STRICTLY BUSINESS

Recording industry embraces file sharing

By Angela Doland
THE ASSOCIATED PRESS

CANNES, France – The music industry is giving all it's got to the fight against unauthorized file-sharing. But if you can't kill the beast, why not tame it?

Some Internet companies are turning peer-to-peer file-sharing into a legitimate business - and at least one major label, EMI Music, is taking the technology seriously.

The idea: Even when fans copy files from other music lovers' computers, record companies and artists can still make money.

Legitimate peer-to-peer, or P2P, file-sharing has attracted mostly small labels, and it's likely to stay a niche market. But at last month's huge Midem industry conference in this Mediterranean resort, an EMI executive urged people to give it a chance.

"We want to learn how to embrace P2P," said Ted Cohen, EMI's senior vice president for digital development and distribution. He believes it will take a year for the tide to change.

Services like Apple Computer Inc.'s iTunes Music Store have demonstrated that people are willing to pay to download music over the Internet, but such services do not use peer-to-peer technology but rather distribute music from a central server.

In a P2P system, a music fan grabs tunes directly off another fan's computer. Such systems lower distribution costs because files are available from multiple locations. They also save companies money on bandwidth.

Much of the time, using P2P system amounts to piracy. And because of unauthorized services like Kazaa, P2P has become something of a dirty word in the recording business.

The industry has even filed lawsuits against P2P companies and their users. Lawyers are headed back to court Tuesday as the labels, music publishers and film studios attempt to persuade an appellate panel to overturn a ruling that cleared Grokster Ltd. and StreamCast Networks Inc. of liability. The entertainment industry also has a pending lawsuit against

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Factories sizzling, but jobs still elusive

REUTERS

NEW YORK – Manufacturing in the United States surged to a 20-year high at the start of the year as factories scrambled to meet demand, while consumer spending increased modestly during the holidays, reports showed on Monday.

Even with improved factory production, however, manufacturers remained cautious about hiring, dampening hopes for a turnaround in production jobs.

The closely watched Institute for Supply Management's manufacturing index rose to 63.6 in January – the highest since late 1983 – from a revised reading of 63.4 the prior month. That was shy of economists' expectations of a rise to 64.0.

"Manufacturing is in a cyclical upswing at the beginning of 2004, and is poised for further growth over the coming months," said Bear Stearns Chief Economist John Ryding.

Stocks initially fell and Treasuries rose on the slightly softer-than-expected report. But they reversed those moves in afternoon trade. The broad S&P 500 index ended up 0.37 percent at 1,135.26.

The ISM survey's new orders measure, a key barometer of future growth, was at the best level since the early 1970s. But the surge in factory output has yet to translate into jobs, and the employment index slipped to 52.9 from 53.5 in December.

Even though the economy has picked up in the past six months, robust hiring has been the missing link in the recovery. The risk is that if the job market does not improve, consumer spending could falter.

Economists have been surprised that the national payrolls report has not shown an improvement in factory hiring after

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PHOTO/CALVIN FERGUSON

Kevin Smith is owner of Access Cleaning and Facilities Management Services. The company grossed $1 million in 2003 and counts among its clients General Motors Sprint PCS and the Carolina Panthers.

Mr. Clean

Dirt worth its weight in gold for entrepreneur

By Paula Young
FOR THE CHARLOTTE POST

Kevin Smith smiles when he sees dirt.

"Dirt is money," Smith said. Try nearly a million dollars worth. That's what Smith's business, Access Cleaning and Facilities Management Services, grossed last year.

Smith has been an entrepreneur for 18 years in the cleaning business. A native of Pittsburgh, Pa., Smith began his career in janitorial services as director of housekeeping for a local bank. After 10 years, he was laid off. Armed with knowledge of janitorial and preventative services, he decided to venture on his own.

"Access developed from hardship," said Smith. "I knew how to provide the service but I didn't know how to plan the business." But through determination, taking business courses and trial and error, Access became a reality.

Two years after the layoff, Access became successful in his hometown. But Smith said Pittsburgh was stagnant and he was ready for a change. The change came when his brother, Brian, moved to Charlotte. Smith said when he visited he saw lots of new businesses emerging.

"Where there is growth, there is an opportunity," Smith said. So he packed up, moved to Charlotte and restarted Access here. That was in 1994.

Ten years later, Access is thriving and has grown from less than a dozen employees to 85 full- and part-time employees. More impressive is the list of clients that Access serves. There are 13 clients that include WBTV, General Motors, Sprint PCS, Lending Tree and the Carolina Panthers.

Ericsson Stadium (now Bank of America Stadium) was one of Smith's first customers. Access has an eight-year relationship with the Panthers and has been cleaning the stadium's interior, which includes the team's offices, locker rooms and ticket booths. Smith says that performance contracts such as the Panthers are not easy to come by.

"A performance contract is hard to get," said Smith, "and hard to keep."

A performance contract allows a customer to terminate services if they feel Access is not performing within expectations. Smith says that's why he and his employees have to always perform at optimal level at all times.

Through trial and error, Smith has managed to successfully retain good employees – a challenge in a service-oriented business. For one, all employees have to undergo background checks and pass a drug test. Also, Smith makes sure his employees feel like their opinions count.

"We are a close knit organization," he said. "We include our employees in everything we do."

Not to mention there is room for growth. A cleaner can be promoted to crew leader, supervisor or project manager.

Access is best known for its "detail" office cleaning work, which refers to the company's meticulous and detail-oriented work ethic. Ninety percent of their work is custodial while 10 percent is preventative maintenance and project management.

Smith said his goal was to make Access a "one-stop shop" to cleaning, maintenance and facilities management.

The format has worked. Over 75 percent of Access' customer base is referral and recommendations. Smith's goal is to retire in 10 years and consult in facilities management after passing the business on to his children.

Access is located at 5600 Executive Center Drive Suite 112. The office number is (704) 536-9815

Private law partnerships still elusive for women of color

By Luchina Fisher
WOMEN E-NEWS

WASHINGTON – The American Bar Association is researching why almost all of attorneys who are women of color leave private law firms before ever making partner.

The association's Commission on Women in the Profession launched the study last year on the heels of other research showing that women of color didn't last long enough in their first law firms to earn the seniority expected of partners.

According to the previous study conducted in the late 1990s by the National Association for Law Placement Foundation, the research arm of a Washington, D.C., organization of legal recruiters – almost all women of color leave their first law firms within eight years, the usual time required to make partner.

Few associates stay at the first firm they join. The overall attrition rate among associates during their first eight years at their first law firm is nearly 75 percent, with nearly 73 percent of White women and 82 percent of black men leaving their first law firm. But an attrition rate of nearly 100 percent among female associates of color was eye catching to staffers at the women's commission, born in 1987 to help advance women in the field.

"That was such a striking statistic that our members were pretty shocked," says Kim Youngblood, director for the commission, which, along with the bar association, is based in Chicago. "They decided there needed to be some additional research."

Youngblood is unaware of any other research study that has focused solely on women of color in the legal profession. Besides asking women of color why they are leaving law firms, researchers will assess how their experiences compare with those of men and white women. They will also examine which personnel practices help women of color to succeed and which ones hinder them.

The commission's goal is to quantify the factors – until now only collected in the form of anecdotal evidence — about what drives women of color from law firms.

"We suspect there might be some things within the culture of a law firm which has a different impact on women of color," says Sheila Thomas, a commissioner and the co-chair of the study.

Researchers will survey Asian, African-American, Native American and Latin women who work for, or have worked for, law firms with 10 or more attorneys. They will also include U.S. attorneys working for the Department of Justice.

The commission has so far collected about 2,000 names with a goal of reaching 7,000 willing respondents before sending out surveys by the end of this year.

Within the next five months, researchers will begin conducting a series of focus groups to gather qualitative data — anecdotes and stories – as well as quantitative data in several major cities including Los Angeles, New York, Houston and Washington, D.C. The commission anticipates releasing results by next August.

"This needs to be addressed so people don't act on speculation or per-

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