



## MOBILE COMMUNICATIONS

## THE GREAT INDOORS

“With better coverage, patrons shop and play longer, so taking the cell-phone antenna closer to where large numbers of customers are just makes sense,” explains Dale Carey, president of **SpectraSite Inc.**’s (SSI) wireless division. Because the dense materials from which many large commercial establishments are built often block cellular communication signals, SpectraSite says it is installing wireless systems inside locations such as **Caesars Entertainment Inc.** (CZR) casinos and **Simon Property Group Inc.** (SPG) shopping malls.

SpectraSite says its systems, of which there are 58 installed nationwide, allow cell-phone users to get a good connection to their cell service supplier both inside and outside the buildings. Each installed system includes a server-like device connected via fiber-optic cable to antennae that are about the size of a greeting card and located throughout the buildings, SpectraSite says. Cell-phone service suppliers pay a fee to plug their base stations into each SpectraSite system, the company adds.

“Customers are increasingly demanding always-on wireless service and have a low tolerance for dropped or blocked calls,” Carey says. “This is a natural extension of the [outdoor] tower premise, but taking it inside high-traffic, high-volume locations.” — *Mardy Fones*



SPECTRASITE SYSTEMS ALLOW FOR THE USE OF CELL PHONES INSIDE MALLS.



EDO'S TECHNOLOGY IS HELPING THE COAST GUARD UPDATE ITS SEARCH-AND-RESCUE SYSTEM.

## MARITIME SAFETY

## SAVE OUR SIGNAL

If a small boat at sea calls for help, will anybody hear its SOS? Not if it's drowned out by more powerful radio signals from large ships and onshore radio or television stations, according to defense contractor **EDO Corp.** (EDO). To detect radio signals from a ship in distress, EDO reports that it will supply interference-mitigation technology (IMT) to the Coast Guard. “This kind of technology transfer doesn't happen often,” says James M. Smith, EDO's chairman, president and CEO, referring to the use of EDO products outside of military applications. “But when it does, it makes sense for EDO to get involved.”

EDO's system, Smith explains, “samples transmissions and automatically cancels out the interfering signals that are ‘stepping all over’ the smaller ones.” Eliminating interference in dense electromagnetic environments, Smith adds, will make it easier to locate small vessels and boats, even if signals are brief.

EDO reports that its technology is part of the Coast Guard's update of its 30-year-old search-and-rescue communications system, called Rescue 21, for which **General Dynamics Corp.**'s (GD) Decision Systems is the prime contractor. As a subcontractor, EDO says that it will supply IMT for more than 300 radio towers and 330 Coast Guard vessels. — *MF*

## CORPORATE GOVERNANCE

### HELP WITH SARBANES-OXLEY

It's fast approaching. For U.S. public companies classified as "accelerated filers" by the SEC, Section 404 of the Sarbanes-Oxley Act (SOX) becomes effective for fiscal years ending on or after Nov. 15, 2004, says Harold Messmer Jr., chairman of the board and CEO of **Robert Half International Inc.** (RHI). Section 404 requires public companies to establish and maintain effective internal control over financial reporting, he adds. Messmer says that for many companies a challenge of SOX has been building a staff that's qualified and experienced enough to undertake the compliance process. Robert Half says its wholly owned subsidiary Protiviti Inc., launched in 2002, helps companies with SOX compliance, risk-management projects and internal-audit functions. Protiviti says many clients fully outsource such jobs to it, while others use Protiviti in an advisory or consulting capacity.

Messmer says that Protiviti advises companies to document all transactions, along with business and board decisions, in a manner that is consistent, accurate and transparent to management and shareholders. Messmer recommends that companies use standardized methodologies and replicable processes to track and document the depth of reporting that SOX requires. "The purpose of SOX compliance isn't to go through forms and check the boxes so CEOs and CFOs can sign off in a perfunctory manner," he adds. — *MF*



ROBERT HALF SUBSIDIARY PROTIVITI HELPS CLIENTS MANAGE THE COMPLIANCE PROCESS.

COURTESY RESPECTIVE COMPANIES

## CEO FORUM

### BOOMER TIMES

Given that many baby boomers are nearing retirement age, what are you doing to anticipate and leverage this trend?



"Boomers are 20 or more years away from becoming customers of the typical senior-living communities. Boomers are demanding more varied and better choices for their parents. Sunrise and others are responding by offering a wider range of choices than ever before to meet boomers' needs as today's decision-influencers and tomorrow's residents." — **PAUL J. KLAASSEN, FOUNDER, CHAIRMAN AND CEO, SUNRISE SENIOR LIVING INC. (SRZ)**



"Baby boomers are much more demanding when it comes to health care than previous generations. We've focused on developing advanced materials and techniques that allow boomers to have hip or knee implants much earlier in life. Now 50-plus-year-old patients can receive a new joint, whereas the average orthopedic patient has traditionally been over 60." — **SIR CHRISTOPHER O'DONNELL, CEO, SMITH & NEPHEW PLC (SNN)**



"We will continue to focus on increasing our manufacturing-capacity levels and growing our dealer-distribution network to accommodate the heightened demand we anticipate. But this could be wasted effort if we don't continue to produce the highest-quality vehicles in the marketplace. Our product quality-assurance processes will remain top priority." — **BRAD ALBRECHTSEN, PRESIDENT AND CEO, NATIONAL RV HOLDINGS INC. (NVH)**



"Allstate's annual Retirement Reality Check surveys boomers and provides us with insights into their retirement hopes and concerns. One recent survey found that only 35 percent of respondents currently saving for retirement say they are 'on track' to meet financial goals. So Allstate is broadening into savings and retirement products to help boomers." — **EDWARD M. LIDDY, CHAIRMAN, PRESIDENT AND CEO, THE ALLSTATE CORP. (ALL)**



"Boomers' retiring is very significant for the gaming industry in general and for Alliance Gaming in particular. This key demographic group of slot-machine players will have more free time and generally more disposable income. Casino visits will increase, and slot machines will continue to provide the vast majority of gaming revenue for operators." — **RICHARD HADDRILL, PRESIDENT AND CEO, ALLIANCE GAMING CORP. (AGI)**



"We recently established an In Retirement business segment to address this trend. We are building our business to meet the specific needs baby boomers will have managing their money as they live longer in retirement. This is an integral part of our long-term strategy to help all consumers build financial security as they work and as they retire." — **JERRY JURGENSEN, CEO, NATIONWIDE FINANCIAL SERVICES INC. (NFS)**

TO TELL US WHAT YOU THINK ABOUT BABY-BOOMER TRENDS, OR TO LET US KNOW WHAT OTHER QUESTIONS YOU'D LIKE TO SEE CEOs ANSWER IN THESE PAGES, PLEASE CONTACT US AT [NYSE@TIMEINC.COM](mailto:NYSE@TIMEINC.COM).

SINCE 1988, 3 MILLION NEEDY PEOPLE HAVE RECEIVED FREE EYE CARE VIA A PROGRAM OF LUXOTTICA GROUP S.P.A. (LUX) SUBSIDIARY LENSRAFTERS INC.

EVERY YEAR, UNILEVER NV (UN) AND UNILEVER PLC (UL) USE 6 MILLION POUNDS OF COTTON TO MAKE Q-TIPS.

All information obtained from the respective companies.

## THIS MONTH IN HISTORY

# 1858

Macy's, now a division of Federated Department Stores Inc. (FD), was founded Oct. 27 in New York City.

# 1879

The lightbulb debuted Oct. 21, an event the Edison Electric Institute still celebrates today, says its chairman, Wayne Brunetti, Xcel Energy Inc. (XEL) chairman and CEO.

# 1931

The first U.S. short-exposure infrared photo was taken Oct. 7 at Eastman Kodak Co.'s (EK) research lab. Infrared photography has since been used in medical and other applications.

# 1933

The vinyl industry was born Oct. 10, when a patent was issued to a scientist at BFGoodrich, now Goodrich Corp. (GR), for his method of making plasticized polyvinyl chloride (PVC).

# 1938

On Oct. 27 DuPont (DD) announced a name for its new synthetic yarn: nylon.

# 1971

The Walt Disney Co. (DIS) opened Walt Disney World in Orlando Oct. 1.

Source: All facts obtained from respective currently listed companies.

# ENERGY WATCH

## OFFSHORE VESSELS

### SAFETY AT SEA



HORNBECK SAYS SAFETY IS A COMPETITIVE ADVANTAGE.

few offshore vessel companies operating in the Gulf of Mexico that is approved for the U.S. Coast Guard's Streamlined Inspection Program, which allows the company to inspect its own vessels. The company, which says it uses employee bonuses to reward and encourage safe behavior, reports that from 1997, when it was founded, to 2003, the number of accidents has dropped, even as its fleet size has grown more than six times and the total hours put in by workers has increased 17 fold. — MF

To gain an edge in the marketplace, the **Hornbeck Offshore Services Inc. (HOS)** vessel-supply and transport company plays it safe, says President and CEO Todd M. Hornbeck. The company counts nearly all the major integrated refiners and large independent oil and gas companies among its customers. Clients, the CEO says, "are generally willing to pay more to do business with the safest contractors." Hornbeck Offshore says it is one of the

## UTILITIES

### METER RE-MADE

In Italy visits from the meter reader are becoming a thing of the past with the advent of utility company **Enel S.p.A.'s (EN)** automated meter-management, or AMM, technology, Enel reports. And this change will extend beyond Italy's borders because of the company's strategic partnership with **IBM Corp. (IBM)**, Enel adds. The partnership, Enel explains, gives IBM the worldwide license to market, install and provide customer service for AMM in exchange for royalties. AMM, which uses a minicomputer in a small box similar to a traditional electric utility meter, gathers data about utility use and automatically transmits the information in real time to Enel's billing center, reducing the errors that occur when a consumer reads the meter and cutting down on the need for staff to go out and read it, the company says.

"IBM's involvement will allow us to focus on enhancing AMM and adding new capabilities," says Vincenzo Cannatelli, chief operating officer of the sales, infrastructures and networks divisions at Enel. AMM can also be used in the gas, water and heating utility sectors, he adds. — MF



ENEL AND IBM TEAM UP TO READ METERS REMOTELY.

▶ FORTY-SIX PERCENT OF MEN REMOVE TAGS FROM THEIR T-SHIRTS, PER HANES, A SARA LEE CORP. (SLE) BRAND.

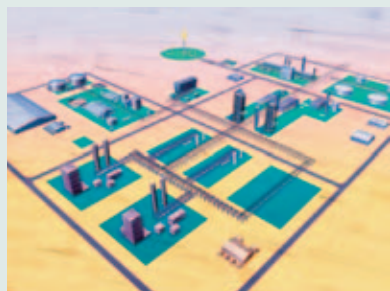
▶ THE STITCHING THREAD USED IN ONE PAIR OF GAP INC. (GPS) WOMEN'S JEANS WOULD STRETCH THE LENGTH OF 2.25 FOOTBALL FIELDS.

## PETROLEUM INDUSTRY

### GOING GAS-TO-LIQUID

By finding a way to tap natural gas reserves that can't be piped to market areas, **Sasol Ltd.** (SSL) says it has added a lucrative twist to an existing technology. Absent nearby pipelines, safe gas transport normally requires refrigerated containers, making the process expensive, Sasol explains. But it says that a partnership with **ChevronTexaco Corp.** (CVX), operating as Sasol Chevron, will employ Sasol's method for turning natural gas into less volatile liquid diesel fuel. Sasol says it will use gas-to-liquid technology, or GTL, to help Qatar commercialize its gas reserves and develop strategic trade partnerships worldwide.

Sasol's GTL process heats and adds oxygen to natural gas, converting it to diesel, says Pat Davies, executive director of Sasol. The filtered result is an exceptionally high-grade diesel, which is more environmentally friendly than lower grades, the company adds. Although Sasol has used



SASOL'S GAS-TO-LIQUID TECHNOLOGY COULD OPEN NEW GAS DEPOSITS FOR EXPLORATION.

GTL for decades, capturing so-called stranded gas is a relatively new application for the technology, says Davies. "GTL is creating a new industry," he says, "based on the producer push, the desire of governments to monetize their gas reserves and a consumer pull for an environmentally friendly diesel." — MF

## CORPORATE ID?

[NAME THIS COMPANY]



Almost every meal in America contains some of this company's ingredients, ranging from wheat gluten, corn syrup and soy protein to flours, oils and gums.

» Begun in 1902 as a linseed-crushing business, this company's two main oilseed products today are protein meal used in animal feed and vegetable oil for cooking, salad dressings and other food applications.

In 2001, this company was the first U.S.-based business to sign a contract with Cuba since the embargo was imposed more than 40 years ago.

This company produces biodiesel, a vegetable oil-based diesel fuel that burns more cleanly than traditional petroleum products.

SEE ANSWER IN LEFT MARGIN. ALL CLUES PROVIDED BY THE COMPANY.

## FUEL TRANSPORT

### PIPELINES AND THE BOTTOM LINE

In today's market, cutting the costs of transporting fuel is a logical, cost-effective approach to building a petroleum company's bottom line, says **PetroKazakhstan Inc.** (PKZ). To do so, PetroKazakhstan, a Canada-based oil and gas company that operates exclusively in the former Soviet republic of Kazakhstan, says it has made a number of moves, including the 2003 construction of a 110-mile pipeline from its field operations to an existing railway line. The results were a 815-mile reduction in pipeline movement and in rail transportation for crude exports, and a \$2 to \$2.50 per barrel savings on shipping, says the company.



PETROKAZAKHSTAN'S PIPELINE HELPS SAVE \$2 PER BARREL IN OIL TRANSPORT COSTS.

"For every \$1 per barrel reduction in transportation costs, we increase net income and cash flow after taxes by \$26.6 million, the equivalent of a 13.4 percent increase in production," says Bernard F. Isautier, chairman, president and CEO of PetroKazakhstan.

"Kazakhstan is still a young country in terms of free enterprise and market-economy practices," says Isautier, who attributes his company's growth in part to its executives' experience with new governments and emerging-market economies. "We are flexible and willing to change our plans as Kazakhstan's economy evolves and as new opportunities arise," he says. — MF

MORE THAN 30,000 SMITH & NEPHEW PLC (SNN) OXINIUM KNEE REPLACEMENTS HAVE BEEN IMPLANTED INTO PATIENTS SINCE 2002.

IN 2003, BROWN SHOE CO. INC. (BWS) WHOLESALED 72 MILLION PAIRS OF SHOES, ENOUGH FOR ABOUT A QUARTER OF THE U.S. POPULATION.