring charges of $1.3 million. RITA provides minimally invasive techniques for killing tumors.

**Sepracor Inc.**'s stock price jumped nearly 10% in recent trading on speculation that the Marlborough, Ma. drug developer may be going up for sale. Sepracor announced that it retained an investment banker to help it explore strategic options. That news follows recent approval from the Food and Drug Administration for its Lunesta insomnia drug. Last year Sepracor racked up losses of $295 million, stemming largely from costs related to the anticipated launch of Lunesta into the market.

**ViroLogic Inc.**, a South San Francisco, Ca. maker of disease-testing techniques, reported a fourth quarter net loss of $77.2 million. Revenue rose 6%--to $9.9 million. For the year, it lost $81.4 million on a 10% increase in revenue--to $36.8 million. Both the quarterly and fiscal results included extra charges of more than $100 million.

**West Pharmaceutical Services Inc.**, Lionville, Pa., reported its fourth quarter net income tumbled 98%--to $400,000. Its operating income for the period was $7.3 million. Revenue rose 15%--to $142 million. For the year, its net sank 39%--to $19.4 million, including operating income of $33.5 million. Revenue rose 12%--to $542 million. The results included impairment and restructuring charges of $900,000 in the quarter and $1 million in the year.

## CREDITORS' RIGHTS

**LAST WEEK'S QUESTION:** Before filing a lawsuit to collect a past due balance, what considerations should a creditor take into account?

**ANSWER:** Before filing a lawsuit against a past due account, there should be a chance for recovery, otherwise it would be a waste of time and money to try to collect on that old receivable. A creditor should obtain as much information as possible, not just from its credit applications, but it should also conduct a search for tax liens, review a company's corporate annual reports, etc. before agreeing to file suit against the debtor for an old balance. Using the Internet through such websites as www.accurint.com, etc., as well as reviewing the above information, just may save you, a collection agency, and the attorney handling the potential lawsuit, time and money.

**THIS WEEK'S QUESTION:** Explain when a proposed reorganization plan may be modified.

**CREDITOR'S EDGE**
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