

Downward Trends

(a weekly publication of Business News Shorts)

2/7/11

Abbott Laboratories, citing pressure from generic competition and new government healthcare regulations, announced it will shed 1,900 jobs, mostly at its operations in the U.S. The cost-cutting move, aimed at eventually saving \$200 million a year, will result in some \$300 million in extra expenses. Abbott, North Chicago, Il., explained that it's feeling pinched by federal regulators who are allegedly making it harder to get new drugs approved. Recently the company took its Meridia diet drug off the market and opted to hold off on a new cholesterol drug and a psoriasis treatment. At the same time Abbott reported its fourth quarter results, saying that profit slipped 6% from a year ago—to \$1.4 billion, although overall sales increased more than 13%—to \$9.9 billion.

Abingdon Bancorp is in an agreement to be purchased by Susquehanna Bancshares of Lititz, Pa. in a \$273 million transaction. The merger should close in the third quarter.

Accuride Corp. has sold its Bostrom Seating Inc. truck-seat manufacturing unit to Commercial Vehicle Group Inc. for \$8.8 million. Bostrom, which makes seats for heavy-duty trucks, has annual sales of about \$40 million. Accuride, Evansville, In., sold the unit in order to focus on its structural, drivetrain and wheel-end products.

Alberto-Culver Co., the Melrose Park, Il. maker of personal care products, reported a 30% jump in quarterly earnings, although the figures fell shy of analysts expectations. The company's shareholders last month voted in approval of a deal for the firm to be purchase by Unilever in a \$3.7 billion agreement.

Allegheny Technologies Inc., Pittsburgh, Pa., reported its fourth quarter earnings plunged more than 50%—to \$15 million, because of more than \$40 million in extra charges, partly related to costs for startup and idle facilities. Sales increased 27%—to just over \$1 billion.

Amazon.com Inc.'s shares skidded 9% in recent trading after the Seattle, Wa. online retailer reported heavy spending that ate into profits, saying that operating costs surged 38% in the recent quarter, including expenses for boosting its number of distribution centers to a total of more than fifty. Nonetheless, Amazon's fourth quarter profit was up 8%—to \$416 million, as revenue surged 36%—to just shy of \$13 billion.

AMB Property Corp., a big San Francisco, Ca. warehouse company, is reportedly close to a deal to merge with Denver, Co.'s **ProLogis**, a big commercial property concern. While ProLogis is the bigger of the two companies, the combination is being termed a merger of equals. The value of the merger wasn't revealed, although the companies together will have a market cap of about \$13.9 billion.

Ambac Financial Group Inc. has seen a 3/2 deadline set for filing proof of claims in its Chapter 11 bankruptcy. For further information contact the U.S. Bankruptcy Court in Manhattan, N.Y. at 212-668-2780 and refer to case number 10-15973.

America II Electronics Inc., a St. Petersburg, Fl. semiconductor distributor, entered into a global distribution arrangement with TGS Inc.

American Diagnostic Medicine Inc., Batavia, Il., filed Chapter 11 in the U.S. Bankruptcy Court for the Northern District of Illinois. The firm listed assets and liabilities of between \$10 million and \$50 million each. The filing was under case number 11-03368. For more information contact the court at 866-222-8029 then enter 15.

AmeriGas Partners LP, a Valley Forge, Pa. propane distributor, reported first quarter earnings of \$74.9 million, down from \$84 million a year ago. Revenue rose to \$700 million, compared to \$657 million in the year-earlier period.

Ampere Electric Co., Glendale, Il., filed Chapter 11 in the U.S. Bankruptcy Court for the Northern District of Illinois. The firm listed assets of between \$100,000 and \$1 million and liabilities of between \$1 million and \$10 million. The filing was under case number 11-03664. For more information contact the court at 866-222-8029 and then enter 15.

Anadarko Petroleum Corp. a The Woodlands, Tx. oil and gas producer, reported its fourth quarter earnings declined just over 50%--to \$111 million. The decline is, in part, a result of higher derivative gains reported in the year-earlier period. Revenue increased more than 10%--to \$2.7 billion. Excluding certain items the company managed to beat Wall Street estimates.

Angiotech Pharmaceuticals (US) Inc. filed Chapter 15 in the U.S. Bankruptcy Court for the District of Delaware. The firm listed assets of between \$100 million and \$500 million and liabilities of between \$500 million and \$1 billion. The filing was under case number 11-10278. Also filing were Angiotech Florida Inc. under case number 11-10276, Angiotech Medical Instruments Holdings Inc. under case number 11-10272, Angiotech International Holdings Inc. under case number 11-10277, Angiotech America Inc. under case number 11-10273, Angiotech Delaware Inc. under case number 11-10275 and Angiotech Biocoating Corp. under case number 11-10274. For more information contact the court at 302-252-2560.

Arete NW LLC, Scottsdale, Az., filed Chapter 11 in the U.S. Bankruptcy Court for the

District of Arizona. The firm listed assets of between \$1 million and \$10 million and liabilities of between \$100,000 million and \$1 million. The filing was under case number 11-02010. Also filing were at least five affiliated companies, Arete Sleep LLC, Arete Sleep Therapy LLC, Arete Sleep Therapy NW LLP and Arete Holdings LLC. For more information contact the court at 800-556-9230.

Armedica Inc. filed Chapter 15 in the U.S. Bankruptcy Court for the District of Delaware. The firm listed assets of between \$100 million and \$500 million and liabilities of between \$500 million and \$1 billion. The filing was under case number 11-10271. For more information contact the court at 302-252-2560.

Ashland Inc., a Covington, Ky. manufacturer of chemicals, reported its net income in the first quarter edged up 1%—to \$87 million. Sales rose to \$1.4 billion, compared to \$1.3 billion in the year-earlier period.

AT&T Inc., Dallas, Tx., reported its fourth quarter profit plunged 60%—to \$1.1 billion, while sales edged up 2%—to \$31.4 billion. The results disappointed analysts.

Aussie Homes Corp., San Diego, Ca., filed Chapter 11 in the U.S. Bankruptcy Court for the Southern District of California. The firm listed assets and liabilities of between \$1 million and \$10 million each. The filing was under case number 11-01375. For more information contact the court at 619-557-6521.

Automotive Protection in New Jersey was hit by a ruling by a superior court judge in Raleigh, N.C. that bars it from operating in that state. That ruling follows an investigation by North Carolina's attorney general that found the firm had pestered seniors with phone calls and made calls to some customers that were listed on the state's Do Not Call Registry. Automotive must pay \$4.5 million in civil penalties.

BankAtlantic Bancorp Inc. agreed to sell nineteen bank branches in the Tampa Bay, Fl. area to PNC Financial Services Group Inc. of Pittsburgh, Pa. BankAtlantic is selling the branches in order to focus on its operations in South Florida.

Basset Furniture Industries Inc., Bassett, Va., is in talks to sell its 47% stake in the International Home Furnishings Center showroom in High Point, N.C. The firm said that it considers its interest in the 3.5-million-square-foot showroom a noncore asset.

Baxter International Inc., the Deerfield, Il. maker of medical products, reported its fourth quarter net income slumped 26%—to \$423 million, while revenue inched up 1%—to \$3.5 billion. The results were impacted by a \$164 million restructuring charge for severance, ending certain product lines and layoffs as it moves to focus on two main units, medical products and bioscience treatments. The results also included \$25 million in acquisition-related research expenses and \$40 million for a litigation reserve.

BNA Subsidiaries Inc. has seen a 2/9 hearing scheduled to consider its Chapter 11 disclosure statement. For further information contact the U.S. Bankruptcy Court in

Wilmington, De. at 302-252-2560 and refer to case number 10-13087.

BNY Mellon, the big Manhattan, N.Y. financial firm, is being sued by the state of South Carolina for \$200 million in damages, for allegedly mismanaging the state's investment portfolio.

Body Central Corp., a Jacksonville, Fl. apparel retailer, announced plans to sell more than 5.7 million shares of stock, expecting to raise more than \$100 million.

Borders Group Inc. received a commitment from GE Capital for \$550 million in refinancing that could relieve some financial pressure on the Ann Arbor, Mi.-based bookseller. The money is contingent on a number of requirements, including arranging agreements with book publishers to convert delayed payments into loans and lining up \$125 million in junior debt financing. However, Borders, amid a liquidity crunch, has warned that it could file for protection from creditors if its suppliers don't agree to the concessions needed for the GE Capital refinancing. Also, the firm is said to be in talks with Bank of America Corp. and GE Capital to set up about \$500 million in debtor-in-possession financing facility that would keep it operating if it opts to file Chapter 11.

Briggs & Stratton Corp., the Wauwatosa, Wi. maker of small engines and outdoor power equipment, reported a second quarter net loss of \$1.3 million. The loss, compared with a \$3 million profit in the year-earlier period, included \$2.2 million in restructuring charges and another \$2.4 million in after-tax financing expenses. Revenue increased 15%—to \$450 million.

Carolina Beer & Beverage, Mooresville, N.C., sold its beer business to Foothills Brewing in Winston-Salem for an undisclosed amount.

Cascade Financial Corp., Everett, Wa., reported a fourth quarter loss of \$8.6 million, down from a profit of more than \$500,000 in the year-earlier period. The results included loan-loss provisions of \$5.5 million and \$5.9 million in net chargeoffs.

Central Pacific Financial Corp. in Hawaii reported a quarterly loss of \$2.1 million, down dramatically from a nearly \$100 million loss in the year-earlier period.

Charlotte Observer, a Charlotte, N.C. newspaper unit of McClatchy Co., will trim its workforce by twenty positions in an ongoing effort to trim expenses.

Chesapeake Energy Corp. is selling an interest in certain of its shale oil and gas leases in the U.S. to China's Cnooc Ltd. for \$570 million in cash.

Christopher Lee Insurance Services, Carmel, In., has reportedly been acquired by Lawson-Hawks Insurance Associates Inc. of Mountain View, Ca. for an undisclosed amount.

Chrysler Group LLC, Auburn Hills, Mi., reported a fourth quarter loss of \$199 million,

although that's an improvement over its \$2.7 billion loss in the year-earlier period. For the full year the carmaker lost more than \$650 million on revenue of almost \$42 billion, although the company did manage to report an operating profit for the year of \$763 million. The losses stemmed mostly from interest costs on its loans from the governments of the U.S. and Canada. Chrysler ended the year with \$7.3 billion cash, compared to \$8.3 billion that it had at the end of the third quarter.

Cirtas Systems, a California business software concern, announced that it raised \$22.5 million in a second round of venture financing.

Citigroup Inc., which is thought likely to take control of storied music company EMI Group Ltd., is now reportedly talking with suitors that might be interested in taking EMI off its hands. EMI's owner, Terra Firma Capital Partners LP, is under the gun to come up with \$320 million over the next several months to cover a deficit of money owed to Citigroup, but failing that Citigroup would assume control of EMI. However, Terra Firma's CEO, Guy Hands, is looking to keep control of EMI and one possibility might be for EMI to make a buyout bid for competitor Warner Music Group Corp. In another Citigroup development, the Treasury Department is reportedly nearing the sale of warrants it used for buying Citigroup. The sale would allow the government to shed its remaining interest in the Manhattan, N.Y. banking firm, that it gained through a \$45 million bailout investment three years ago, and walk away with a possible \$12 billion profit on its investment.

Classique Marble & Granite Inc., Salem, Or., filed Chapter 11 in the U.S. Bankruptcy Court for the District of Oregon. The firm listed assets of between \$100,000 and \$1 million and liabilities of between \$1 million and \$10 million. The filing was under case number 11-60435. For more information contact the court at 800-726-2227.

CNH Global, a New Holland, Pa. manufacturer of agricultural and construction equipment, announced that it will close its tractor-assembly factory in Dublin, Ga. in a cost-cutting move. The closure of the plant, to take place in the first quarter, will affect less than 100 workers.

Colonial BancGroup's disclosure statement and reorganization plan were objected to by Broadbill Investment Corp. and other plaintiffs, who say that preferred shareholders should be allowed to vote on the plan and be represented on the plan committee.

Columbia Banking System Inc. said it will delay releasing its earnings statement for the fourth quarter and fiscal year because of "complexities" in its accounting and auditing. The financial complications concern its acquired loan portfolios.

Concierge Asset Management LLC, a Houston, Tx. firm that invests in apartments, reached an agreement to merge with **Crossbeam Capital LLC** of Bethesda, Md. for an undisclosed amount.

ConocoPhillips is selling certain of its properties in the Barnett Shale region to

Kohlberg Kravis Roberts & Co., the New York buyout firm, for an undisclosed amount.

Consol Energy Inc., Canonsburg, Pa., reported its fourth quarter net income declined 27%—to \$104 million. Revenue rose to nearly \$1.4 billion, compared to about \$1.2 billion in the year-earlier period.

Cummins Inc., the Columbus, Oh. manufacturer, is selling its exhaust operations to Global Tube for an undisclosed amount. Global Tube is a portfolio company of Wind Point Partners, a Chicago, Il. private-equity firm.

Cutting Edge Solutions Inc., a Kansas City, Mo. provider of document scanning and management, data capture, forms processing and business process automation products, has been acquired by Information Access Systems Inc. of Orlando, Fla. for an undisclosed amount.

Cypress Semiconductor Corp., San Jose, Ca., is selling its image-sensor business to On Semiconductor Corp. of Phoenix, Az. in a transaction valued at \$31.4 million. The sale of the unit should close in the first quarter.

Darden Restaurants Inc., the Orlando, Fl. operator of restaurants, projected that earnings per share will increase 17% or more for the first quarter.

DB Vancouver LLC, Encinitas, Ca., filed Chapter 11 in the U.S. Bankruptcy Court for the Western District of Washington. The firm listed assets and liabilities of between \$1 million and \$10 million each. The filing was under case number 11-40602. For more information contact the court at 888-409-4662.

DBSD North America Inc., the unit of ICO Global Communications Holdings Ltd which is operating under Chapter 11 protection in the U.S. Bankruptcy Court, has seen Colorado-based Dish Network Corp. agree to purchase the company in a transaction valued at nearly \$1 billion. The deal, subject to approval from the Federal Communications Commission, is also subject to the bankrupt firm emerging from bankruptcy. Some industry observers however feel DBSD is actually worth more than what is being offered--possibly as much as \$3 billion.

Document Solutions of Ohio is reportedly being acquired by Modern Office Methods Inc., a Blue Ash, Oh. document-solutions company, for an undisclosed amount.

Elan Corp., the big drug maker, said that it laid off 130 workers, or about 10% of its workforce, mostly at its research and development location in South San Francisco, Ca. Elan, which lost more than \$250 million in its first nine months of 2010, has said that it wants to become profitable by the end of 2011.

Enterprise Financial Services Corp. reported a fourth quarter profit of \$6.4 million, turning around a more than \$850,000 loss in the year-earlier period.

Environmental Quality Management Inc., a Cincinnati, Oh. provider of environmental consulting, engineering and related services, is merging with a subsidiary of **Beacon Energy Holdings Inc.** in Cleburne, Tx. The combined company will be renamed as EQM Technologies & Energy Inc.

Evans Oil Company LLC, Naples, Fl., filed Chapter 11 in the U.S. Bankruptcy Court for the Middle District of Florida. The firm listed assets and liabilities of between \$10 million and \$50 million each. The filing was under case number 11-01515. For more information contact the court at 866-879-1286.

Family Dollar Stores Inc., a Charlotte, N.C.-based retail chain, announced that it priced \$300 million in certain senior unsecured notes, marking the first time that the retailer has sold debt to the public. Proceeds from the note sale will be used to fund a \$750 million share-buyback program as well as for general corporate purposes.

Family Fresh Foods, Layton, Ut., filed Chapter 11 in the U.S. Bankruptcy Court for the District of Utah. The firm listed assets of less than \$100,000 and liabilities of between \$1 million and \$10 million. The filing was under case number 11-21074. For more information contact the court at 800-733-6740.

First Mariner Bancorp, Baltimore, Md., reported a fourth quarter loss of \$33.4 million, compared to a loss a year ago of \$3.8 million. The recent loss included a valuation allowance charge of nearly \$30 million. The company, which is currently under regulators' orders to increase its capital levels, added that net chargeoffs were down 22% in the quarter and that it reduced loan-loss setasides.

First Community Bank in New Mexico was shut down by banking regulators and taken over by US Bancorp's U.S. Bank National Association unit,. First Community, the third-biggest bank in New Mexico, ran into problems with bad land-development and commercial real-estate deals.

Ford Motor Co. said that it ended 2010 \$6.6 billion in the black, marking its largest fiscal profit in more than a decade, as the automaker benefitted from strong worldwide sales and reduced costs. Ford, Dearborn, Mi., also managed to end the year with more cash than debt after slashing 43% of its obligations over the past year. Its profit for 2010 doubled from the \$2.7 billion in earnings that it reported in 2009 and revenue for 2010 increased by nearly \$5 billion—to almost \$121 billion. A few worrisome notes are that Ford's remaining \$19 billion in debt is still high and that its results for the final quarter of last year disappointed analysts. Further, the company is still trying to reinvigorate its Lincoln brand and trying to revive its operations in Europe.

Fulcrum BioEnergy, Pleasanton, Ca., announced that it raised \$75 million in a round of financing that will help fund construction of a \$120 million biofuels plant.

General Motors Co. will withdraw its application for borrowing more than \$14 billion from an Energy Department funding pool aimed at encouraging the development of fuel-

efficient automobiles. The carmaker said that it wanted to avoid piling up more debt and that it currently has ample resources, sitting on more than \$33 billion in cash and marketable securities, as of the end of last September. Separately, GM's government investor, the U.S. Treasury Department, may seek to sell off its remaining interest in the carmaker over the next twelve months. Back in November the Treasury Department trimmed its stake in the Detroit, Mi. firm from 61% to about 26%, and it now seems possible that the government could get out of GM earlier than had been expected. Two years ago GM received nearly \$50 billion in government bailout money to help it through a bankruptcy reorganization.

Global General and Reinsurance Co. Ltd. filed Chapter 15 in the U.S. Bankruptcy Court for the Southern District of New York. The firm listed assets and liabilities of more than \$1 billion each. The filing was under case number 11-10327. For more information contact the court at 866-232-1268.

GNP Rly Inc., Tacoma, Wa., has seen an involuntary Chapter 11 filed against it in the U.S. Bankruptcy Court for the Western District of Washington. No schedules were listed. The filing was under case number 11-40829. For more information contact the court at 888-409-4662.

Great Florida Bank, Miami Lakes, Fl., missed a deadline by which banking regulators had said it must raise its capital levels to "well-capitalized" status. The firm is currently rated as "adequately" capitalized, a status that limits its ability to provide depositors with interest rates that are above market levels. Great Florida reported a widened loss in its fourth quarter of \$16.4 million, up from a \$9 million loss in the year-earlier period, due to added expenses for loan losses and other items.

Guava Healthcare Inc., a Hockessin, De. provider of healthcare services, has been acquired by Capsalus Corp. of Atlanta, Ga. for an undisclosed amount. Capsalus expects that Guava will provide \$50 million in gross revenue over the next three years.

Hawaiian Telecom has seen a trust that represents the unsecured creditors in its former bankruptcy proceedings sue three former top executives of the firm in order to try to recover some \$2.5 million in severance and other payment that they received before the telecom firm filed Chapter 11 in 2008. The lawsuit claims that the executives didn't have a right to the money since they took it too close to the time of the bankruptcy filing. Hawaiian Telecom, which filed for protection from creditors at the end of 2008, emerged from Chapter 11 last fall.

Home Depot Inc., the Atlanta, Ga.-based home-improvement retailer, announced that it shuttered its last location in Beijing, China, as part of its strategy to focus on higher-growth markets in that country. The firm now has seven stores in the Chinese market.

Honda Motor Co. Ltd. of Japan reported its third quarter profit fell 35%—to \$977 million, partly because of an unfavorable exchange rate. Still, the company raised its full year earnings target. Revenue barely budged at \$25.4 billion.

Insteel Industries Inc., a Mount Airy, N.C. manufacturer of steel-wire reinforcing products, reported a quarterly loss of \$7.6 million, compared to a \$1.1 million loss a year ago. Net sales jumped 27%—to \$52.3 million.

Intel Corp., Santa Clara, Ca., warned that it will spend an extra \$700 million to remedy a problem in one of its semiconductor chips. The chips, Intel's Cougar Point chips, have a flaw such that certain ports in the chipsets can degrade over time and could affect the performance in products like DVD drives and hard disk drives. The updated version of the chip is expected to have full recovery volume by April.

Jefferies Group Inc., the investment bank, reported revised figures for its fourth quarter results, noting a difference of \$39 million between its own records and those of its clearing bank and adjusting the amount to reflect the clearing bank's numbers. That resulted in a downward profit figure of \$62 million, compared to an earlier reported \$70.7 million. Revenue was virtually flat at \$680 million.

Johnson & Johnson and its Cordis unit suffered a possible serious setback, with a federal jury deciding that Cordis and its New Brunswick, N.J. parent company should pay more than \$480 million to a radiologist for allegedly infringing on heart-stent patents.

Kimberly-Clark Corp., the Dallas, Tx. maker of tissues and diapers which recently said it would exit its integrated pulp manufacturing business, will also restructure its consumer-tissue operations to boost profitability. The restructuring, to take place by the end of the year, also calls for dumping some nonstrategic and nonbranded products. Kimberly-Clark's realignment will result in after-tax charges of between \$280 million and \$420 million, and as a result of shedding the businesses the firm's yearly net sales could be reduced by at least \$250 million.

L&G Restaurants LLC, Foothill Ranch, Ca., filed Chapter 11 in the U.S. Bankruptcy Court for the Central District of California. The firm listed assets and liabilities of between \$1 million and \$10 million each. The filing was under case number 11-11444. For more information contact the court at 866-522-6053.

Laclede Group, the St. Louis, Mo. gas company, reported its first quarter profit edged up 2%—to \$23.4 million, while operating revenue declined 10%—to \$444 million.

Lancaster Colony Corp., a Columbus, Oh. manufacturer of consumer products, reported its second quarter profit fell 12%—to \$34.9 million. Revenue increased 4%—to \$316 million.

Legacy Bancorp Inc., Pittsfield, Ma., reported a fourth quarter net loss of \$4.5 million, compared to a \$3.8 million net loss in the year-earlier period. The firm also ended the full year in the red due to loan-loss provisions.

Lent Agency, an insurance firm in Dayton, Oh., has been acquired by Neace Lukens in Louisville, Ky. for an undisclosed amount.

LG Electronics, the giant South Korean maker of mobile phones, flat-screen televisions and other products, reported a fourth quarter loss of \$229 million, its first quarterly loss in almost two years, partly because of weak prices amid tough competition. Sales in the quarter edged up 2%.

Loehmann's Holdings Inc., the Bronx, N.Y. apparel retailer which filed Chapter 11 last November, announced that it will shutter a Loehmann's location in downtown Chicago, Ill.

Majestic Star Casino LLC has seen a 3/1 deadline set for objecting to the confirmation plan in its Chapter 11 bankruptcy. A confirmation hearing has been scheduled for 3/10. For further information contact the U.S. Bankruptcy Court in Wilmington, De. at 302-252-2560 and refer to case number 09-14136

Manan Medical Products Inc. filed Chapter 15 in the U.S. Bankruptcy Court for the District of Delaware. The firm listed assets of between \$100 million and \$500 million and liabilities of between \$500 million and \$1 billion. The filing was under case number 11-10280. For more information contact the court at 302-252-2560.

Massey Energy Co., the big Richmond, Va. coal producer, reached an agreement to be acquired by Alpha Natural Resources Inc. of Abingdon, W.V. in a cash-and-stock transaction valued at \$7.1 billion, with Massey's board of directors unanimously approving the transaction. With the Massey acquisition in hand, Alpha, beating out competing bidders, is set to become the third-largest metallurgical coal producer in the world.

MCI Airport Hotels Inc., which owns the Comfort Inn Kansas City Airport facility, was hit with an injunction by Missouri's tax office that calls for the hotel to shut down. The firm is being charged with not paying more than \$40,000 in state sales taxes and penalties.

McKesson Corp., the giant San Francisco, Ca. drug wholesaler, reported its third quarter profit declined 51%--to \$155 million. Excluding a litigation charge in the recent quarterly results, the company just beat Wall Street expectations. Revenue came in relatively flat at \$28 billion. The company did, however, increase its earnings outlook for the full year.

Medical Device Technologies Inc. filed Chapter 15 in the U.S. Bankruptcy Court for the District of Delaware. The firm listed assets of between \$100 million and \$500 million and liabilities of between \$500 million and \$1 billion. The filing was under case number 11-10281. For more information contact the court at 302-252-2560.

Mexico Farms LLC, Cumberland, Md., filed Chapter 11 in the U.S. Bankruptcy Court

for the District of Maryland. The firm listed assets of between \$1 million and \$10 million and liabilities of between \$10 million and \$50 million. The filing was under case number 11-11622. For more information contact the court at 866-222-8029 and then enter 4.

Microsoft Corp., Redmond, Wa., reported its second quarter net income slipped a bit—to \$6.6 billion, on a 5% increase in revenue—to just under \$20 billion. However, not including deferred revenue issues, earnings and revenue increased 15% and 20% respectively.

MicroStrategy Inc., a McLean, Va. data-mining concern, reported its fourth quarter net income slipped to \$17.9 million, down from \$20.5 million in the year-earlier period, partly because of increased operating costs. Revenue surged to \$139 million, up from \$106 million a year ago, thanks to sharp jumps in product license revenue and increased product support and services.

Morgan Stanley announced plans to shut down the Charlotte, N.C. offices of its private banking business in a move to consolidate those operations in Purchase, N.Y.

Nacirema Industries Inc., Hudson, N.J., filed Chapter 11 in the U.S. Bankruptcy Court for the District of New Jersey. The firm listed assets and liabilities of between \$1 million and \$10 million each. The filing was under case number 11-12339. For more information contact the court at 877-239-2547.

National Grid U.S., the Waltham, Ma. energy company, in a reorganization, said it will trim 1,200 management jobs from its payroll as it trims back its operations in the U.S. Recently, regulators approved a \$113 million rate increase for National Grid, but the company says that isn't enough to cover expenses. As a result, National Grid wants to cut operating costs by \$200 million.

Neucall Inc. filed Chapter 15 in the U.S. Bankruptcy Court for the District of Delaware. The firm listed assets of between \$100 million and \$500 million and liabilities of between \$500 million and \$1 billion. The filing was under case number 11-10282. For more information contact the court at 302-252-2560.

Norbord Inc., a Toronto, Ontario manufacturer of wood-based panels, reported a fourth quarter loss of \$8 million, down from an \$11 million loss in the year-earlier period. The recent results included an after-tax writedown of \$6 million related to a noncore investment. Not including depreciation, taxes and other items, Norbord landed in the black for the period. Sales increased to \$219 million, up from \$196 million a year ago.

Northern Colorado Paper Inc., a janitorial and sanitation distributor in Greeley, Co., has sold nearly all of its assets to Interline Brands Inc. of Jacksonville, Fl. for \$9.5 million in cash. Northern Colorado, with annual revenue of about \$40 million, serves the healthcare, education and foodservices sectors.

Nucor Corp., the Charlotte, N.C. manufacturer of steel products, reported a fourth

quarter net loss of \$11.4 million. Revenue slipped 7%—to about \$3.9 billion. The results included more than \$19 million in charges related to shutting down plants.

Page Brake, a Salt Lake City, Ut.-based parts distributor, is selling four locations in Missouri and New Mexico to FleetPride Inc., a Woodlands, Tx. distributors of after-market truck and trailer parts, for an undisclosed amount.

Pari Networks, a Milpitas, Ca. manufacturer of configuration and compliance management technology, is in a deal to be acquired by Cisco Systems Inc. of San Jose, Ca. for an undisclosed amount.

Peoples Bancorp Inc., Marietta, Ga., won approval from the government to repay \$21 million of the \$39 million that it had received from the Troubled Asset Relief Program. Paying back that amount will save it about \$1.1 million in dividend payments each year. Also, Peoples reported a fiscal profit of \$3.5 million, up from \$2.3 million a year ago. Revenue fell 10%—to \$121 million.

Pervasive Software Inc., an Austin, Tx. provider of embeddable data management and cloud-based software, reported its second quarter net income sank 60%—to \$400,000, while revenue increased slightly—to \$11.7 million. The company, which generated \$1.5 million in cash flow from operations during the quarter, said that it ended the period with more than \$37 million in cash and marketable securities.

Pipeline Seal and Insulator Inc., a Houston, Tx. provider of products for the oil, gas, water and wastewater markets, agreed to be acquired by EnPro Industries Inc., a Charlotte, N.C. maker of sealing products, metal polymer bearings and other engineered products, for an undisclosed amount. Pipeline Seal and its affiliates are a privately-held group of companies with operations in the U.S., the U.K. and Germany as well as a presence in the Middle East and Malaysia.

Polymer Group Inc., a Charlotte, N.C.-based manufacturer of absorbent and disposable fabrics, has been taken over by Scorpio Acquisition Corp. at a price thought to value Polymer at about \$325 million. Scorpio is an affiliate of Blackstone Capital Partners.

Procter & Gamble Co., the Cincinnati, Oh. consumer-products maker, reported its second quarter net earnings sank 28%—to \$3.3 billion. The slump stemmed from a gain in the year-earlier quarter that inflated results. Revenue increased 2%—to \$21.3 billion, just shy of analysts' estimates.

Quill Medical Inc. filed Chapter 15 in the U.S. Bankruptcy Court for the District of Delaware. The firm listed assets of between \$100 million and \$500 million and liabilities of between \$500 million and \$1 billion. The filing was under case number 11-10283. For more information contact the court at 302-252-2560.

Rambus Inc., the Sunnyvale, Ca. tech-licensing firm, reported fourth quarter net

income of \$33 million, reversing a \$23.3 million loss in the year-earlier period. Revenue nearly tripled—to \$90 million.

Red Robin Gourmet Burgers Inc., under shareholder pressure, will amend its shareholder-rights plan so as to remove protection from another company trying to take it over. Two Red Robin investors, Clinton Group and Spotlight Advisors, have been pushing the company to put itself up for sale.

RF Micro Devices Inc.'s shares tanked almost 10% in recent trading after the Greensboro, N.C. maker of wireless semiconductor chips warned that revenue in the current quarter could fall as much as 15% from the prior quarter.

RHI Entertainment Inc. asked for permission from the U.S. Bankruptcy Court to enter into an exit-facility agreement with J.P. Morgan Chase Bank and related entities regarding a \$300 million term loan and \$25 million revolving credit facility. Meanwhile, the trustee in the case has objected to RHI's reorganization plan, hoping that the the U.S. Bankruptcy Court will reject the plan at a hearing scheduled for 2/17. The made-for-television movie developer filed Chapter 11 last month in the court in Manhattan, N.Y., under case number 10-16536.

Rib-X Pharmaceuticals Inc., an antibiotics firm based in New Haven, Ct., raised \$5.5 million of a \$22 million offering of debt, warrants and options.

Rosecroft Raceway in Maryland has been acquired by Penn National Gaming Inc. in a bankruptcy auction for \$10 million. The deal still awaits approval from the U.S. Bankruptcy Court.

Royal Caribbean Cruises Ltd., Miami, Fl., warned that its earnings in the first quarter will fall below analysts' expectations, citing bad weather. For its fourth quarter, the cruise-ship company's profit came in at \$42.7 million, soaring from \$3.4 million in the year-earlier period. Revenue edged up slightly—to \$1.6 billion.

Ryla Inc., a Kennesaw, Ga.-based call center and outsourcing company, has been sued by former employees who are claiming unpaid overtime.

Sara Lee Corp., after rejecting buyout bids from suitors including Brazilian beef giant JBS SA, is now reportedly going ahead with plans to split up its two main businesses, foods and beverages. The food unit, with annual sale of \$4.1 billion, will keep the Sara Lee name, and the drinks part of the company, with sales of \$4.6 billion, will be sold to an as yet unnamed buyer. However, buyout opportunities are not completely out of the picture, as a splitup of the Downers Grove, Il. company might make it easier for a potential suitor to line up financing for an acquisition of pieces of Sara Lee instead of the whole company. Besides JBS, a group led by private-equity firm Apollo Global Management LLC had also expressed interest in buying Sara lee.

Southern Community Bank & Trust, Winston-Salem, N.C., reported a narrowed fourth

quarter loss of \$2.9 million, down from an \$11.3 million loss in the year-earlier period. Net interest income slid to \$12.4 million, compared to \$13.4 million a year ago.

Starbucks Corp. warned that profit in the coming year could be hurt by rising prices for coffee and issued a profit projection for the full year that fell shy of what analysts were expecting. The Seattle, Wa. company is coming off a strong first quarter, with profits up 44% from a year ago—to \$347 million, ahead of Wall Street estimates. Total sales increased to just shy of \$3 billion, up from \$2.7 billion in the year-earlier period. Same-store sales were up 13% in the U.S. and 5% outside the U.S.

StoneMor Partners, a Levittown, Pa. cemetery owner, will offer 2.8 million shares of stock and its investors will offer another 1.8 million shares through a public offering. The company will use proceeds from the stock sale to redeem senior notes, to pay down borrowings and to fund capital improvements. StoneMor owns 260 cemeteries and nearly sixty funeral homes.

Surgical Specialties Corp. filed Chapter 15 in the U.S. Bankruptcy Court for the District of Delaware. The firm listed assets of between \$100 million and \$500 million and liabilities of between \$500 million and \$1 billion. The filing was under case number 11-10284. Also filing was Surgical Specialties Puerto Rico Inc. under case number 11-10285. For more information contact the court at 302-252-2560.

Swift Transportation Co., Phoenix, Az., reported a fourth quarter loss of \$48.3 million, or 66 cents a share, down sharply from a \$5.94-a-share loss a year ago. Revenue increased to \$780 million, up from \$668 million in the year-earlier period.

Synergy Brands Inc., which recently filed Chapter 7, will be liquidated by a trustee to be appointed in its bankruptcy proceedings. The firm filed, along with two subsidiaries, in the U.S. Bankruptcy Court for the Eastern District of New York under case number 11-70412. Synergy's Quality Food Brands Inc. unit in Monroe, Mi. is not affected by the filing.

Synovus Financial Corp., Columbus, Ga., reported a narrowed fourth quarter loss of \$180 million. The reduced loss, an improvement over its \$283 million loss in the year-earlier period, was attributed to a decline in loan-loss provisions.

Terremark Worldwide Inc., a Miami, Fl. data-center operator, is being acquired by Verizon Communications Inc. of Manhattan, N.Y. for \$1.4 billion. The acquisition adds thirteen data centers in the U.S., Europe and Latin America to Verizon's existing collection of 220 data centers. The merger is expected to be wrapped up in the first quarter. With clients like the Federal Communications Commission, Terremark garners about 21% of its revenue from government accounts.

Timberland Bancorp Inc. in Hoquiam, Wa. reported first quarter net income of \$1.1 million, reversing a \$35,000 loss in the year-earlier period.

Todd Shipyards Corp., Seattle, Wa., received an extended tender offer from Vigor Industrial LLC of Portland, Or. Vigor, through its Nautical Miles Inc. unit, has offered \$130 million to purchase Todd Shipyards.

Trade Union International Inc., Montclair, Ca., filed Chapter 11 in the U.S. Bankruptcy Court for the Central District of California. The firm listed assets and liabilities of between \$10 million and \$50 million each. The filing was under case number 11-13071. For more information contact the court at 866-522-6053.

Trans World Entertainment Corp., Albany, N.Y., announced that it will shutter an undisclosed number of stores in a number of markets around the U.S., as it continues dealing with an ongoing decline in music sales. During the nine-week holiday season, Trans World's total sales slumped 22%.

TransDigm Group Inc., Cleveland, Oh., is selling its aerospace fastener division to Alcoa Co., the big aluminum manufacturer, in a \$240 million transaction. The unit being sold, with 400 employees, has specialty-fastener manufacturing operations in Sylmar, Ca. and the U.K.

Tribune Co. reported some positive numbers, saying that operating cash flow in 2010 increased by \$140 million from 2009—to \$635 million. The \$635 million exceeded an estimate that the company provided in the Chapter 11 reorganization plan that it presented in October. Part of the improvement stemmed from strength at its local-television operations, but its two main newspaper units, The Chicago Tribune and The Los Angeles Times, both reported increased operating cash flow. Consolidated revenue inched up 1%, although the media firm didn't provide an exact number.

Trico Marine Services Inc. has seen a 2/24 deadline set for filing proof of claims in its Chapter 11 bankruptcy. For further information contact the U.S. Bankruptcy Court in Wilmington, De. at 302-252-2560 and refer to case number 10-12653.

Tuscany Energy LLC, Boca Raton, Fl., filed Chapter 11 in the U.S. Bankruptcy Court for the Southern District of Florida. The firm listed assets of less than \$100,000 and liabilities of between \$10 million and \$50 million. The filing was under case number 11-12349. For more information contact the court at 800-473-0226.

U.S. Century Bank, Doral, FL., reported a fourth quarter loss of \$44.7 million, compared to a less than \$300,000 loss in the third quarter. Most of the loss, \$27 million, stemmed from tax accounting changes related to a tax-credit reversal. U.S. Century, during the credit meltdown, received about \$50 million in Troubled Asset Relief money from the Treasury Department.

U.S. Concrete Inc., the Houston, Tx. manufacturer which emerged from bankruptcy protection over the summer, resumed trading its shares on Nasdaq.

Ultimate Acquisition Partners LP, the parent company of the Colorado-based

Ultimate Electronics retail chain of thirty-five stores, filed Chapter 11. The filing, in the U.S. Bankruptcy Court in Wilmington, De., listed assets and liabilities of between \$100 million and \$500 million each. Also filing was CC Retail LLC, which has eleven locations. The owner of Ultimate Acquisition and CC Retail, Ultimate Acquisitions LLC, was not included in the filing. For more information contact the court at 302-252-2560.

United Continental Holdings Inc., the Chicago, Il.-based carrier, reported a fourth quarter loss of \$325 million, which included \$485 million in merger-related costs and other expenses. Not including the extra items, the company's profit of \$160 million breezed by analysts' expectations. Revenue was up 15%—to \$8.4 billion. The fourth quarter results reflect the first period in which United and Continental Airlines operated as a combined entity.

V-Mast Manufacturing Inc., Canton, Oh., filed Chapter 11 in the U.S. Bankruptcy Court for the Northern District of Ohio. The firm listed assets and liabilities of between \$1 million and \$10 million each. The filing was under case number 11-60269. For more information contact the court at 866-222-8029 then enter 17.

W.R. Grace & Co., the Columbia, Md. chemicals manufacturer, won approval from the U.S. Bankruptcy Court for its reorganization plan. The plan calls for two trusts to compensate asbestos complaints against the company. The plan must also be approved by a district court before the company can emerge from Chapter 11. While Grace's CEO called the court approval a big step toward Grace's emergence from bankruptcy protection, there is still no date set for the firm to exit bankruptcy proceedings.

WellPoint Inc., seeking to contend with the effects of new healthcare legislation, wants to diversify its operations, possibly through acquisitions, so it can rely less on selling insurance to individuals in a market that is being most affected by healthcare changes. The firm is also trying to overcome the aftereffects of several snafus such as attempting to raise rates by as much as 39% in California and being denied a 20% rate hike by insurance regulators in Connecticut. In addition, WellPoint, Indianapolis, In., reported its fourth quarter profit plunged 80%—to \$549 million, because of a large gain in the year-ago quarter.

Wendy's/Arby's International Inc., Dublin, Oh., signed an agreement with investment company Desarrollos Gastronomicos in Argentina to develop fifty Wendy's restaurants in that country over the next decade.

Wilmington Trust Corp., a Delaware-based regional bank and wealth manager, reported a widened fourth quarter loss of \$214 million, compared to a \$15.7 million loss in the year-earlier period. The recent quarterly loss stemmed from a sharp increase in loan-loss provisions. Net interest income declined 23%—to just under \$60 million. Wilmington Trust, last fall, agreed to be acquired by M&T Bank Corp.

YRC Worldwide Inc., Overland Park, Ks., is cutting eighty finance jobs at its offices in

Akron, Oh. as part of a consolidation.

Yum Brands Inc., the Louisville, Ky. fast-food restaurant firm, said that it may spend \$880 million over the next eighteen months or so to buy back shares.

Zebra Technologies Inc., Lincolnshire, Il., agreed to sell its Navis business to Finnish-based Cargotec for \$190 million in cash. The sale of the unit will allow Zebra to focus on its bar-code technology operations.