

BUSINESS

ONLINE FROM WALL STREET TO MAIN STREET, KEEP UP WITH THE LATEST ECONOMIC HEADLINES

FRIDAY'S CLOSING: DOW 10,067.33 ▼53.13 NASDAQ 2,147.35 ▼31.65 S&P 500 1,073.87 ▼10.66 OIL 72.89 ▼0.75 GOLD 1,083.00 ▼0.60

THE BIZZ
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BoE reports gasoline, diesel consumption for October

Californians' demand for gasoline decreased 0.4 percent and diesel declined 11.1 percent in October, compared to October 2008, according to figures recently released by the state Board of Equalization.

Californians used 1.246 billion gallons of gasoline during the month, compared with 1.252 billion gallons in October 2008. The October decrease in consumption is the first decline in six months. The previous five months showed small increases in consumption when compared to the previous year.

According to the BOE's figures, gasoline sales generated approximately \$318 million in sales tax during October, \$27 million less than the previous year.

Diesel fuel sold in California during October totaled 224 million gallons, compared with 252 million gallons the year previous.

Information: www.boe.ca.gov.

Linder's Furniture to move into Rancho Cucamonga site

According to the Rancho Cucamonga Redevelopment Agency Web site, the 50,000-square-foot furniture showroom that once housed Wickes will open again today as the newest Linder's Furniture location.

Linder's has been in business for the past 27 years serving customers from its Orange County and South Bay locations. Rancho Cucamonga will mark its first official entry into the Inland Empire. The location will be the company's largest and is scheduled to open today.

Information: www.lindersfurniture.com.

Redlands hotel earns franchise's 'Platinum Award'

The Comfort Suites hotel in Redlands was recently announced as a recipient of a prestigious 2010 Platinum Hospitality Award from Choice Hotels International Inc., franchisor of the Comfort Suites brand. The local hotel is one of only 11 hotels in the state and 15 hotels within the brand to receive "Platinum Award" status.

Information: choicehotels.com

San Dimas manufacturer launches e-mail newsletter

In order to keep its customers up-to-date on company and industry news, San Dimas-based fuel purifier manufacturer RCI Technologies recently launched "Solutions," an e-mail newsletter.

The newsletter will be sent to the inboxes of RCI's customers, company representatives and distributors, engineers and other interested readers, according to a news release. It will include "information on RCI's new products, company news, technical advice and other fuel-related items of interest."

Information: 909-305-1241; e-mail news@rcitechnologies.com.

Local man to head insurance company's Victorville district

Samuel Cox of Phelan has been named district general agent for the Victorville district of Colonial Life & Accident Insurance Co. He is a member of the African-American Chamber of Commerce. Information: 760-792-0035; e-mail at samuel.cox@coloniallife.com; www.ColonialLife.com.

OPARC to host multichamber 'sock-hop' mixer in Montclair

OPARC, a nonprofit dedicated to helping people with disabilities and their families, will host a multichamber mixer from 5-7 p.m. Feb. 23 at the nonprofit's administration office at 9029 Vernon Ave., Montclair. The Montclair, Upland, Rancho Cucamonga, Ontario, Chino and San Bernardino chambers of commerce will be participating. Guests are encouraged to dress in 1950s clothing for the event, which is 1950s Rock 'N' Roll Sock-Hop.

bizz@inlandnewspapers.com

Brand loyalty pays

P&G, Colgate-Palmolive see strong recessionary demand

By Dan Sewell
Associated Press

Big brands are back. Two of the world's most familiar consumer products companies, Procter & Gamble and Colgate-Palmolive, say sales are improving for their toothpastes, soaps and other household items.

They're using promotions, tinkering with prices and rolling out new versions of popular lines to attract cash-strapped shoppers who had been turning to store brands or other cheaper options. They're also benefiting from consumers in growing overseas markets such as Brazil and China.

Both companies reported bet-

ter-than-expected earnings last week. Colgate-Palmolive profit rose 27 percent and sales rose 11 percent last quarter, while P&G said sales were up 6 percent and growing.

The companies reported successes with new products, such as Colgate's disposable Wisp mini-toothbrush and P&G's Tide anti-stain laundry additive.

"For both of these companies, their brand strength is very, very strong," said Jack Russo, an Edward Jones analyst. "Both continued to innovate with new products, and they promoted and advertised their products more."

He said while P&G and Colgate-Palmolive continued to

reap growth from emerging markets, they also showed improvement in the United States and other developed countries. That indicates efforts to counter shoppers trading down to store brands or other cheaper options are working.

Cincinnati-based P&G said organic sales — a key gauge that excludes acquisitions, currency fluctuations and other such effects — were up 5 percent for its second quarter. The company Thursday raised its full-year forecast to a range of 3 to 5 percent for that measure and for the current quarter projects 4 to 6 percent organic growth, a return to pre-recession rates.

Overall, P&G sales rose 6 percent for its second quarter, a turnaround from sales slumps amid the recession. Its profit slid 7 percent on a lower gain from selling business lines, but when

adjusted rose with help from higher prices overseas.

P&G's earnings were \$4.66 billion, or \$1.49 per share, on sales of \$21 billion.

P&G officials reported strong gains in China for products such as Pantene and Head & Shoulders shampoos and Crest toothpaste.

Colgate-Palmolive, whose namesake toothpaste and brushes are less vulnerable to trading down because people tend to stick with their favorite toothpaste, than items like P&G's toilet paper and diaper lines, said shoppers bought more of its oral care products, soaps and body washes.

Its fourth-quarter revenue was up more than 11 percent, to \$4.08 billion. In Latin America, sales climbed nearly 23 percent and operating profit rose 27 percent, helped by cost-cutting and higher prices.



Jesse B. Gill Staff Photographer

Redlands city codes have required sprinkler systems in residences since 1990. Now California will require all new single- and two-family homes and town houses to be outfitted with fire sprinkler equipment starting Jan. 1 of next year.

Blazing a trail for fire safety

Redlands has 20-year lead on state sprinkler law

By Joy Juedes Staff Writer

Fire sprinklers are nothing new for Redlands homeowners. But they will be for many in other California cities.

This year, the state Building Standards Commission unanimously approved a requirement that all new one- and two-family homes and town houses be equipped with fire sprinkler systems.

The new state requirement applies to residences built starting Jan. 1, 2011.

Redlands has had an ordinance requiring "automatic fire extinguishing systems" in residences since 1990, according to city spokesman Carl Baker and Fire Marshal Tim Marshburn.

Frances Carter of HCH Con-

struction in Redlands said it is just one more cost for developers.

"It adds maybe \$1.20 per square foot of cost, so that's significant, but it's being taken care of locally. A lot of agencies require it," she said.

The cost to install sprinkler systems in a residence is usually under \$2 a square foot, according to Redlands-based Summit Fire Protection.

The company has installed systems in residences and commercial buildings for more than 30 years.

The company is required to follow National Fire Sprinkler Association standards, but a city can go beyond that, according to the company.

Marshburn said sprinkler systems for residences are dif-

ferent from commercial — they are less expensive and less "aesthetically intrusive," he said, adding that in his view, cost is inconsequential if it saves lives.

"In a time with diminished resources, anything that slows the spread of fire is good," he added.

Carter said the system is designed to save lives over property.

"It's not specifically designed in residences to completely knock down fires — it's designed to hold fires at bay to get everyone out," he said.

The 2010 California Residential Code includes the 2009 International Residential Code, established by the International Code Council in September 2008.

Apple, AT&T allow VoIP

Programs will work on iPhone

Associated Press

Apple Inc. is allowing iPhone owners to use Internet calling services over cellular networks. Several companies offering Voice over Internet Protocol — or VoIP — services said this week that Apple now allows their applications to work on the iPhone.

VoIP calling has been available on the iPhone, but only over Wi-Fi connections, which don't have the range of 3G cellular networks.

Apple on Thursday confirmed the change and said it applies to applications for the iPhone and the new iPad tablet device unveiled this week, some of which will come with 3G capabilities.

Apple's earlier decision to block a Google Inc. calling application triggered an inquiry by the Federal Communications Commission, which is investigating competition in the wireless industry.

Apple said at the time that it blocked Google Voice because the program duplicated some of the iPhone's features, and that it was still studying the application.

Two months after the FCC sent letters to Apple, Google, and AT&T Inc. — the iPhone's exclusive U.S. wireless carrier — AT&T said it had tweaked its technology to allow VoIP services on the iPhone to work over its 3G wireless network.

FCC Chairman Julius Genachowski on Thursday praised Apple's latest decision, calling it "an action that will create new opportunities for entrepreneurs and provide more choices for consumers."

Obama's proposals would widen retirement savings

By Dave Carpenter
Associated Press

President Barack Obama is launching an effort to help Americans save more for retirement, hoping a government nudge or two can get them to do what many are unable to do on their own.

The package includes programs to guarantee all workers access to a retirement plan through their jobs; expand the tax credits that reward saving for retirement; and tighten 401(k) regulations to make them safer and more efficient.

Most of the proposals have broad support at a time when retirement security is increasingly in jeopardy. Pensions are rapidly disappearing, 401(k) balances have taken hits and nearly half the work force has no way to save at work.

The centerpiece of the push, the so-called automatic IRA, appears to

have particularly strong backing. This would require employers who do not offer a retirement plan to enroll their employees in a direct-deposit individual retirement account unless the employee opts out.

Architects of the automatic individual retirement account plan said it will be included in Obama's proposed budget next week and could be adopted quickly. It targets the approximately 78 million workers whose employers don't offer them a retirement plan.

Here are more details of the main initiatives and some early reactions:

AUTOMATIC IRAS

Employers that do not offer a retirement plan would be required to offer workers the option of having money automatically deducted from their paycheck and deposited into an IRA. Workers' contributions would be steered into a basic investment option. They

could opt out if they wish.

Employers would receive a tax credit for offering the IRAs, to offset any related administrative costs.

Auto enrollment has been shown to sharply increase participation in retirement plans, according to the Retirement Security Project.

"It's crucial that Americans have the ability to save for their retirement from the day they go to work until the day they retire," said David John, principal to the Retirement Security Project, a nonprofit research organization in Washington which is helping to draft the auto-IRA bill. "The automatic IRA fills in the gaps."

AARP, the advocacy group for people age 50 and over, quickly endorsed the idea.

SAVER'S CREDIT

The retirement savings tax credit, also known as the saver's credit, is currently a way to reward lower-wage

earners who sock away retirement money. It is staggered so that the lower your income, the bigger your credit, but phases out at \$53,000 for married joint filers.

The administration wants it to target middle-income earners, too. It proposes to match 50 percent of the first \$1,000 of contributions by families earning up to \$65,000 and provide a partial credit to families earning up to \$85,000.

It also wants to make it refundable, meaning you'd receive the credit even if you have no income tax liability.

"You'd receive it regardless whether you paid any taxes or not, and that's likely to be more than a little controversial," acknowledges John.

The government also would bear the burden of still-undetermined extra costs.

LIFETIME INCOME

Another proposal would promote the greater use of annuities and other

forms of guaranteed lifetime income.

"Without a doubt, retirees are worried about health care expenses and outliving their account balances," said Tom Kmak, CEO of Fiduciary Benchmarks, a consultant on companies' 401(k) plans based in Portland, Ore. "Anything that encourages people to remove that risk from their retirement is a good thing."

The public reception is likely to be mixed at best, however, given the widespread suspicion about annuities — investment products that guarantee an income stream but sometimes come with high fees.

401(K) REGULATIONS

The administration wants to improve the transparency of 401(k) fees to help workers make better choices and guard against their returns being eaten away by fees and expenses. This proposal isn't likely to be controversial.