



Dow Jones: **10,284.46**  
**+39.97**  
S&P 500 **1,128.55**  
**+5.05**  
Nasdaq: **1,910.09**  
**+6.01**

# BUSINESS

MARKETS **11, 12**

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SECTION B, PAGE 10

## IN BRIEF

FROM BLADE STAFF AND WIRE REPORTS

### Malls ring up rise in sales per visit

HACKENSACK, N.J. — The nation's shoppers made fewer trips to the mall in 2003 than in 2002 but spent more time and money while there, according to a report by International Council of Shopping Centers.

The average amount of money spent in a mall visit rose nearly 16 percent in 2003 to \$83.30, up from \$71.90 in 2002. Average time spent per visit increased from 75 to 82 minutes.

The findings, drawn from interviews with more than 23,000 shoppers at 79 malls, reverse a downturn recorded by the ICSC in 2002. That year, average spending per visit dropped 4.3 percent from the previous year.

### Sky Financial Group will buy back stock

BOWLING GREEN — Sky Financial Group Inc. yesterday announced it plans to repurchase up to two million shares of its common stock.

The stock buyback program, over a twelve-month period, is to raise money to be used "for general corporate purposes."

### Consumer sentiment stagnates, index shows

NEW YORK — U.S. consumer sentiment stagnated in early September as doubts about the economy and the job market persisted, a report indicated yesterday.

The University of Michigan's index of consumer confidence moved lower to a preliminary reading of 95.8 from 95.9 in August, according to sources who saw the report. Analysts had looked for a rise to 96.5.

U.S. economic growth weakened in the second quarter and forecasters are now trying to determine whether that softness was transitory or marked the start of a longer-term trend.

The answer to that question will determine the pace at which the Federal Reserve is likely to raise interest rates, with widespread implications for consumers and businesses.

### IBM in talks to settle pension-plan lawsuit

NEW YORK — IBM said yesterday it is in talks to settle a mammoth lawsuit alleging a pension plan adopted by the firm in the 1990s discriminated against 140,000 older workers.

IBM agreed this week to settle a small part of the lawsuit, involving just a few thousand workers, in a case closely watched by large companies with similar pension plans. The class-action suit challenges its cash balance pension plan.

### 'Fresher, friendlier' logo is adopted by Sears

HOFFMAN ESTATES, Ill. — Sears, Roebuck and Co. has adopted a new logo, only the fourth in its 118-year history, to give it what it describes as a "fresher, friendlier" look.

The company says it began switching to the revised logo this week in newspaper ads and by erecting new signs at a store in Vernon Hills, Ill., 15 miles east of its headquarters.

The logo is brighter blue than its predecessor, with "Sears" no longer in all capital letters. A red arc underlines the word.

### Ford raises outlook for 3rd-quarter earnings

DETROIT — Ford Motor Co. raised its third-quarter and full-year earnings guidance for 2004 yesterday on the back of continued strong performance at its financial services arm, even as its car business in the key U.S. market remains well behind year-ago results.

Ford raised third-quarter earnings guidance by 10 cents per share to a range of 10 to 15 cents from continuing operations, excluding special items, compared with zero to 5 cents.

### United Airlines seeks \$500M more in cost cuts

CHICAGO — United Airlines said yesterday it will need about \$500 million in annual cost cuts above the \$655 million now in the works and got court approval for more time to develop a reorganization plan without interference from creditors.

The amount of added annual cost cuts is an early assessment, Jake Brace, United's executive vice president and chief financial officer, told reporters after a court hearing in Chicago.

## AREA MANUFACTURER TO SCRAP 65 JOBS

# Reichert Stamping to shut by Nov.

By HOMER BRICKEY  
BLADE SENIOR BUSINESS WRITER

Reichert Stamping Co., a Toledo-area manufacturer for 80 years, has told workers it will shut down by early November, United Auto Workers officials said yesterday.

The closing will displace more than 50 hourly and 15 salaried workers and will leave a 225,000-square-foot plant vacant at Central Avenue and Centennial Road in Sylvania Township.

The company, which was owned by the Reichert family for three generations until about five months ago, struggled in recent years, particularly when steel prices shot up, union leaders said.

In late April, American Metals Industries of Paris, Ky., acquired the plant's assets and liabilities from Robert Reichert.

"It's sad," said Greg Myers, chairman of the Reichert unit of UAW Local 12 and a 31-year tool-and-die worker and millwright for the company.

"This was probably one of the last major family-owned stamp-



THE BLADE/HERRAL LONG

Reichert Stamping in Sylvania Twp. employs more than 50 hourly and 15 salaried workers.

ing plants in northwest Ohio," Mr. Myers said.

The UAW has more than 100 members at Reichert, but many of them were laid off, he said. Wages ranged from \$13 to \$18.50 an hour, averaging about \$15. At its peak, the plant employed

about 250 and had revenue of \$30 million annually, according to published records.

Bruce Baumhower, president of Local 12, said the union will try to find other jobs for the displaced workers, but that task is tougher because of other plant

closings taking place in coming weeks, including plans by Alcoa Inc. to shut by year-end its 9-year-old Northwood plant employing 140, and the closing by November of 74-year-old Gerity-Schultz Inc., a maker of carburetor bodies that employs

34. "We're up against it right now," said Mr. Baumhower. "Now we're looking at 220 to 230 out of work."

The company was founded in 1924 as Reichert Float and Manufacturing by Paul Reichert to make copper toilet-tank floats, but by the 1940s the firm was doing mostly automotive work.

In recent years, its customers included automakers such as Mitsubishi and automotive suppliers such as Visteon and Delphi.

"I think it's a shame," said Robert Reichert, the previous owner, when told of the closing. "I had hoped they would make it and be a success."

Mr. Reichert said he owns the building, opened in 1979, and hopes to find a new tenant. "It's a good facility," he said.

Reichert Stamping President Pete Peterson declined to comment yesterday and referred questions to UAW officials.

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## UPBEAT OVER THE UPTICK



REUTERS

Dennis McGowan, left, and Richard Rose watch the early trading numbers on the floor of the New York Stock Exchange yesterday. The market surged despite rising oil prices — now above \$45 a gallon — with the Dow climbing nearly 40 points for the day. Further good news was provided by Ford Motor Co., which raised its earnings forecasts, and Texas Instruments Inc. rose 49 cents to \$22.08 after the semiconductor and electronics manufacturer authorized a \$1 billion stock repurchase plan.

# Use of just-in-time staffing holds down U.S. job gains

BLOOMBERG

WAYNESBORO, Va. — Virginia Panel Corp. is boosting overtime and hiring temporary and part-time workers to avoid adding full-time employees. Two years ago, the company considered these stopgap measures until the economy improved, Chief Financial Officer Trigg Copenhaver said. Now they're permanent.

"Global competition is forcing everybody to do whatever they can to hold costs down indefinitely, and with this, not only is it cheaper, but you can expand and contract your work force as you need to," said Mr. Copenhaver, whose Waynesboro, Va.-based firm makes electronics-connection panels.

Staffing practices that were considered temporary fixes in the early 1990s now are woven into how businesses operate, said Peter Cappelli, a professor at the Wharton School of Business in Philadelphia. About a tenth of Toyota Motor Corp.'s

U.S. production labor force is made up of temporary workers; retailers Best Buy Co. and Sears, Roebuck & Co. are transferring hundreds of workers from their payrolls to outside contractors.

The shifts in hiring strategy contributed to weakness in the labor market since the 2001 recession, said Mr. Cappelli, director of Wharton's Center for Human Resources. There are 24.2 million part-timers in today's work force of 131.5 million people, up from 23 million when the expansion began in November, 2001; the number of temporary workers rose 309,000 to 2.6 million.

"Nobody wants to be faced with the fixed cost of maintaining a large full-time work force if business suddenly falls off — it's easier to hire and fire this way," he said.

"I call them 'just-in-time' employment practices," said Jared Bernstein, senior economist at the labor-backed Economic

Policy Institute in Washington. He likens the trend to the inventory management procedures companies began using in the 1980s, by ordering parts and supplies only as they're needed.

The rise in just-in-time staffing has been propelled by pressure from stockholders to turn profits even when demand falls off and, second, by rising costs of hiring full-time employees, particularly in benefits such as medical insurance, said Sylvia Allegretto, another EPI economist.

"Chief financial officers have an aversion to adding Social Security numbers to the payroll," said James Gelly, chief financial officer of Milwaukee-based Rockwell Automation Inc., the largest maker of factory-automation equipment. "They've become more conservative as their costs have risen."

Profits of U.S. corporations soared by a third to \$1.02 trillion in 2003 from \$767.3 billion

## MICHIGAN A HOT SPOT

# FBI finds fraud is widespread in mortgage field

## Suspected-offense reports triple

ASSOCIATED PRESS

WASHINGTON — Fraud is running rampant in the nation's mortgage industry, with nearly three times as many reports of suspicious activity so far this year as in 2001, a top FBI official said yesterday.

"It has the potential to be an epidemic," said Chris Swecker, who is the assistant director for criminal investigations for the Federal Bureau of Investigation.

Through the first nine months of 2004, mortgage companies and banking institutions have reported more than 12,100 instances of suspicious activity compared with 4,220 reported in 2001.

The FBI has 533 pending mortgage-fraud investigations, compared with 102 in 2001.

Law enforcement officials say the lending and refinancing boom that accompanied record-low interest rates in the past few years is a key reason for the increased fraud. The FBI has identified several "hot spots" around the country where this type of fraud is especially prevalent. Among the states are Florida, California, Nevada, Michigan, Missouri, and Illinois.

"You can find this anywhere in the country," Mr. Swecker said.

One common mortgage fraud scheme is "property flipping," in which property is purchased, appraised fraudulently at a much higher price, and then quickly sold.

The mortgage holder is then left with property that is in reality worth much less than the

**The FBI's agents are pursuing 533 investigations into mortgage fraud, up from 102 just three years ago**

loan it issued. Other schemes involve fake identities and credit histories, use of "straw buyers" to conceal the true buyer's name, and forged loan documents.

Mortgage fraud is one of several financial crimes that the FBI has been targeting for extra attention in recent months.

This effort, which involves 47 FBI field offices, has resulted in more than 151 charges since August in cases with potential losses to banks and other businesses of an estimated \$3 billion.

## Jobless rates drop in area

Jobless rates in all but one northwest Ohio counties dropped in August, even as the state rate rose to 6 percent, according to figures released yesterday by state Department of Job and Family Services.

The Toledo area remained high, at 9.1 percent, while Hancock County had the area's lowest rate at 4.3 percent. Paulding County was the only local county to increase from July, up to 7.1 percent.

County	Labor force	Total jobless	Unemployment rates 8/04	7/04	8/03
Allen	53,000	3,200	6.1	7.6	6.4
Defiance	21,200	1,400	6.5	7.5	6.3
Erie	47,200	2,300	4.8	5.9	4.7
Fulton	23,000	1,400	6.3	9.5	5.4
Hancock	43,900	1,900	4.3	4.8	4.2
Henry	17,600	900	5.1	8.3	4.7
Huron	28,900	2,300	8.0	8.5	7.3
Lucas	228,000	17,700	7.8	8.6	7.4
Toledo	159,500	14,500	9.1	10.0	8.6
Ottawa	23,700	1,300	5.7	6.3	5.7
Paulding	9,900	700	7.1	6.3	7.2
Putnam	21,400	1,200	5.8	6.5	4.9
Sandusky	32,300	2,300	7.1	8.5	7.0
Seneca	29,400	2,100	7.2	10.1	6.7
Van Wert	15,500	700	4.8	7.1	5.2
Williams	19,500	1,400	7.0	7.8	7.1
Wood	66,500	3,500	5.3	6.8	4.9
State of Ohio	5.9 mil	370,000	6.3	6.0	6.1
United States	148 mil	8 mil	5.4	5.5	6.1

Source: Ohio Department of Job and Family Services

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