



BUSINESS & CLASSIFIED D

TUESDAY, JUNE 20, 2006

THE TIMES-TRIBUNE, SCRANTON, PA

Market day

Dow Jones	10,942.11	↓	-72.44
Nasdaq	2,110.42	↓	-19.53
S&P 500	1,240.14	↓	-11.40
Gold	\$568.80	↓	-\$9.20
Oil	\$68.98	↓	-90 cents

— THE ASSOCIATED PRESS

Circuit City shows \$6.4 million profit

RICHMOND, Va. — Circuit City Stores Inc. on Monday reported a \$6.4 million profit for the first quarter, again exceeding Wall Street's expectations, as it benefited from ongoing store improvements and booming sales of flat-panel televisions.

The nation's No. 2 chain of consumer-electronics stores behind Best Buy Co. Inc. earned 4 cents a share in its fiscal first quarter ended May 31. That compares to a loss of \$13.1 million, or 7 cents a share, in the year-earlier period.

Circuit City, based in Richmond, Va., said the recent quarter included a \$1.8 million after-tax benefit due to new accounting for stock-based compensation.

Nestle to purchase Jenny Craig Inc.

GENEVA, Switzerland — In a move that recognizes the modern world's twin obsessions — indulgence and guilt — chocolate maker Nestle said Monday it would purchase weight loss product maker Jenny Craig Inc. for \$600 million.

The acquisition follows Nestle S.A.'s purchase for around \$670 million last month of Uncle Tobys, an Australian maker of nutritional cereals and snacks, and is part of the company's "continuing commitment to nutrition, health and wellness," the Swiss company said in a statement.

While best known for its namesake chocolates, the Vevey-based company also makes baby formulas, nutrition foods such as PowerBar, drinks to aid weight loss and the Lean Cuisine line.

Goldman Sachs names 3 to leadership team

NEW YORK — Shoring up its leadership team after the departure of Henry Paulson to take over the U.S. Treasury Department, Goldman Sachs Group Inc. has named two presidents and co-chief operating officers and a new vice chairman to assist incoming chief executive Lloyd Blankfein.

Jon Winkelried and Gary Cohn will serve as presidents and co-CEOs under Mr. Blankfein. Mr. Winkelried was most recently co-head of Goldman Sachs investment banking division, while Mr. Cohn co-headed the company's global securities trading business.

John Weinberg, the vice-chairman designate, will continue in his role as co-head of investment banking for Goldman Sachs. His father is a former CEO of the company.

Arcelor cancels general meeting

BRUSSELS, Belgium — Steel giant Arcelor SA on Monday canceled an extraordinary general meeting scheduled for this week amid shareholder concern over the company's tactics in a fight to fund off a hostile takeover bid by rival Mittal Steel Co.

A statement from Arcelor's Luxembourg headquarters said the shareholder meeting scheduled for Wednesday would not go ahead "in the light of the current discussions between the management of Arcelor and Mittal Steel and in order not to impair any solution for the future of Arcelor."

The meeting was due to discuss a planned 6.5 billion euro (\$8.1 billion) buyback of a quarter of its shares, widely seen as an attempt to thwart Mittal's 25.8 billion euro (\$26 billion) bid.

— ASSOCIATED PRESS



MICHAEL J. MULLEN / STAFF PHOTOGRAPHER

Mary Tellie sits by 150-pound sacks of coffee beans she imports from around the world for her Electric City Roasting Co. at Zummo's Cafe, 918 Marion St. She said a 1,700-pound shipment of coffee beans typically lasts two to three weeks.

THE ART OF THE ROAST

Craving for a 'really great' cup of coffee leads to successful business for Green Ridge woman

BY HEATHER KEELS
STAFF WRITER

With a rented Jeep and some directions jotted on a napkin by a coffee roaster in Puerto Vallarta, Green Ridge resident Mary Tellie set off to navigate narrow dirt roads through the jungles of central Mexico.

Her destination was a coffee farm in the Tepic region, where she hoped to learn about growing and harvesting coffee beans, the raw materials of her craft.

What the Electric City Roasting Co. owner hadn't anticipated when she set out on that excursion two years ago was that she might be able to teach the farmer's something about coffee herself.

"We show up at this farmer's house, this place with about 20 kids and coffee being processed on the back porch with the laundry hanging above it — and on the table is a jar of Taster's Choice," Mrs. Tellie recalls. "They hadn't even tasted their own product."

For Mrs. Tellie — who keeps her coffee roasters running 12 to 15 hours a day and speaks the language of lattes, espressos, aromas and blends with an expert's flair at gourmet food conventions — the idea was, at first, inconceivable.

But after some thought, she wondered why she had expected to see the farmers roasting their own coffee in the first place. The home roasting of coffee is far from the norm, even in the coffee-growing regions of Mexico, she said.

"It's kind of like shoemaking," Mrs. Tellie said. "It's like a dying art."

But here in Scranton, in a shed behind Zummo's Cafe at 920 Marion St., Mrs. Tellie is keeping the art of coffee roasting alive — and capturing national attention for it.

The Electric City Roasting Co., which was voted as hav-

ing the best coffee in Lackawanna County by Electric City magazine last year, was featured in the May/June issue of Roast Magazine.

The company got its start just three years ago after Mrs. Tellie, then a full-time financial planner and banking executive, got a craving for a "really great" cup of coffee and began tinkering around the house. She discovered how much she enjoyed roasting coffee beans and began bringing her coffee to her son's basketball games.

"Lo and behold, all of a sudden, people were like, 'Hey, Mary, can I get a pound of that?'" she said.



MICHAEL J. MULLEN / STAFF PHOTOGRAPHER

A latte featuring a Rosetta design from the Electric City Roasting Co. at Zummo's Cafe.

Now, Electric City Roasting Co. coffee is sold in restaurants and cafes throughout the area and online through Igourmet.com.

Last year, she opened Zummo's Cafe in the former location of a penny candy store, and has developed a base of faithful customers.

"Coffee, to me, is the nectar of the gods, and to find such a good place just down the street was wonderful," said Green Ridge resident Dorothy Eltringham, who has been coming to Zummo's several times a week since it opened.

"There's something about this coffee — it's so fresh and rich."

Part of that quality Zummo's staff attributes to the company's roasting techniques and the advantages of roasting the coffee so close to home, but the rest they attribute to Mrs. Tellie's enthusiasm.

Mrs. Tellie often comes in at 4:30 or 5 a.m., roasts coffee all day, then attends a coffee show or runs to a restaurant to give an impromptu lesson on how to use a new espresso machine, said assistant roaster David Clark.

"She's pretty driven," Mr. Clark said.

Mrs. Tellie's travels have also helped her fine-tune her business.

After returning from Mexico, she found she had a greater appreciation for Mexican coffee when she sipped a cup of it and found its subtle, citrus-like flavor brought her back to the farm she visited. Mrs. Tellie said she never realized what made Mexican coffee so distinctive until she saw the lime and avocado trees that grew nearby.

She also found she had a great appreciation for the labor involved in growing coffee.

"You can read about it as much as you want, but when you get there and you experience it yourself — the sweat on the brow, the farmer lugging the beans — you get a feel for the labor involved," Mrs. Tellie said. "Not only the sweat, but the passion."

Last year, she traveled to Italy, and her next stop is Costa Rica, where she plans to visit several coffee farms in February and March.

"It gives me an appreciation for what we do — a little different way of being in touch with the product," Mrs. Tellie said. "I never stop trying to get that perfect cup of coffee. I honestly don't think I've had it yet."

Contact the writer:
hkeels@timeshamrock.com

Telecoms join forces in venture

Nokia, Siemens merging network equipment units

BY MATT MOORE
ASSOCIATED PRESS

FRANKFURT, Germany — Nokia Corp. and Siemens AG said Monday they will combine their network equipment units in a reported \$30 billion joint venture to more effectively take on market leader LM Ericsson.

The combination — to be called Nokia Siemens Networks — would create one of the largest players in the industry, with \$20 billion in annual sales.

The 50-50 venture would comprise Nokia's network business group and Siemens' carrier-related operations, creating estimated savings of \$1.9 billion by 2010 through an estimated 9,000 job cuts globally, Nokia said.

"The new company will and has to have an attitude of a challenger — fiercely competitive with an unerring focus on the customer — because at the end of the day, eventually, it is the customer who will decide," Nokia's new Chief Executive Olli-Pekka Kallalvuo said.

As the communications industry consolidates, he said, Nokia Siemens Networks would be well-positioned to help customers — carriers and service providers — lower costs and increase revenue while managing the challenges

Heat is now on Motorola, Nortel

The joint venture between Nokia Corp. and Siemens AG may pressure their North American rivals, Motorola Inc. and Nortel Networks Corp., to finally join into the consolidation game.

Motorola and Nortel stand as the last of the major equipment providers that have yet to participate in a large deal. With consolidation all around them, the two will likely have to make some changes to their businesses.

"We believe a Nokia/Siemens JV would intensify pressure on Motorola and Nortel to increase their respective stakes in networking to solidify their positions or conversely find a way to exit or narrow their focus," CIBC World Markets Corp. analyst Ittai Kidron said in a note.

— ASSOCIATED PRESS

of converging technology. Consumers never see the equipment, but experience it through more reliable service, faster connections and more features.

The deal is the latest in a wave of consolidation that began last October, when Stockholm-based Ericsson agreed to buy Marconi Corp.'s broadband Internet and telecommunications assets for about \$2.1 billion. In April, Paris-based Alcatel launched a \$13.4 billion stock swap for Lucent Technologies Inc.

Mortgage resets expected to cause foreclosure jump

BY J.W. ELPHINSTONE
ASSOCIATED PRESS

NEW YORK — In 2003, Anita Britten refinanced her two-story brick cottage in Lithonia, Ga., using a hybrid adjustable rate mortgage, or ARM. Her lender reassured her that she could refinance out of the riskier loan into a traditional one when her interest rate started to reset.

Three years later, Ms. Britten can't get a new mortgage and her monthly payment has jumped by a third in six months. She can't afford her payments and may face foreclosure if her financial situation doesn't change.

As more ARMs adjust upward and housing prices begin to dip, many Americans like Ms. Britten can't refinance and are finding themselves trapped in too-high monthly payments. For those who can't make their payments, foreclosure is the only way out.

Foreclosure figures just released by the Mortgage Bankers Association show that foreclosure activity fell in the first quarter of 2006 over the first quarter of 2005 for all loan categories except subprime loans.

But while a strong economy helped hold down the foreclosure rate in the first quarter, homeowners and experts fear the market has turned and numbers are headed upward.

In the last several years, mil-



JOHN AMIS / ASSOCIATED PRESS

Anita Britten sits in front of her home in Lithonia, Ga., a home she may lose as her hybrid adjustable rate mortgage adjusts upward.

lions of Americans took equity out of their houses and refinanced when interest rates were at historical lows and housing prices were at record highs.

Many of them chose to refinance into hybrid ARMs that lenders were aggressively pushing. ARMs, which featured a low introductory interest rate that resets upward after a set period of time, were easier to qualify for than traditional fixed-rate loans.

Browsers getting a facelift as Web usage changes

BY ANICK JESDANUN
ASSOCIATED PRESS

NEW YORK — The major Web browsers are getting facelifts as they increasingly become the focal point for handling business transactions and running programs over the Internet rather than simply displaying Web sites.

The upgrades are the latest skirmish in the browser war that started in the mid-1990s and led to Microsoft's triumph

over Netscape. The battles reignited in 2004, when Mozilla's Firefox launched and revealed new avenues of development.

Today, Opera Software ASA is releasing its Opera 9 browser, while Microsoft's Internet Explorer and Firefox are in line for major overhauls later this year.

The most anticipated update comes from Microsoft Corp., whose 5-year-old, market-leading Internet Explorer 6 brows-

er, or IE6, shows signs of aging.

The software company, which has seen IE slowly losing market share to Firefox, hopes version 7 will bring the browser to parity with its rivals, while adding features to thwart "phishing" scams and make browsing more secure.

"IE6 was easily the best browser available in 2001," said Dean Hachamovitch, Microsoft's general manager for IE.

"The challenge is people use the Web a lot of differently now. Search engine usage, there's a lot more of that now. Safety, there's a lot more malicious intent on the Web right now."

Today, e-mail, maps, word processing and other traditionally standalone applications are migrating online. Major Internet companies such as Google Inc., Yahoo Inc. and even Microsoft are devoting

tremendous resources developing these Web applications — and browser developers want them to run well.

Opera 9 sports "widgets" — Web-based applications that run off its browser but appear detached as standalone tools. Anyone knowing Web coding can develop widgets for Opera to check weather, soccer results or the status of eBay Inc. auctions; others can download existing ones.

