

TECHNICAL GLITCHES AFFECT AMAZON ON ITS SELF-PROCLAIMED 'PRIME DAY' EVENT

Not quite ready for Prime time

By Anne D'Innocenzio
AP Retail Writer

NEW YORK — Amazon is hoping customers don't see any more dogs, after early problems on Prime Day meant people trying to shop got only images of cute canines delivering an apologetic message.

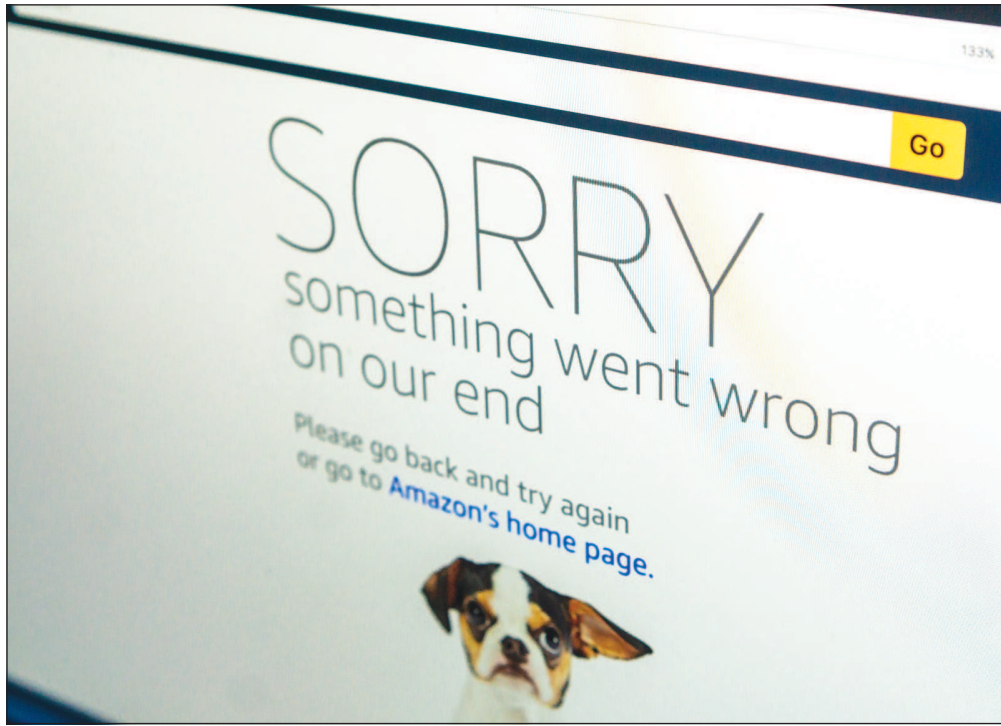
The snags Monday on its much-hyped Prime Day were an embarrassment for the tech company on the shopping holiday it created, and people took to social media to complain that they couldn't order items.

Amazon said it was resolving the glitches and in a tweet Tuesday lauded Prime Day growth in the first ten hours compared to last year. The event is in four new countries this year and it's running longer.

The hiccups, though, could have sent shoppers elsewhere during a key period when Amazon signs up new Prime members. Many other chains offered sales and promotions to try to capitalize on the Prime Day spending.

"I am shocked this caught them off guard," analyst Sucharita Mulpuru-Kodali at Forrester Research wrote in an email. "But I guess the lesson is to not have a big unveil during the middle of the day when everyone comes to your site all at once."

Amazon, which recently announced that Prime membership would be getting more expensive, was hoping to lure in shoppers by focusing on new products and having Whole Foods be



Richard B. Levine / Sipa USA-TNS

The Amazon website fails to load during the company's self-proclaimed "Prime Day" on Monday. This is the fourth year that Amazon is offering bargains and deals galore to Amazon Prime shoppers on this one-day event.

"I am shocked this caught them off guard."

— Sucharita Mulpuru-Kodali, analyst at Forrester Research

part of the process. It was also hoping parents would use the deals event to jump start back-to-school shopping.

Jason Goldberg, senior vice president of commerce at Publicis.Sapient, noted that it's easy for Amazon to extend deals on its own devices and brands, but trickier for it to extend deals for its third-party sellers because they signed up for different promotional slots.

While Amazon doesn't disclose sales figures for Prime

Day, Deborah Weinswig, CEO of Coresight Research, had estimated before it began that it will generate \$3.4 billion in sales worldwide, up from an estimated \$2.4 billion last year. Prime Day also lasts six hours longer than last year.

In Europe, Amazon employees were using Prime Day to draw attention to their complaints against the company. Unions in Spain said most of the company's 2,000 permanent staff there were on a three-day strike on Tuesday.

Amazon created Prime Day in 2015 to mark its 20th anniversary, and its success has inspired other e-commerce companies to

invent shopping holidays. Online furniture seller Wayfair introduced Way Day in April, becoming its biggest revenue day ever.

Prime Day also usually helps boost the number of Prime memberships. Amazon disclosed for the first time this year that it had more than 100 million paid Prime members worldwide. It's hoping to keep Prime attractive for current and would-be subscribers after raising the U.S. annual membership fee by 20 percent to \$119 and to \$12.99 for the month-to-month option.

"It has been one of the best vehicles" for signing up members, Goldberg said.

Netflix falls short of growth target

By Michael Liedtke
AP Technology Writer

SAN FRANCISCO — Netflix is adding subscribers at a slower pace than envisioned, renewing fears that its growth may sputter as the video streaming service tries to fend off fiercer competition.

The numbers released Monday mark a rare letdown for a company that has enthralled investors with its ability to consistently top expectations.

But Netflix missed its target badly in the April-June period, causing its high-flying stock to plummet by about 14 percent to \$345.63 in extended trading. The shares had more than doubled before the sell-off. If the stock plunges on the same trajectory during Tuesday's regular trading session, it will be the steepest drop in nearly four years.

In a research note, GBH Insights analyst Daniel Ives called the second-quarter showing "a near-term gut punch" to Netflix.

The company gained 5.1 million subscribers worldwide during the quarter, more than 1 million below

the number that management had believed it could. It marked the first time in a more than a year that Netflix hadn't exceeded its subscriber growth projections. As of June 30, Netflix had 130 million subscribers, including 57.4 million in the U.S.

Netflix predicted it will add 5 million subscribers in the current quarter, which ends in September, slightly slower than the pace a year ago. The spring and summer months traditionally mark Netflix's most sluggish period as more people go on vacation and spend time outside instead of watching video.

Despite its second-quarter misfire on subscriber growth, the Los Gatos, California, company reported earnings that beat analyst estimates. Earnings grew 32 percent from last year to \$384 million, or 85 cents per share. Revenue climbed 6 percent to \$3.9 billion.

Bringing in more subscribers and money is vital for Netflix because it expects to keep spending more on exclusive TV shows and movies to try to stand out from rivals. The company will

spend as much as \$8 billion on programming this year. Ives expects Netflix to pour another \$10 billion into its video mix next year.

Netflix already has been battling challenges from Amazon, Google's YouTube and Hulu in the video streaming market, and it is likely to face even stiffer competition as other formidable rivals try to muscle into the market.

AT&T just bought Time Warner for \$81 billion in a deal that includes HBO — a pay TV and video streaming service that AT&T plans to expand in an attempt to lure more viewers away from Netflix. And Walt Disney is hoping to close on a \$71 billion deal to buy prized entertainment franchises from 21st Century Fox to feed into a video streaming service Disney will debut next year.

Meanwhile, Apple — the world's most valuable company — is spending about \$1 billion on original programming for a video service of its own.

"Right now, Netflix is still miles ahead of its closest competitor, but there is going to be a giant bulls-eye on

Netflix's back during the next 18 to 24 months," Ives predicted in an interview.



Photo by Michelle Stephens

From left: La Grande Paint & Glass owner Jeff Stephens, original owner Don Stephens and glass manager Kevin Donaldson pose inside the Adams Avenue store that will celebrate 50 years of business July 20.

50 YEARS

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Fifty years in business is no small feat, but according to Don Stephens, the family's success can be attributed to two things.

"Service was the main thing that built the business," he said. "Good service and honesty."

In speaking of customer service, Jeff concurs that "the best thing I think I've learned is to try and be a part of everybody's job. Not just somebody they're coming to see but a partner," he said. "There's a cheaper place in town to buy paint (but) we're going to help you get the right color; we're going to sell you a (quality product). Because if I'm not trying to be that person to them, I'm not going to find out everything I need to know to sell them the right goods for the specific job that they're in. I try to instill (that philosophy) in my employees, as well."

Reflecting on decades of work and service to the community, the family has nothing but gratitude.

"I'm thankful for everybody that has come into the business and continues to be a customer," Jeff said. "You've got to be appreciative after that much time. We're very thankful for all the people that have participated in us being here today."

"A lot of my customers were original customers from day one," Don added, "which means a lot."

A 50th anniversary celebration will be held at La Grande Paint and Glass July 20 from 11 a.m. to 1 p.m., including raffles and giveaways, a storewide sale and, of course, food.

Contact Audrey Love at 541-963-3161 or email alove@lagrandeobserver.com.

DRESSED

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Originally, she made one example of each design, but as people saw them and wanted copies, she hired up to five seamstresses in North Carolina to reproduce the dresses to fill those orders.

When she moved to La Grande about five years ago to get married, she brought one rack of clothes. She also transitioned from seamstresses to mass production, working with two factories, one domestic and one foreign.

Since Walter's dresses are intentionally designed to be modest in appearance, they require more fabric, and it takes more time, she said, to process the samples to make sure the neckline, sleeves and length are right.

Finding the right place for her business was also a process. At first, she and her husband worked from their home on Depot Street. Then they moved to two storefronts on Fir Street, but outgrew that space after a year.

"Then we went to 2210 Jefferson Avenue," Walter said. "That was the largest spot we could find in La Grande to rent. It was a blessing, but it just wasn't ideal for a clothing business because it used to be a construction shop."

As a result, they started construction on a new Dainty Jewell facility in May 2017 and completed it in January 2018. The new, two-story facility has five rooms upstairs. On the ground level is the main store and a large, one-room warehouse with rows of inventory shelving.

"Instantly, when we moved here, the order fulfillment team was more efficient, going down each row instead of running to different rooms to pull inventory," Walter said.

The Walters invite everyone to stop in and see the new store and warehouse between 1 p.m. and 5 p.m. July 28. They will give tours and offer finger foods throughout the event, and there is plenty of off-street parking.

For more information about the grand opening or the clothing lines, go to www.daintyjewells.com or call 1-800-663-1594.

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TUES	1:30pm	Bucking Horse Stampede — Main Street
WED	9:00am	Little Buckaroo Special Needs Rodeo
	2:00pm	Slack — Arena
	6:00pm	Rodeo Gates Open — Harley Tucker Memorial Arena
	7:00pm	PRCA RODEO — Harley Tucker Memorial Arena
	9:00pm	Family Fun at the Thunder Room — DJ
THUR	9:00am	Tough Enough to Wear Pink Walk
	9:00am	Steer Tripping, Three Rounds
	2:00pm	Slack — Arena
	6:00pm	Rodeo Gates Open — Harley Tucker Memorial Arena
	7:00pm	PRCA RODEO — Harley Tucker Memorial Arena
	7:00pm	Tough Enough to Wear Pink — Wear Pink
	9:00pm	Music and Dancing at Thunder Room — DJ — No Cover Charge
FRI	8:00am	Golf Tournament — Alpine Meadows Golf Course
	10:00am	Chief Joseph Junior Parade — Main Street
	2:00pm	Slack — Arena
	6:00pm	Rodeo Gates Open — Harley Tucker Memorial Arena
	7:00pm	PRCA RODEO — Harley Tucker Memorial Arena
	9:00pm	All Teen Dance — Joseph Community Center
	9:30pm	Music and Dancing at Thunder Room — FrogHollow Band
SAT	6:00am	Shrine Breakfast begins
	10:00am	Grand Parade — Main Street
	12:00pm	Nez Perce Friendship Feast — Encampment Pavilion
	2:30pm	Slack — Arena
	3:00pm	Traditional Indian Dance Contest — Encampment Pavilion
	6:00pm	Rodeo Gates Open — Harley Tucker Memorial Arena
	7:00pm	PRCA RODEO — Harley Tucker Memorial Arena
	9:00pm	All Teen Dance — Joseph Community Center
	9:30pm	Music and Dancing at Thunder Room — FrogHollow Band
	After Rodeo	Cowboy Breakfast — Rodeo Grounds — til 3:00am
SUN	6:00am	Cowboy Breakfast — Rodeo Grounds — til 10:00am
	9:00am	Cowboy Church Service

To purchase tickets and for more information call 541-432-1015 or go to www.chiefjosephdays.com