

people
IN BUSINESS

JENNIFER BARLEY of Capitola has won the Jean Nidetch Service Vision Leader of the Year Award. This award, named for the founder of Weight Watchers, is given annually to one outstanding Weight Watchers meeting leader in each region.



BARLEY

Barley, who has received the award for three consecutive years, leads 11 Weight Watchers meetings in Capitola and Watsonville each week. She supports more than 538 people with their weight-loss goals, giving them an opportunity to discuss healthy food choices and changing eating habits.

BRUCE MCGUIRE has met the new requirements of the state Attorney General's Office to become a private professional conservator. Trustees and conservators must be registered with the state to practice in California; requirements for licensing include coursework, work experience and an FBI background check.



MCGUIRE

McGuire, an appraiser in Santa Cruz, is a receiver for the County of Santa Cruz and a probate referee for San Mateo County.

Santa Cruz resident **CAMILIE D. PERIAT** is a new registered dental hygienist with Dr. James Calcagno in Pleasure Point. She passed her Dental Hygiene State Board exam in October. She has been working in the front office, and before that was a dental assistant for Dr. David Montgomery in Aptos.

DR. ROBERT LINGUA has joined Plager Vision and Laser Center, specializing in refractive surgery. He will be the first physician in Santa Cruz County area to perform the new blade-free Lasik procedure using the Intralase Femtosecond Laser.



LINGUA

One of the first surgeons to perform Lasik surgery in California, Lingua practiced in Orange County before coming to Santa Cruz. He also performs conductive keratoplasty, a new procedure to help farsighted patients reduce their dependency on reading glasses. Since 1996, he has completed over 35,000 refractive procedures.

He earned his medical degree from University of Southern California in 1975, completed his ophthalmology training at the College of Medicine in New Jersey and received his Board certification in ophthalmology in 1981. He has been on the teaching faculty of USC, UC Irvine, Loma Linda, the Bascom Palmer Eye Institute of the University of Miami, and the Southern California College of Optometry.

Fax information to Business Desk, Santa Cruz Sentinel at 429-9620 or e-mail jgumz@santacruzsentinel.com. Deadline is noon Wednesday.

Random House
to digitize books

THE ASSOCIATED PRESS

NEW YORK — With e-book sales exploding in an otherwise sleepy market, Random House Inc. announced today it was making thousands of additional books available in digital form, including novels by John Updike and Harlan Coben, as well as several volumes of the "Magic Tree-house" children's series.

Random House CEO Mark Dohle said "more people everyday are enjoying reading in the electronic format and Random House wants to extend our reach to them."

This tobacco's
made to swallow

Vicki Smith/Associated Press

Skoal Snus is racked alongside traditional spit tobacco behind the counter of a Sheetz store in Morgantown, W.Va. The folks who created Joe Camel are hoping Camel Snus will become a hit with tobacco lovers tired of being forced outside for a smoke.

NEW TOBACCO PRODUCT
ALARMS SOME HEALTH OFFICIALSBy VICKI SMITH
THE ASSOCIATED PRESS

MORGANTOWN, W.Va. — They're discreet, flavorful and come in cute tin boxes with names like "frost" and "spice." And the folks who created Joe Camel are hoping Camel Snus will become a hit with tobacco lovers tired of being forced outside for a smoke.

But convincing health officials and smokers like Ethan Flint that they're worth a try may take some work.

Snus — Swedish for tobacco, rhymes with "noose" — is a tiny, tea bag-like pouch of steam-pasteurized, smokeless tobacco to tuck between the cheek and gum. Aromatic to the user and undetectable to anyone else, it promises a hit of nicotine without the messy spitting associated with chewing tobacco. Just swallow the juice.

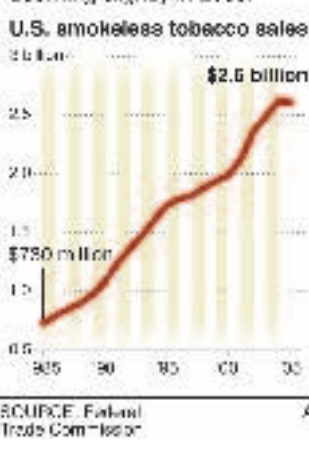
"I think I'd rather throw up in my mouth," says Flint, an 18-year-old West Virginia University student, emerging from a convenience store with a pack of Winstons and a coupon for free Camel Snus. "I'd rather not swallow anything like that."

Reynolds America Inc., the nation's No. 2 tobacco company, can also expect resistance from the public health community. Experts wonder whether snus will help wean people off cigarettes and snuff, or just foster a second addiction. While snus has been around, it hasn't been prominent in this country.

"I think we're all holding our breath in terms of what's going to be coming down the pike," says Dorothy Hatsukami, director of the Tobacco Use Research Center at the University of Minnesota. "There's not much

Sales tip slightly

Chewing tobacco and snuff sales rose 25th percent between 1985 and 2004, before declining slightly in 2005.



known about these products — what's in these products, how they're going to be used, who's going to be using them and what the effects of that use will be. ... Will it create more harm or less harm?"

Reynolds is confident its new product will find a following. It launched Camel Snus in Austin, Texas, and Portland, Ore., in 2006, and has since expanded to test markets nationwide, with customers in nearly every state. Early next year, it's taking snus national with a marketing blitz that spokesman David Howard says will include direct mail, print and Web advertising, and point-of-sale promotions.

Popular for decades in Sweden, where it was invented, snus has been banned in every other European Union nation since 2004 over concerns about car-

cinogens.

But smokeless tobacco is legal in the U.S., where there are two schools of thought: Some researchers suggest the lower risk of lung cancer makes snus an attractive alternative to smoking, while others fear an increase in problems including mouth lesions or pancreatic cancer.

The American Cancer Society supports any tool that helps smokers quit. "But we don't have any good scientific evidence that snus is one of those tools," said Tom Glynn, director of cancer science and trends.

"If all smokers switched to snus tomorrow, in a few years we'd certainly see less heart disease, less lung disease and fewer cancers," he said. "But there's no evidence that smokers can switch and stay switched."

Prevention officials already have their work cut out for them in West Virginia, which has the third-highest adult smoking rate in the U.S. at nearly 27 percent and the highest rate of "spit" or chewing tobacco use at 16 percent.

"The industry is brilliant, and whatever they want to outspend us by — \$1 million, \$10 million, \$100 million — they can do it," said Bruce Adkins of the state Division of Tobacco Prevention.

To sustain its current level of sales and combat tobacco-related deaths, Adkins says, the industry must find 4,000 "replacement smokers" a year in West Virginia alone.

U.S. tobacco companies developed snus in response to both declining cigarette sales and consumer demand. With more public bans on puffing, they say smokers need socially acceptable alternatives.

After record profits, steel makers
shaken by sudden economic dropBy DANIEL LOVERING
THE ASSOCIATED PRESS

PITTSBURGH — Just weeks after posting record profits, steel makers are facing a harsh new reality: dwindling orders, production cuts, layoffs. And tougher times lay ahead, analysts say.

The steel industry had been riding high earlier this year, as surging demand from China and other countries, coupled with soaring prices for materials used in steel making, produced the most lucrative market for the metal in more than 60 years.

But the credit crisis and global economic slowdown have undercut customers in key markets — construction, automobiles and industrial equipment — sending prices tumbling and prompting steel companies to slash production, scale back shipment forecasts, delay expansion plans and furlough workers.

Lower revenues and more layoffs loom in the months ahead, and production may not return to levels seen earlier in 2008 for more than two years, according to some analysts.

"The downturn has been dramatic, both in the speed and the magnitude," said Christopher Plum-

mer, managing director of Metal Strategies Inc., a consulting firm in West Chester, Pa. "It's quite concerning and alarming."

John Anton, a steel economist with IHS Global Insight, said he expects U.S. steel production to fall next year, and that steel companies will be lucky to make about 65 percent as much as they did in 2008. Revenues could fall 35 to 40 percent, and pre-slutdown production levels may not return until 2011.

Layoffs and production cuts are inevitable, but "as long as (steel companies) saved some of the huge profits they made in 2008 ... they should survive," he said.

The U.S. steel industry has been particularly hard hit by a decline in the number of new houses being built after multiple years of excessive construction, Anton said. While little steel is used in new residences, they bring shopping centers, hospitals and schools — buildings made from larger amounts of the metal.

"The real big drop in steel demand hasn't happened yet — that's the decline in nonresidential construction," said Charles Bradford, an analyst with Bradford Research/Soleil Securities. "That's just beginning to show up."

U.S. unveils
bold plan to
save CitigroupBy JEANNINE AVERSA
THE ASSOCIATED PRESS

WASHINGTON — The government unveiled a bold plan Sunday to rescue troubled Citigroup, including taking a \$20 billion stake in the firm as well as guaranteeing hundreds of billions of dollars in risky assets.

The action, announced jointly by the Treasury Department, the Federal Reserve and the Federal Deposit Insurance Corp., is aimed at shoring up a huge financial institution whose collapse would wreak havoc on the already crippled financial system and the U.S. economy.

The sweeping plan is geared to stemming a crisis of confidence in the company, whose stock has been hammered in the past week on worries about its financial health.

"With these transactions, the U.S. government is taking the actions necessary to strengthen the financial system and protect U.S. taxpayers and the U.S. economy," the three agencies said in a statement issued Sunday night. "We will continue to use all of our resources to preserve the strength of our banking institutions, and promote the process of repair and recovery and to manage risks," they said.

It is the latest in a string of high-profile government bailout efforts. The Fed in March provided financial backing to JPMorgan Chase's buyout of ailing Bear Stearns. Six months later, the government was forced to take over mortgage giants Fannie Mae and Freddie Mac and throw a financial lifeline — which was recently rejiggered — to

insurer American International Group.

Critics worry the actions could put billions of taxpayers' dollars in jeopardy and encourage financial companies to take excessive risk on the belief that the government will bail them out of their messes.

The \$20 billion cash injection by the Treasury Department will come from the \$700 billion financial bailout package. The capital infusion follows an earlier one — of \$25 billion — in Citigroup in which the government received an ownership stake.

As part of the plan, Treasury and the FDIC will guarantee against the "possibility of unusually large losses" on up to \$306 billion of risky loans and securities backed by commercial and residential mortgages.

Under the loss-sharing arrangement, Citigroup Inc. will assume the first \$29 billion in losses on the risky pool of assets. Beyond that amount, the government would absorb 90 percent of the remaining losses, and Citigroup 10 percent. Money from the \$700 billion bailout and funds from the FDIC would cover the government's portion of potential losses. The Federal Reserve would finance the remaining assets with a loan to Citigroup.

As a condition of the rescue, Citigroup is barred from paying quarterly dividends to shareholders of more than 1 cent a share for three years unless the company obtains consent from the three federal agencies. The agreement also places restrictions on executive compensation, including bonuses.

Obama adviser, Pelosi
offer advice to Big 3By DAVID SHEPARDSON
THE DETROIT NEWS

WASHINGTON — President-elect Barack Obama's advisers said Sunday that automakers must convince Congress that they have a plan to return to profitability before they can get \$25 billion in emergency bridge loans — and that they should leave their corporate jets home.

"(Obama) said from the beginning that we need to help, but we can't give a blank check and I agree with that," Obama adviser David Axelrod told ABC's "This Week." "If they don't do that, then there is very little the taxpayers can do — I hope automakers come back to Congress, hopefully on commercial flights."

Axelrod said "the signal sent by Congress was the right one" in delaying approving the funds.

Detroit's Big Three CEOs were sharply criticized for each traveling on separate corporate jets for two days of congressional hearings last week. On Friday, GM said it had already returned two of its seven leased jets and would get rid of two more. Ford Motor Co. also said it was considering slimming down its corporate jet fleet. Chrysler charters jets for individual flights.

Congress on Thursday postponed voting on a compromise plan brokered by Sens. Carl Levin, D-Detroit, and Christopher "Kit" Bond, R-Mo., and instead told Detroit's Big Three automakers to return to Congress by Dec. 2 with a detailed plan for how they would use the funds and their plan for viability. Congress is then expected to take up the issue the week of Dec. 8.

"Shareholders, business

partners and prospective beneficiaries — the American people — deserve to see a plan that is accountable to taxpayers and that is viable for the long term," House Speaker Nancy Pelosi, D-Calif., and Sen. Majority Leader Harry Reid, D-Nev., wrote Friday. "Taxpayers also deserve to see top automobile executives making significant sacrifices and major changes to their way of doing business."

Pelosi told CBS's "Face the Nation" the performance of Detroit's Big Three auto CEOs "was totally inadequate" during the hearings last week and again emphasized they must agree to strict limits on executive compensation and a plan for "viability and innovation."

"We want to be their partner to go forward," Pelosi said.

There's still a divide between most Democrats and the White House over how to fund the program. Most Republicans want to tap the \$25 billion Energy Department retooling program approved in September by dropping the fuel efficiency requirements, while Democrats want to carve \$25 billion out of the \$700 Wall Street rescue package to use to help automakers survive.

GM and Chrysler have warned they could run out of cash soon.

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