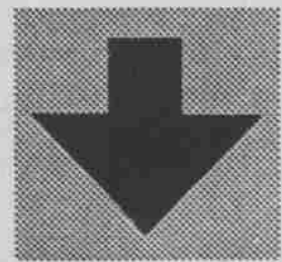


BUSINESS

The Daily Tar Heel/Thursday, March 23, 1989/5

Stocks

DOW JONES INDUSTRIAL AVERAGE

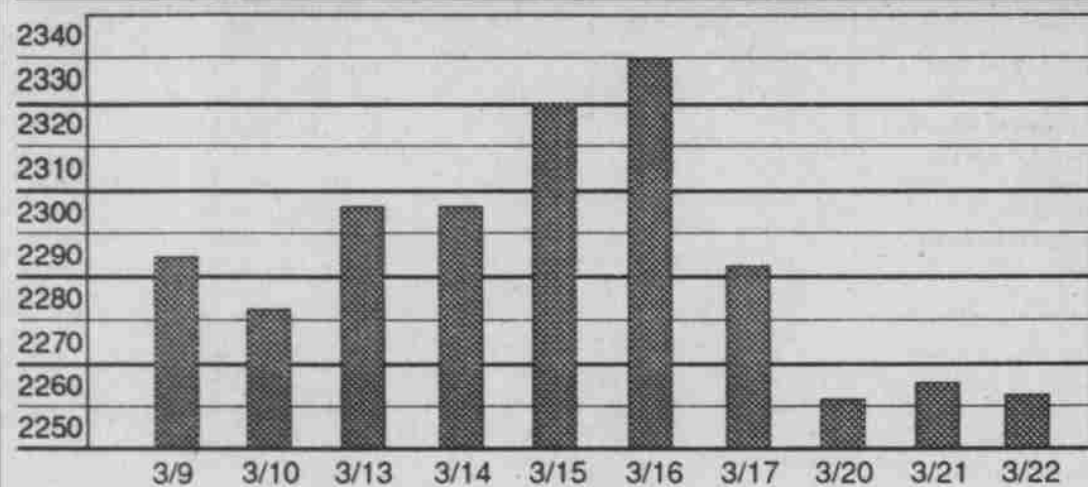


2263.21
DOWN 3.04
VOLUME: 146.57 million shares

NORTH CAROLINA STOCKS

COMPANY	CLOSE	CHANGE	HIGH	LOW	2 WKS.
BellSouth	41 5/8	+ 3/4	41 5/8	40	41 3/4
Duke Power	43 5/8	+ 3/8	43 5/8	43 1/8	43 1/4
Food Lion	10	+ 1/8	10	9 3/4	10 1/4
NCNB Corp.	36 1/8	- 1/8	36 1/4	35 3/4	34
RJR/Nabisco	86 7/8	+ 1/2	87	86 1/2	85 1/2

TREND



Update

INFLATION

Consumer prices rose at an annual rate of 6.1 percent for the first two months of 1989. The smaller-than-expected increase calmed volatile markets, but economists remain skittish about the health of the economy.

+0.4%
FEBRUARY

DTH Graphic Source: Associated Press

Carolina Students' Credit Union Rates

SHARE CERTIFICATES

30-89 Days	8.000 simple
90-179 Days	8.583/8.961%
180-269 Days	8.720/9.110%
270-364 Days	8.720/9.110%
365 Days	8.950/9.361%

Compounding is daily. Rates subject to change daily. Insured up to \$100,000. No certificates sold on Friday or Saturday. Longer terms are negotiable. \$100 minimum deposit.

LOANS

Share Secured	11.00%
Co-Signer	14.00%
Travel	16.00%

Hours: Mon.-Fri. 10 a.m.-2 p.m., Sat. 12 p.m.-2 p.m.

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North Carolina feels strike effects

By TOM PARKS
Staff Writer

N.C. travelers, airports and travel agencies have been hit by the strike against Eastern Airlines, but the wounds are not as deep as in hubs like Atlanta, according to airport and company officials.

All Eastern Airlines flights have been suspended in North Carolina, according to an Eastern employee in Charlotte who declined to be identified.

Before the strike, Eastern had only nine departing flights at Raleigh-Durham Airport (RDU), Teresa Damiano of the Raleigh-Durham Airport Authority said Wednesday. Six of the flights were to Atlanta and three were to New York.

"At least three other carriers serve those cities," she said.

Eastern's Machinist union went on strike March 4 and was joined by Eastern's pilots and flight attendants. Eastern filed for Chapter 11 protection and bankruptcy reorganization March 9.

Patricia Jones, an employee with Eastern's corporate communications

"Eastern's situation is so confusing that nobody knows what the game is."
— Susan Sheffield, travel agent

office, said 111 Eastern flights flew Tuesday. Eastern had a pre-strike schedule of 1,040 daily flights.

Maria Catlett of Small World Travel Agency on Franklin Street said Eastern's move "caught quite a few spring breakers" last week. One group of four had to cancel their trip, and a couple on their honeymoon who planned to fly Eastern had to pay almost twice their planned cost to get other tickets.

Catlett said Small World, which did a "fair amount" of business with Eastern, has a stack of Eastern tickets, and they are waiting to find out where to send them to get refunds.

The strike has not caused much trouble for Travel With Us, a Durham travel agency, according to agent Susan Sheffield. The company did not do a large amount of its business with Eastern, she said.

Some of that agency's clients also have applied for refunds for Eastern tickets, she said.

"Eastern's situation is so confusing that nobody knows what the game is," Sheffield said.

One company that booked group trips, Flyfare, has gone out of business as a direct result of the strike, Sheffield said. The company, which dealt heavily with Eastern, operated out of the Northeast.

Eastern's ticket office at RDU has closed until further notice, Sheffield said. Eastern's local sales office and the Raleigh ticket office have also closed.

John Braden, director of marketing and public relations at Atlanta Hartsfield International Airport, said 8,000 Eastern employees in Atlanta have lost their jobs.

"There are a lot of people out of

work," he said. "That's the major impact on Atlanta."

Eastern was the second busiest airline at the airport, Braden said. Before the strike, Eastern carried 580 of the airport's 2,200 daily flights. Now Eastern is not flying in or out of Atlanta at all, he said.

American Airlines has not seen a significant increase in business at RDU because of the Eastern strike, spokesman Ed Stewart said.

While American has been busy, it is expected because of spring break traffic, Stewart said.

"It's been business as usual," Stewart said. "We expected heavy loads in that part of the world (spring break destinations). It was going to be busy strike or no strike."

Eastern is not operating at Piedmont Triad Airport, which serves Greensboro, High Point and Winston-Salem, or at Charlotte Douglas International Airport, according to airport officials.

Eastern had only seven daily flights out of 435 total flights to and from Charlotte, according to the airport's February transportation report.

Local stores pull suspect fruit from shelves

By CRAIG ALLEN
Staff Writer

Recent scares about the quality of fruit available to consumers may make finding certain produce difficult and leave area stores smarting from the economic loss caused by the produce scares, according to government and company officials.

The recent U.S. Food & Drug Administration (FDA) ban of fruits exported from Chile came after an inspector in Philadelphia found two grapes laced with cyanide.

According to Dan Stiko, a spokesman for the FDA, the agency immediately issued a warning to consumers and recommended that all supermarkets pull Chilean produce from the shelves.

The FDA is continuing a close inspection of all berry fruits, pears and nectarines now in U.S. warehouses and ports and is slowly allowing the fruits to return to markets, Stiko said.

"Once a lot (shipment) is cleared, it's eligible to be back on the marketplace," Stiko said. Stiko also said the burden of inspection will fall on the consumer. If consumers find strange holes or crystalline or powdery substances on their fruit, they should throw it out, he said.

Area stores, like Kroger in Chapel Hill, have followed the FDA's advice and pulled all Chilean fruit.

James Crawford, an employee at Kroger, said the store has had many calls from customers, asking where Kroger buys its fruit. The store also

"I would say that it (the scare) has helped our sales. In the community, people expect us to be a leader."

— Simcha Weinstein, manager of Weaver Street Market

sent any questionable produce back to the suppliers to receive a refund.

Crawford also said the store has been looking for substitutes for the banned produce, but the availability of substitutes is largely determined by the weather.

All Food Lion stores have pulled any questionable fruit from the shelves and plan to wait for the FDA to approve the sale of fruit before the stores offer them again, a spokesman for Food Lion said.

Food Lion also sent produce back to its suppliers, and officials at Food Lion said they predict some loss for their company but expect most of that to be covered by the companies who supply Chilean fruit.

E.S. Dunn, a spokesman for the Harris Teeter central office in Charlotte, said Harris Teeter has also pulled all Chilean fruit from the shelves.

Dunn said that Harris Teeter did suffer an economic loss because of the Chilean produce scare, but it was

minimal. The sale of Chilean fruit amounts to about one-half of one percent of the company's total sales. For this reason, measuring the loss for the Harris Teeter corporation is difficult.

"We suffered some loss, but it measured in the thousands of dollars," Dunn said.

Dunn also said the ban has been lifted, and Harris Teeter expects to have fresh fruits back on the shelves by this weekend.

Daminozide, sold under the name Alar — a chemical sprayed on apples to make them firmer — has also produced a scare in the produce market dating back to a report by the National Resource Defense Council (NRDC).

The NRDC report said that a breakdown chemical of Alar was carcinogenic and was found on apples at levels up to 100 times the acceptable standard set by the Environmental Protection Agency.

This information has prompted

many school systems nationwide to ban apples and apple products from their lunchroom menus.

According to Stiko, a 1985 report by the government has shown the NRDC report to be false. He also said the 1988 apple crop was at least 95 percent Alar-free.

Supermarkets are responding to the Alar scare, however.

Dunn said the Alar problem was first brought to the attention of the company in 1986. At that time, Harris Teeter discontinued any sales of apples using Alar and obtained affidavits stating that the company's apple juice was Alar-free.

Weaver Street Market of Carrboro has not lost any money from the Alar scare, according to Simcha Weinstein, a manager at the market.

The Weaver Street Market prides itself as one of the only markets in its area that offers organic or pesticide-free produce, Weinstein said. Because the market offers organic produce, consumers have treated the market as an information source about Alar and other pesticides, she said.

"I would say (the scare) has helped our sales," Weinstein said. "In the community, people expect us to be a leader."

Weaver Street Market also lost no revenue from the Chilean fruit scare. The market, in protest of the Pinochet government in Chile, carries no Chilean fruit. But, Weinstein said, finding non-Chilean fruit can be difficult at this time of the year.

Chapel Hill mayor derides court finding in development case

From Associated Press reports

Mayor Jonathan Howes is so dissatisfied with a state Court of Appeals ruling in a development case involving Chapel Hill that he may seek legislation to counteract the decision.

The ruling in a lawsuit brought by Dierdre Batch obligates towns to go through a five-step process to justify certain requirements placed on a development if the developer objects to the requirements.

The new procedure ordered by the court involves showing that development requirements imposed by the town are directly related to the development itself. Examples of town-imposed development requirements include giving the town a street right-of-way, or land for a park or utility easement.

Town Manager David Taylor said the rules could conceivably require the town to go through the five-step process to legitimize each of 30 conditions in a development application.

Howes called the ruling "a heavy and undue burden on this council

Business Briefs

and, presumably, on every other council in this state."

"Apparently there's some public purpose in all of this," Howes said, "but I'm not clear on what it is."

S&L crisis blamed on crime

WASHINGTON — White-collar crimes, not poor economic conditions or deregulation, are the root cause of the savings and loan crisis, congressional auditors said Wednesday.

The General Accounting Office (GAO) told the House Judiciary Committee's criminal justice subcommittee that it had examined 26 insolvent thrift institutions in eight states and found evidence of fraud or abusive insider dealing in each.

While the survey was skewed to S&Ls with the worst problems, the 26 represented 60 percent of the total losses sustained by the government's insurance fund from 1985 through 1987. The pattern of fraud and abuse among all failed thrifts "clearly is

pervasive," GAO officials said.

"The huge losses which will ultimately be passed to the nation's taxpayers," estimated at \$100 billion to \$150 billion, "did not come about primarily because of economic conditions or deregulation," Assistant GAO Comptroller General Frederick Wolf told the subcommittee.

"The bulk of the losses are directly attributable to the failure by management of a minority of the industry to follow basic, prudent business practices, including the establishment of effective systems of internal control," Wolf said.

Asked if that is a crime, Wolf said violation of fiduciary responsibilities to operate in a sound manner is clearly a criminal issue.

The subcommittee's chairman, Rep. Charles E. Schumer, D-N.Y., complained that of the 11,000 S&L cases the Federal Home Loan Bank Board has referred to the Justice Department for criminal prosecution in the last two years, less than 200 have resulted in convictions.

"Ten billion dollars would go a long way to housing the homeless,

feeding the poor, educating the public, caring for the sick," Schumer said. "Instead it has been wasted on lavish parties, jets, real estate, travel and meals at the expense of taxpayers."

Wage compromise offered

WASHINGTON — The House on Wednesday debated legislation to raise the minimum wage, with Democrats who long have sought an increase praising President Bush for supporting a raise but saying the

amount he has suggested is too low.

"It is the first positive sign of cooperation on this issue that we have seen in eight years between the White House and the Congress," said Rep. Austin Murphy, D-Pa., who managed the floor debate for the Democrats. "Democrats and Republicans have made an honest effort to work out our differences."

The Democratic-controlled chamber is expected to vote on the measure Thursday.

Career Corner

Resume Drop March 28
Open Sign Up April 12

OPEN SIGN-UP

Date	Company	Job	Major
4/18	Aetna Life & Casualty		
4/20	Ashland Chemical Company		

IMMIGRATION AND SANCTUARY; HISTORY, REALITY & ETHICAL RESPONSIBILITY

An open discussion led by Betty Gervais, attorney and immigration law specialist

11:00 a.m., Sunday, March 26
the Ethical Cultural Society of the Triangle
at the ArtsCenter, 301 E. Main St., Carrboro
The meeting is free and childcare is available.

For further information, please call 542-4034 or 493-4817



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THE ORDER OF THE BELL TOWER IS PROUD TO ANNOUNCE ITS NEW MEMBERS:

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Brian Baynard	Shane Johnson	Kathryne Toro
Allison Burnett	Angela Joines	Eugenia Walker
Kevin Chignell	David Kessel	Michael Walsh
William Crabtree	Bethany Litton	Amy Wearmouth
Robert Evans	Heather Lynch	Bryant Webster
Sujata Ghate	Kimberly Martin	Jennifer Weis
Nicolin Girmes	Julie Meckfessel	Julie Wisneski
Susan Glosek	Kimberly McLean	Julie Wood
Susan Goerlich	Leia Sifford	Linda Wood
Melodie Griffith	Melody Simmons	Timothy Yarbrough
Brian Holiday	Michelle Stern	Sarah Young
	Ellen Stretcher	

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