

The  
Portland  
Observer

# Business

&  
Finance

## BUSINESS BRIEFS

### Commodities Up On Weather Worry

Weather worries boosted prices in coffee, grain and petroleum markets on Monday. At the New York Mercantile Exchange, oil prices rose on worries that Hurricane Bertha would damage refineries as it roared through the Caribbean. At the Chicago Board of Trade, grain prices closed mostly higher after hot weather and little rain in the Corn Belt over the weekend sparked worries about yields this autumn.

### Wage Hike Debates

The Senate opened debate Monday on a bill to increase the minimum wage 90 cents an hour, from the current \$4.25 to \$5.15. President Clinton has promised to veto the measure if it includes a Republican amendment that would exempt businesses earning less than \$500,000 annually from giving their employees a raise. Senate Republican leaders say the hike would be a "job killer" for small business. Democrats say what Republicans really want to kill is the minimum wage increase.

### Job Cuts Up In 1996

1996 is shaping up to be one of the worst years of job losses in the United States this decade. A new study finds that companies announced 270,513 job cuts in the first half of the year. The study by the outplacement firm Challenger, Gray & Christmas says that's up from 211,711 in the first half of 1995 and 6 percent higher than the 254,878 announced in the first half of 1993, which was the biggest job-loss year of the decade. But the study also had some good news for American workers: some of the companies that cut hundreds of thousands of jobs earlier in the 1990s are hiring again.

### Comperator Gets New President

Comperator Systems Corp., which is facing a lawsuit and investigations by the Securities and Exchange Commission for alleged fraud, has named a new president to serve until the next stockholders meeting. Armond Schroeder will succeed Richard Floegel, who resigned as president and director on June 28.

### Chrysler Extends Incentives

Chrysler Corp. extended its sales incentives on select 1996 models that were set to expire Monday until Oct. 7. It also increased its cash rebate for the Dodge Dakota pickup truck to \$1,500 from \$1,000 in all states except California and Hawaii, where it already is \$2,000 for a regular cab and \$1,000 for a club cab model. Chrysler also delayed the release of its second-quarter results from Thursday until Friday because of a board meeting scheduled for Thursday. Analysts estimate that Chrysler will report earnings of about \$1.1 billion, or about \$2.75 a share.

### British Airways Talk To Union

British Airways said Monday it will hold talks within 24 hours with its main pilots' union in an attempt to avert a potentially crippling open-ended strike next week. The union called the strike for July 16 in an attempt to force the airline to improve its pay offer to pilots, particularly those based at Gatwick, London's second airport. BA announced the plans for the talks after the Pilots' Association wrote to the airline suggesting negotiations to stop what would be BA's first pilots' strike since 1977. The union's General Secretary says he would be making some suggestions on ending the dispute.

## New Northwest Insurance Distribution Organization

Hurely, Atkins & Stewart joins hands with Campbell Galt & Newslands/USI Corporation.

The Pacific Northwest gains a major new insurance distribution organization with the merger announced today by two leading insurance brokerage firms in Portland and Seattle.

Seattle-based Hurely, Atkins & Stewart, Inc. is joining with Portland-based Campbell Galt & Newslands, Inc., a member of USI Insurance Services Corp., creating one of the most significant insurance and insurance-related financial services firms in the Northwest. Terms of the transaction were not disclosed.

According to Andrew F. Whittaker, Chief Executive Officer of CGN, and Ronald R. Hartz, President of HAS, the merger will substantially expand both firms' presence in the Pacific Northwest by allowing them to deliver new products and services to clients through facilities available through the nationwide USI network.

HAS is a highly respected and prominent retail insurance agency and risk management firm formed in 1952. For years the firm has been an industry leader specializing in construction and professional liability.

One of Oregon's leading insurance and risk management firms,

CGN serves a broad range of commercial, industrial and individual clients with comprehensive property, casualty, surety, health, life and risk management services.

"Building this new relationship with CGN allows us to expand our access to the insurance marketplace and its many specialty programs," said HAS Chairman Ronald Hartz. "We are also delighted to be playing a key role in the nationwide expansion of USI in the Pacific Northwest. This partnership is a wonderful opportunity for the future of our firm."

"We look forward to blending our mutual expertise to extend services throughout the Pacific Northwest," said Andrew F. Whittaker, Chief Executive Officer of CGN. "We share the same ambitions and anticipate being an even more dominant force in the marketplace following our merger."

The USI affiliation positions HAS to deliver a wider spectrum of insurance, risk management, benefits and financial services to its clients through broader programs and greater market access.

HAS will retain its offices in Seattle and Everett as well as its individual identity, staff and entrepreneurial spirit.

"We are delighted to bring Hurely, Atkins & Stewart into the USI family

as we further extend our commitment to serving the Northwest," said Bernard H. Mizel, Chairman and Chief Executive Officer of San Francisco-based USI.

"We seek our partners thoughtfully and evaluate them carefully for integrity strong financial management, solid market presence, quality relationships with clients, carriers and employees, and a shared vision of the future," Mizel added. "Evidence of this is the industry leadership of principals in this affiliation--Andy Whittaker is president of the Independent Insurance Agents Association of Oregon and HAS Executive Vice President Ronald Getchell is President of the Independent Insurance Agents Association of Washington."

The fastest growing insurance and insurance-related financial services firm in the country, USI was formed in 1994 with plans to become one of the nation's leading firms and already ranks as the 12th largest insurance brokerage in the U.S. according to industry sources. With the merger of CGN and HAS, USI's revenues now top \$100 million.

USI is sponsored by Saratoga Partners, an investment fund managed by Dillon, Read & Company, a nationally prominent investment banking firm, and several institutional investors.

## PacifiCorp Selects Portland For New Business Center

PacifiCorp has selected Portland as the site of its first new business center, which will open in September at 1900 SW Fourth Avenue in downtown Portland. By 1997, the business center will provide 24-hour services for Pacific Power customers and will employ about 150 people.

"We choose Portland because it has an excellent labor pool, and it has the infrastructure for the most advanced technologies that will allow us to better serve our customers," said Shelley Faigle, Senior Vice President of PacifiCorp.

PacifiCorp, which serves 1.3 million customers in seven western states, plans to open a second business center employing 80-120 people in another city in 1997. The city has not yet been determined.

"We are looking forward to the day when customers can choose their electricity supplier, and we intend to be their utility of choice," said Faigle. "To do that, we need to be accessible to our customers 24 hours per day, and we need to meet all our customers' needs with just one phone call."

### Companies Doing Business On The Internet

(NAPS)—Information technology and electronic communications have become a daily part of many American companies of all sizes and industries.

The investment community has been in the forefront of conducting business in this fashion for quite some time already. Now, some adaptive investment management companies are using this new wave of information technology to benefit interested investors and clients.

According to a recent survey conducted by The Danforth Associates, Inc., 70 percent of respondents who have a computer subscribe to a service that allows them access to the Internet. It is because of this trend, the company offers a World Wide Web site with updated information and links to investment resources for people wishing to invest their money in common stocks. Danforth also hopes to offer individual client portfolios online sometime in the near future.

For what may be the first time in business history, an abundance of information is available to the layperson, not just "computer gurus."

For example, savvy investment advisors have been able to buy shares of stock, track industry and stock trends, access daily quotes, retrieve reports on mutual funds, subscribe to online services and consult other brokers about choosing stocks. Now, just about anyone with a computer and a modem can access the same information.

One issue many users have is regarding security and confidentiality on the 'Net.

The business center is an integral part of PacifiCorp's strategy to expand customer service options. In addition to opening the business center, PacifiCorp is expanding payment options at convenient locations and with extended hours, and it soon will offer more ways to pay bills, including electronic transfers and credit card payments.

PacifiCorp is leasing 40,000 square feet in the Fourth Avenue building from Gerding Edlen Development Company. PacifiCorp will make extensive renovations to the facility, including installing ergonomic work stations, state-of-the-art computer and telephone systems, a resource library, and other employee tools and features designed to enhance customer service.

PacifiCorp is recruiting job candidates inside the company and externally. The positions include customer service associates, customer service coaches, trainers, quality assurance specialists and other jobs.

PacifiCorp has selected APAC TeleServices, Inc. to co-manage the business center. Based in Deerfield,

Illinois, APAC manages business centers for United Parcel Service, Western Union, Compaq and a number of other companies.

In creating its business center, PacifiCorp studied 15 centers around the country and formed two task forces of experienced customer service employees. They made extensive recommendations on how the center should



Good Customer Relations: Barbara Pavone is the 1996 J.C. Penney Golden Rule Award Winner.

## Port Receives FAA National Award

The Port of Portland has been recognized by the Federal Aviation Administration (FAA) for significant accomplishments in providing disadvantaged business enterprise (DBE) opportunities at Portland International Airport (PDX).

The award was presented at the level of DBE participation in its food and beverage and retail concessions program; its DBE mentoring program, which was begun by Stempel, and the direct services it provides to small, disadvantaged firms to ensure

that the managerial and administrative skills of those firms increase along with their ability to handle progressively larger projects.

The Port more than tripled DBE-operated food, beverage and retail sales at PDX by re-vamping its concessions management, amounting to nearly \$9 million in DBE gross revenues the first year of operation.

The FAA also recognized Dallas/Fort Worth and Minneapolis/St. Paul airports for their DBE efforts.

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