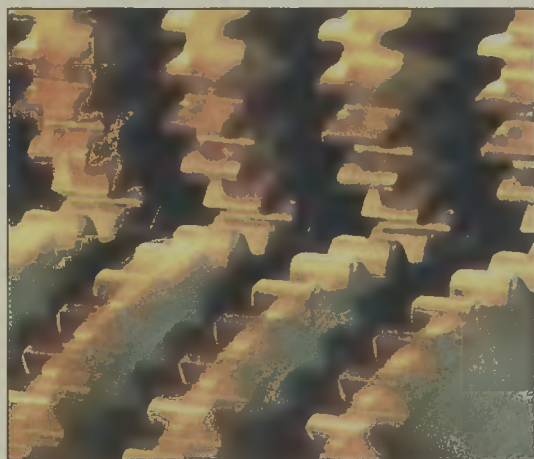


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BUSINESS



Steel City plans series of events around centennial

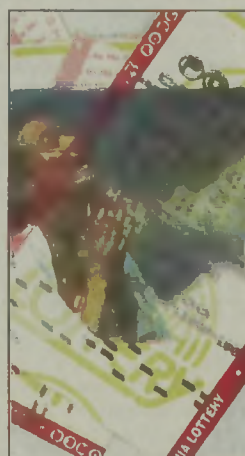
THE ASSOCIATED PRESS

GARY, Ind. - Gary will mark its 100th birthday this year with a series of centennial celebrations including the installation of a statue commemorating its industrial heritage. The city was officially founded July 14, 1906, by the U.S. Steel Corp., when miles of swampy marshland were molded into an experiment of industrial urban planning. The new metropolis was named after the first chairman of U.S. Steel, Elbert H. Gary.

Today, Gary boasts a population just more than 100,000 people, with roughly 85 percent black residents living among the echoes of tens of thousands of melting pot immigrants who poured in a century ago.

Although Gary witnessed massive white flight decades ago, the city is still the birthplace of thousands of region residents who entered the world at Methodist or Mercy hospitals, and centennial organizers hope such a

See STEEL/8C



ExxonMobil posts record profits for quarter, year

By Steve Quinn  
THE ASSOCIATED PRESS

DALLAS, Texas - Exxon Mobil Corp. posted record profits for any U.S. company on Monday - \$10.71 billion for the fourth quarter and \$36.13 billion for the year - as the world's biggest publicly traded oil company benefited from high oil and natural-gas prices and solid demand for refined products.

The results exceeded Wall Street expectations and Exxon shares rose more than 3 percent in afternoon trading.

The company's earnings amounted to \$1.71 per share for the October-December quarter, up 27 percent from \$8.42 billion, or \$1.30 per share, in the year ago quarter. The result topped the then-record quarterly profit of \$9.92 billion Exxon posted in the third quarter of 2005.

Exxon's profit for the year was also the largest annual reported net income in U.S. history, according to Howard Silverblatt, a senior index analyst for Standard & Poor's. He said the previous high was Exxon's \$25.3 billion profit in 2004.

The company said its average sale price for crude oil in the U.S. during the quarter was \$52.23 a barrel, compared with \$38.85 a year earlier. It sold natural gas in the U.S., on average, for \$11.34 per 1,000 cubic feet, compared with \$6.61 during the same period a year ago.

Exxon's vice president of investor relations Henry Hubble said that while strong commodity prices clearly helped drive the record earnings, the company also deserved credit for its ability to complete projects on time while keeping costs in check.

"We continue to identify world-class projects, post industry-leading returns, and are well-placed for continued growth," Hubble told analysts in a conference call. "Our record results show a disciplined approach and we continue to deliver superior value to our shareholders."

Exxon's results lifted the combined 2005 profits for the United States' three largest integrated oil companies to more than \$63 billion.

ConocoPhillips said last Wednesday that its fourth-quarter earnings rose 51 percent to \$3.68 billion (euro3.05 billion), while annual income climbed 66 percent to \$13.53 billion (euro11.2 billion). Two days later, Chevron Corp. said its fourth-quarter earnings rose 20 percent to \$4.14 billion, while annual income jumped 6 percent to \$14.1 billion.

The oil industry's stellar results renewed talk among some politicians for a windfall profit tax that would push companies to invest more in new production and refining capacity.

Sen. Barbara Boxer, a California Democrat who

See EXXON/8C



MCDONALD'S CORP.

McDonald's Corp. promises to add fare with more zing to compete with products from its fast-food rivals.

McDonald's promises 'kick' in newest menu item

By Dave Carpenter  
THE ASSOCIATED PRESS

CHICAGO - McDonald's says it finally has a menu item with real "kick" for Americans who view its food as standard mainstream fare.

The spicy chicken sandwich, available as of Tuesday in all 13,700 of its U.S. restaurants, is designed to put more zing in the fast-food chain's already strong sales, too.

Wade Thoma, vice president of U.S. menu management for Oak Brook, Illinois-based McDonald's Corp., declares the new sandwich the spiciest item ever at McDonald's in the United States.

But that's not as risky as it once would have been for the No. 1 purveyor of burgers and fries, which has been testing the sandwich in select markets for months and is armed with data about changing U.S. tastes. As McDonald's realized, spicy has fast become mainstream itself.

"America has gone to spicier, bolder flavors, and this is our way to provide them the taste that they crave," said Ralph Alvarez, president of McDonald's North America.

As with many of its menu items, McDonald's will be the biggest restaurant company to offer a spicy chicken sandwich but hardly the first. Rival Wendy's, Church's Chicken and other

chains already sell it or have experimented with it.

"Spicy chicken is not anything new," said Bob Goldin, an analyst at Chicago-based food consultancy Technomic Inc. "But bolder flavors are a growing trend in the foodservice industry."

Reshuffling the menu also has proven key to the resurgence of McDonald's U.S. sales since 2003. The additions of entree-sized salads, McGriddles breakfast sandwiches, white-meat chicken nuggets and chicken strips have all been successful, and all those items have helped bump up the average amount spent by McDonald's customers.

Even if spicy chicken doesn't latch on permanently as a core menu item, as Morningstar analyst Carl Sibalski suspects, it will have served its purpose.

"It's always important to rotate a few new items through the menu so that customers don't become bored and simply walk away from your store just to try something else," he said.

The new product continues the one-time hamburger chain's growing embrace of chicken - the result of a strategy Alvarez said was put into place three years ago to reflect Americans' eating more chicken than beef.

See MCDONALD'S/8C

N.C. decides lottery pacts

By Gary D. Robertson  
THE ASSOCIATED PRESS

RALEIGH - The North Carolina Education Lottery Commission prepared Monday to determine who would land its two richest contracts for operating the games expected to begin this spring.

The commission scheduled consideration of the seven-year contracts for both the scratch-off tickets and the lotto-style automated numbers games at its mid-afternoon meeting in Raleigh.

Industry rivals Scientific Games Corp. and GTECH Holdings Corp., based in Rhode Island, each bid for both contracts less than three weeks ago.

Evaluation teams examined the contracts on the lottery's behalf and were to offer recommendations to lottery executive director Tom Shaheen, who would then make his own recommendations to the full commission.

Each of the contracts could generate millions of dollars in revenue from lottery sales expected to top \$1 billion in the game's first year.

The winner of the instant-ticket contract will have to print tickets, distribute them to thousands of retailers and put other operations in place in about two months or less. Shaheen wants to sell the first tickets April 5.

The first automated numbers games - probably the multistate Powerball - would follow around mid-June.

Details on the contract bids have been kept secret by the commission, which said it wanted to preserve the integrity of the process and protect against legal challenges by losing bidders. The public records law allows bids to be held until after a contract is awarded.

Scientific Games, whose lottery division is based in Georgia, bid for both contracts even though it is being investigated for possibly breaking state lobbying laws while the Legislature debated creation of the lottery last year. Lottery leaders said Scientific Games should be allowed to bid because it has not been convicted of any wrongdoing.

GTECH and Scientific Games already operate lotteries across the country and have dozens of overseas clients.

In surrounding states, Scientific Games operates both the instant-ticket and numbers contracts in South Carolina, but splits the contracts with GTECH in Tennessee and Georgia. GTECH has an instant-ticket contract in Virginia.

North Carolina's lottery law approved last year

See N.C.8C

Charlotte consultants offer alternate retirement planning

By Ellison Clary  
SPECIAL TO THE POST

As financing retirement looms larger for baby boomers, Claude McDougal has geared up to help them, often with non-traditional alternatives.

McDougal's specialty and that of his nascent company, U.S. Financial Alliance Consultants is advising people on investments for the future of their descendants as well as themselves. He asks them to consider more than money.

"I get my clients to focus on

'true wealth,' which places finances third, behind-human and intellectual capital," McDougal said. "Human capital includes family, relationships and heritage. Intellectual capital means knowledge, skills and ideas."

Only after working with clients on family and knowledge does McDougal shift emphasis to financial matters such as cash, stocks and real estate, he said.

This approach causes people to look at what McDougal calls the "Four Ps." preserving assets, protecting true

wealth, perpetuating wealth to future generations and empowering family members with stewardship and accountability.



McDougal

"My clients complete a detailed questionnaire to help establish their priorities," McDougal said. "Then we approach retirement planning in stages. The stages are making contributions to a plan, managing that plan to

accumulate money, deciding how to distribute assets during retirement and outlining an orderly transfer of assets to future generations."

After starting USFAC in May, McDougal recently moved it to the second floor of Ivey's, a block from The Square, in uptown Charlotte. "I wanted to be accessible to successful people who work within walking distance," McDougal said.

The ideal client for McDougal, 46, is a baby boomer like him. The oldest boomers - born in 1946 - turn

65 this year, but McDougal seeks those a little younger.

"I'm looking for someone with reasonable resources," he said, "who is about five or 10 years away from retiring, but doesn't know how he or she is going to do it. It's a homeowner, single or married, with a family - someone who needs to manage wealth."

McDougal spent 20 years with Primerica, the insurance and investment arm of Citigroup. He operates a bit more aggressively than an

See U.S.8C

