

# Business

**KEY INDICATORS**

DOW/ Close, Friday	- 47.18	9,809.79
NASDAQ/ Close, Friday	- 5.63	1,970.74
CANADIAN DOLLAR/Fri	+ 0.97 cent	75.63¢
GOLD/ Comex, Friday	+ \$2.70	\$383.30
BONDS/ 10-yr. treasury	+ 0.03%	4.44%

**Business Today**

**Motorola to cut another 2,400 jobs**

Motorola Inc., the world's second-largest maker of mobile telephones, will eliminate 2,400 jobs by the first quarter, on top of the 6,600 it has cut through the first nine months of this year.

The additional cuts will cost about \$131 million in severance pay, Schaumburg, Ill.-based Motorola said in a quarterly report filed with the Securities and Exchange Commission. Motorola has already paid \$328 million this year for the previous reductions.

Motorola, which has a plant in Elms, has discontinued product lines, exited businesses and consolidated operations as it has lost market share to rivals, including Finland's Nokia Oyj, the world's No. 1 maker of mobile phones. Chief Executive Officer Christopher Galvin said in September he would step down amid conflicts with the board over how to revive revenue.

Motorola had about 97,000 employees as of the end of last year.

*Bloomberg News*

**Gas prices slide 4 cents**

CAMARILLO, Calif. (AP) — Retail gas prices dropped more than 4 cents per gallon in the past two weeks, but a slight recovery in the crude oil market could slow or reverse recent price declines, according to a nationwide industry survey released Sunday.

The average price Friday for a gallon of self-serve gas nationwide, including all grades and taxes, was about \$1.55, according to the Lundberg Survey of 8,000 stations. That was a decrease of 4.33 cents per gallon from Oct. 24.

The downward trend could change if oil prices remain around \$31 per barrel or continue to rise, analyst Trilby Lundberg said. Crude oil futures on the New York Mercantile Exchange gained 69 cents over the past two weeks, closing at \$30.85 a barrel Friday.

The national weighted average price of gasoline, including taxes, at self-serve pumps Friday was about \$1.51 for regular, \$1.61 for mid-grade and \$1.71 for premium.

**RESEARCH**

## Magazine says UB chemist makes the grade

### Szyperski named global leader in science by Scientific American

By FRED O. WILLIAMS

*News Business Reporter*

Scientific American magazine has named a chemist at the University at Buffalo to its list of 50 global leaders in science and technology, drawing attention to the university's strength in research.

Professor Thomas Szyperski was recognized for a breakthrough in using magnetic resonance techniques to map the structure of protein molecules. He was one of five people on the list from New York state.

"I'm honored of course, but also amazed," Szyperski said. "It's not something very high profile... like a new medicine."

Although not a medical breakthrough, Szyperski's research tool may lead to new medicines and treatments. Magnetic resonance is used by cancer researchers, for example, to determine the shape of molecules linked to tumor growth. Szyperski's mathematical technique for analyzing magnetic resonance data greatly speeds up the process.

The technique complements other mapping tools like the X-ray crystallography performed at the Hauptman-Woodward Medical Research Institute, where Szyperski is an adjunct senior researcher.

Scientific American's list includes this year's winner of the Nobel Prize in chemistry and the World Health Organi-



DILL WAPPERT/Buffalo News

Professor Thomas Szyperski's work with magnetic resonance techniques landed him on Scientific American magazine's list of 50 global leaders in science and technology.

zation official credited with containing the spread of the SARS epidemic. It also names Apple Computer chief executive Steve Jobs for Apple's iTunes online music distribution business.

"We're trying to identify people who made meaningful, important, long-lasting contributions," editor-in-chief John Rennie said. The object of the list is to recognize people in science, business and government who "are making a positive contribution to the future," he said.

Candidates from around the world are selected by a board made up of editors of the magazine and outside experts. The list will appear in the December issue.

Szyperski published his technique for e-mail: [fwilliams@buffnews.com](mailto:fwilliams@buffnews.com)

analyzing magnetic resonance data in the Journal of the American Chemical Society in January. The breakthrough generated buzz in the scientific community, leading to stories in Science magazine and earning him an award from the American Chemical Society.

He and collaborating researchers are working to refine the technique so that it can be easily used by bio-medical researchers. "The goal is to make it user-friendly," Szyperski said.

Szyperski has taught at UB for five years, following 10 years at the Swiss Federal Institute of Technology in Zurich.

**TELEVISION**

## Starz Encore to close regional office in Buffalo

*Associated Press*

ENGLEWOOD, Colo. — Starz Encore Group, which sells movies to cable and satellite TV subscribers, plans to cut 100 jobs and close four of its 11 regional offices, including one in Buffalo, as it adjusts to the changing pay TV industry.

Starz, which employs 657 people, will close its offices in Buffalo, San Ramon, Calif.; St. Louis; and Dallas in January and relocate some of those workers to Denver.

A number of the regional offices were designed to serve nearby cable-TV providers, some of which have moved their headquarters, Starz spokesman Tom Southwick said.

Starz also may reduce staffing at its Englewood, Colo., headquarters, but Southwick did not have details yet.

"It's not a 'Gee, we need to cut costs' sort of thing," Southwick said. "The company is 12 years old, and we need to rethink what we're doing."

Consolidation among cable-TV providers has put increased pressure on programmers to cut costs as the cable TV firms gain more leverage, said Sean Badding, an analyst who follows the industry for the Carmel Group in Carmel, Calif.

Adelphia Communications Corp. for instance, moved its headquarters to Colorado from Coudersport, Pa., after the scandal-tainted cable company hired new management after falling into bankruptcy.

## Small business owners need to be alert for signs of change

By BARRY FLYNN

*Orlando Sentinel*

After more than a decade in the sign-making business, George Hernandez started seeing a different kind of sign a few years ago — and it was a bad omen indeed.

After hitting a peak of \$1.2 million in 1998, sales at his small company went into a nonstop slide, down about 25 percent in just two years. With seven or eight employees, he could adjust internally and still maintain his income, or nearly so, for a while, Hernandez said. Even that wasn't assured over the long term, however, and any hope of growth was definitely out.

He was facing a fundamental shift in the economics of his business, something many industries have gone through in the face of technological changes.

Faster, cheaper equipment had transformed the business of quick-lettering sign shops by bringing down the cost of the kind of equipment Hernandez's company used, thereby lowering the barriers to en-

try for a wave of new, low-priced competitors.

For instance, Hernandez said the plotters used to letter signs and banners cost \$20,000 each when he and his wife, Lea, started AKA Big Color Graphics in Orlando in 1987. "They could be had for \$3,000 by 1998. Now, you can buy them for \$1,500. You can buy one, go into your garage and turn out a sign cheaper than I can."

It was a classic case of the competitive marketplace changing before a business owner's eyes.

What to do? The short answer: Be flexible.

Hernando had to look at his business anew to see what he would have to walk away from and where he might find growth potential. In some ways, it was like starting a new company. Hernandez's old-business base was disappearing.

He had to follow the classic business dictum: Find a need and fill it.

Although finding demand is a fundamental part of starting or expanding a business, some overly eager would-be entrepreneurs forget

it. Instead, that kind of examination should be the first step. After all, the greatest product in the world is going nowhere without a receptive potential customer base.

The same is true for existing businesses because if owners ignore their market, they will miss opportunities or, worse, run the risk of being passed by as their market changes, as AKA Big Color Graphics was.

A recent book on testing a business idea's viability, "Will it Fly," (Financial Times Prentice Hall, \$24.95) puts compelling unserved need at the top of a long list of issues entrepreneurs should evaluate when starting a business.

The author, Thomas K. McKnight, cautioned that determining an unmet need is not the whole story. Actual customers — people who are willing to put money up for the promised product — are the crucial ingredient.

Instead of finding new customers, Hernandez found new equipment that would deliver a better version of his signs as well as ex-



Knight Alder

James Cousins, a finisher at a.k.a. Big Color Graphics, trims a banner. Cheaper equipment has transformed the sign business.

pend into some new products.

From watching trade publications and business exhibits, Hernandez found a new line of sign-making equipment further up the

technological ladder that also could print on ceramic tile and fabric. The equipment was expensive but would vastly expand his market, he thought.

The cost — about \$150,000 — was a substantial barrier to entry, for Hernandez as well as would-be competitors.

But he and his wife decided to stick with the business and borrowed the money to buy the equipment. That was in early 2001, at the start of a recession and before the terrorist attacks sent business into a tailspin.

Sales eventually fell to half their previous peak before the capability of the new equipment opened up a new market — specialty interior designers who buy custom printing on fabric or tiles.

Hernando said he was never certain the new equipment would find him a new market, but only made his best guess. But the quality of the work was so good, he thought a market would develop. "I can now produce art on a ceramic tile," he said. "I would buy it."

Now, while his sign-making business has continued to shrink, the new fabric and tile printing accounts for 65 percent of total sales, and his company is on the rebound.