

# BUSINESS

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**DOW** 9,509.28 ▲+3.32 | **NASDAQ** 2,017.98 ▼-2.92 | **S&P 500** 1,025.57 ▼-0.56 | **RUSSELL 2000** 580.24 ▼-1.27

## Oil prices perk up on hints of recovery

By John Porretto  
The Associated Press

Oil prices approached \$75 a barrel Monday for the first time in 10 months amid growing optimism that the world's economies are on the mend.

Benchmark crude for October delivery rose 48 cents to settle at \$74.37 a barrel on the New York Mercantile Exchange. Oil last topped \$75 in October and on Monday, prices came within 19 cents of that mark.

Natural gas rebounded strongly from new seven-year lows Monday, yet still traded below \$3 per 1,000 cubic feet because of a huge glut and very little demand from major industrial customers.

Expectations that demand for energy will grow, at least for oil and gasoline, were spurred Friday by Federal Reserve Chairman Ben Bernanke, who said the U.S. economy is reviving. Bernanke's remarks and signs of improvement in the U.S. housing market sent stock markets higher, and that carried over into the new week.

Even before Bernanke spoke, however, prices already had begun to rise on a large and unexpected drawdown in U.S. oil supplies. One factor that might be keeping crude below \$75 is the possibility that last week's storage report was an aberration, given that demand for now remains weak.

Equity and energy markets have been rising and falling in tandem for weeks.

Asian and European markets climbed Monday, and the Dow Jones industrial average rose moderately in afternoon trading.

"No doubt about it, we're riding the wave of a strong stock market," said Jim Ritterbusch, president of energy consultancy Ritterbusch and Associates. "These bullish financial developments have forced a huge amount of passive capital into commodities, especially the oil space."

In a report Monday, trader and analyst Stephen Schork said once oil gets to \$75, "there is not a hell of a lot to prevent it from going to \$80 or \$85."

Natural gas is another story. Prices are at seven-year lows and supplies continue to grow.

"Demand prospects are the worst they have been in recent memory," said PPGBest Research analyst Phil Flynn.

It has been a very moderate summer and meteorologists are forecasting the same through the fall. That could drive natural gas prices down even further if people don't need as much heat for their homes.



Neil Redmond The Associated Press

Bags containing layaway items sit in storage at Kmart in Conover, N.C., until the purchases are completed. It is unheard of for layaway rooms to be so packed at back-to-school time.

## Layaway back in vogue

**PURCHASE:** As credit tightens, consumers turn to old buying method.

By The Associated Press

To gauge consumers' strain, look no further than the rows and rows of plastic bags awaiting layaway payments at Kmart. They are filled with back-to-school basics — not just T-shirts and jeans but notebooks, magic markers and pencils.

It is unheard of for layaway rooms to be so packed at back-to-school time and for the packages to include relatively cheap school supplies.

A record number of shoppers, shut out from credit and short on

### Hold it!

Major retailers that offer layaway at some or all of their stores:

- Kmart
- Sears
- T.J. Maxx
- Marshalls
- Burlington Coat Factory
- Wal-Mart (jewelry only)

cash, are relying on Kmart's layaway program to pay for all of their kids' school needs, said Tom Aiello, a spokesman for Kmart's parent

Sears Holdings Corp. Layaway allows shoppers to pay over time, interest-free, and pick up their merchandise when it's paid in full.

Burlington Coat Factory Warehouse Corp. said its layaway business is stronger than a year ago. And e-Layaway.com, which offers online layaway services for about 1,000 merchants, has seen its business double from the same time last year.

Layaway has its roots in the Great Depression. It became passe in the past two decades with the rise of credit cards. But the recession and financial crisis have caused banks to raise rates, pare credit limits and close accounts. For some consumers, layaway is the best option to budget for purchases.

## Mac software on sale Friday

From News Services

Apple Inc.'s latest operating system software, Snow Leopard, will go on sale this Friday.

The Mac OS X version 10.6 software will debut at Apple's retail stores and authorized resellers nationwide. Apple's online store is now taking pre-orders.

Apple said Snow Leopard is half the size of the previous version, freeing up to 7 gigabytes of storage space when installed. It requires a minimum of 1 gigabyte of RAM and runs on Macs using an Intel processor.

## Warner Chilcott's stock up on news of deal with P&G

By The Associated Press

Shares of Ireland's Warner Chilcott Plc skyrocketed Monday on news of its bid to morph from a small, specialty pharmaceutical company to a global player by buying Procter & Gamble Co.'s prescription drug business for \$3.1 billion.

The maker of women's health and dermatology products will get a portfolio with \$2.3 billion in annual sales, including blockbuster osteoporosis drug Actonel, and triple its revenue in a rare deal financed entirely by bank debt.

"It gives them immediate scale. It gives them an R&D franchise, too," said analyst Les Funtleyder at Miller Tabak & Co.

The deal brings Warner Chilcott an unspecified number of Procter and Gamble's prescription drugs in development, manufacturing facilities in Puerto Rico and Germany, a trained sales force of roughly 1,200 and a research and development team nearly as big.

"Our acquisition of the Procter & Gamble pharmaceutical business is a transformational event for

Warner Chilcott," Roger Boissonneault, president and chief executive, told analysts.

In New York trading Monday afternoon, Warner Chilcott shares surged \$5.14, or 32 percent, to \$21.20, while Procter & Gamble shares fell 40 cents to \$53.18.

Actonel alone will bring nearly \$1 billion in annual sales, more than Warner Chilcott's total 2008 revenue of \$938 million.

The company also gets a colitis drug called Asacol with about \$600 million in annual sales, a patent through 2014 and an extended release version just launching, plus Didronel for Paget's disease and other bone disorders and Enablex for overactive bladder. The deal is expected to close by year-end.

Warner Chilcott executives were somewhat tight-lipped about the pipeline of experimental drugs they are getting, but said it includes an antibiotic, a heart rhythm drug and Intrinsa, a testosterone patch for women with low sexual desire. But Intrinsa has been rejected so far by the U.S. Food and Drug Administration.



LARRY STEVEN LONDRE  
CSUN  
DIALOGUE

## Census is a crucial tool for marketing

It's countdown time to Census Day, April 1, 2010. The census is a count of every individual living in the U.S., every 10 years, as mandated by the U.S. Constitution.

The upcoming census is a great opportunity to retool for your "real" customers based on demographics, psychographics or what lifestyle activities do your customers do, plus where they live, work and shop.

Because consumers aren't a "one-size-fits-all" commodity, they are as complex and multifaceted as the census can ascertain.

Census data is also used to map congressional districts, to make decisions about what community services to provide, and to distribute \$300 billion in federal funds to local, state and tribal governments.

If you are a small business or work for a larger one, you need to know who your target market or audience is.

This info consists of a set of buyers who share common needs or characteristics that the company decides to serve.

Sophisticated marketing planning includes customer service, hiring the right people to serve, making right pricing and financing available, answering telephone inquiries and all of the ways to secure sales.

If you don't want to wait for 2010 census data, conduct your own survey.

I recommend business owners conduct a survey, rediscovering who comes into your store, the hours you are there and when only your employees are there.

Do you need an extra person who is bilingual or trilingual? Not all of your customers live and work in your community; many may come from 50-plus miles away.

Many speak more than one language. One of my recent students speaks six languages. This person has a tremendous asset to apply to his career.

Participation in the census is required by law. It takes less than 10 minutes to complete. Federal law protects the personal information you share. When it comes to marketing tools, the census really counts. It is important to all of us.

Larry Steven Londre is a marketing consultant who teaches marketing, advertising, and media classes at Cal State University, Northridge.

## Herbalife closes deal with Micelle

From News Services

Herbalife Ltd., a global nutrition and direct-selling company, announced Monday that it had closed its deal to buy certain assets of Micelle Laboratories, an

Orange County manufacturer of food and nutritional supplements, for \$10 million cash.

Herbalife employs about 1,200 people at its facilities in Los Angeles, Van Nuys, Carson and Torrance.

### Stock Exchange Highlights

NYSE ▲ +0.02 | Amex ▲ +0.01 | Nasdaq ▲ +0.01

MY PRODUCTIVITY SOFTWARE TURNED

IT KEEPS CRASHING MY COMPUTER. BUT

DO YOU HAVE ANY ASSIGNMENTS

### Stocks of Local Interest

YTD Name Ex Div Yld PE Last Ch %Ch