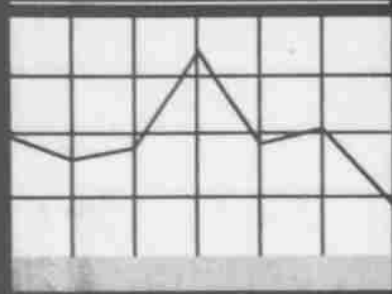


# BUSINESS

The Daily Tar Heel/Thursday, February 8, 1990/5

## BUSINESS BRIEFLY



### From staff and wire reports

#### N.C. unemployment up

North Carolina's unemployment rate rose half a percentage point to 3.7 percent in January, according to figures released last week by the U.S. Department of Labor.

N.C.'s rate remained the lowest of the 11 largest states. The nation's rate remained 5.3 percent, unchanged from last month.

#### Shinn to speak at Duke

DURHAM — George Shinn, owner of the Charlotte Hornets and two minor-league baseball teams, will deliver the keynote address at the sixth annual Duke University Conference on Entrepreneurship Feb. 17 in Durham.

The day-long conference, organized by MBA students at the Fuqua School of Business, gives small business owners and entrepreneurs a chance to interact, according to Duke University News Service.

The conference's \$50 registration fee includes lunch and a reception. More than 400 people attended last year's conference.

#### MBA association holds elections

The MBA Student Association elected the 1990-91 executive committee Monday and Tuesday. New committee members will take their positions March 1 and serve for one year, said John Few, the association's vice president of student relations, in a telephone interview Tuesday.

Steve Dauphin was elected president and Constance Barkley was elected vice president of program development. Also elected were Margaret Minichini, vice president of career development, Jeff Hilford, vice president of student relations and Pat Burns, vice president of finance.

The MBA Student Association hosts recruiters, sponsors a career fair and a graduation ceremony for MBA candidates and co-sponsors events with the Kenan Institute.

#### Open foot, insert mouth

CHARLOTTE — First Union National Bank Tuesday stopped distributing copies of a newsletter featuring a "satirical" article that refers to Germans as "Huns" and Japanese as "Nips." Meanwhile, the author of the controversial piece isn't talking.

William R. Hackney III, First Union's chief investment officer, deferred to the bank's public relations staff to issue his apologies.

"He was trying to satirize American economic weaknesses and he deeply regrets his choice of words," said First Union spokesman Jeep Bryant.

"We wish to extend our sincere apology to anyone who was offended," he said. "It was not our intention to speak in a derogatory way about the German and Japanese people."

The newsletter is mailed each month to some 600 customers of First Union's investment services, he said.

In his article, entitled "Racial Overtones," Hackney said he merely intended to poke fun at U.S. fears of foreign investment in a tongue-in-cheek writing style.

The article begins: "The Huns and the Nips are at it again! Foul up our capital markets. The folks from the lands of Teuton and Nippon jacked up their interest rates sharply in recent months, dragging our rates along with them."

The article goes on to characterize its tone as a "tongue-in-cheek assault."

#### USAir's image improving

CHARLOTTE — USAir passengers say they're finally seeing an improvement in the airline, which sank to last place in the nation in on-time performance after it merged with Piedmont Airlines six months ago.

In three spot checks made at Charlotte/Douglas International Airport, where USAir carries more than 90 percent of the passengers, 20 passengers gave the carrier an overall midterm report card grade of B.

"If I were grading USAir back then (six months ago), I would have given it an F," said Charlotte management consultant Tim Finley. "They've started to really show a lot of improvement."

## Local housing prices likely to remain high

By JANA FREDERICK-COLLINS

Staff Writer

Chapel Hill's housing market could be immune to a national trend of decreased housing prices.

Sallee Jessee of Marin Properties said if the Triangle's population boom continues, Chapel Hill's housing market should continue to grow despite a cooling in the national new-home market.

A 1989 Harvard study predicted national housing prices could decrease as much as 3 percent per year until 2007. While prices in Chapel Hill have stabilized, they will not fall if people keep moving to Chapel Hill from the Northeast and Canada, Jessee said.

In most parts of the country, housing prices have fallen or at least stabilized, but in Chapel Hill the price of the average home sold went from \$119,000 in the first six months of 1989 to \$140,000 in the second, according to the Chapel Hill Board of Realtors.

The demand for new houses should remain high, keeping prices high as

well. The average Orange County home sold in December cost \$165,137, according to Kay Knowles, an administrative assistant at the Chapel Hill Board of Realtors.

The Chapel Hill/Carrboro Chamber of Commerce estimated in June 1989 that the average income of families living in Chapel Hill would continue to grow until the early 1990s. Should those estimates hold true, the local real estate market could remain strong despite national demographic and economic trends.

Prices in the Chapel Hill area rose up to 15 percent during the mid-1980s, but have stabilized since 1988, said Pam Davis, chairman of the appraisal committee for the Chapel Hill Board of Realtors.

"The past two years have been a cooling-off period nationally and for the Chapel Hill area," she said.

But real estate will continue to be a good investment even as the market goes from boom to bust, Davis said. The market is cyclical and will eventu-

ally boom again.

The average price of a new home in Chapel Hill increased from \$93,000 in 1984 to \$136,000 in 1988, according to a 1989 Chamber of Commerce survey.

From 1980 to 1988 the average family income in Chapel Hill rose from \$29,322 to \$51,659. The Chamber of Commerce estimated the average family income would reach \$64,000 by 1993.

More people moving to the Chapel Hill area from the Northeast and Canada are creating a demand for new luxury homes with amenities such as sophisticated architecture, elaborate finishings, large bathrooms and fancy kitchens, Jessee said.

"In a sense, the new construction has sort of priced out people that have been living in Chapel Hill for a long time," she said.

Forecasters have predicted a decrease in the number of first-time home buyers, combined with the surplus of new construction from the mid-1980s housing boom, would drive prices down through the '90s.

## Downtown businesses rooting for B-ball wins

By MARK GRIFFIN

Staff Writer

The sound of screaming students and alumni is music to the ears of Chapel Hill's downtown merchants, because large crowds in the Smith Center mean more customer traffic in stores and increased sales.

"Business definitely goes up," said Shelton Henderson, manager of the Shrunken Head Boutique. "There is a very noticeable increase in the number of customers coming through the door."

Gayle Murrell, an employee at Record Bar, agreed. "Two or three hours before the game we start to get a lot of people coming in," she said.

Shopowners said several factors related to the game determined just how many extra fans walk through their doors.

The time and day of the week of the game were important, most agreed.

"Weekend games at 4 are best for us, but weeknight games at 9 also mean extra customers," said Mickey Ewell, owner of Spanky's. "With weekend games, alumni arrive ahead of time and have a long lunch."

Meredith Young, an employee at Avie's Hallmark Shop, said weekend games bring more alumni, and more alumni bring more money.

The strength of the visiting team and whether the game is televised were also cited by merchants as factors.

"We got hit with a lot of added business when we played ACC rivals like Duke, Clemson, and Wake Forest," said Terry Watson, an employee at Carolina Pride.

Business is generally not as good when non-ACC teams visit the Dean Dome. John Hudson, manager of co-owner of Chapel Hill Sportswear, said the Miami game meant little for his shop.

"Miami won't mean squat for business," he said. "Televised games with ACC teams do though."

Wednesday's N.C. State game was another story. Larry Trollinger, manager of Ken's Quicke Mart, said that the strength of the opponent was directly related to any increase in sales.

"The Miami game was nothing," he said. "There was no enthusiasm. The State game being on TV Wednesday will mean added interest, extra beer, and chips."

Students may not be the fans cheering loudest for a Carolina win Wednesday. Downtown merchants said a team victory often meant ringing up even more customer receipts.

Margaret Plambeck, an employee at Four Corners restaurant, said, "If the team wins more people will stay and celebrate."

"A win puts fans in a festive mood and they walk the streets more," Ewell added.

"A Saturday win means a busier Sunday," said Zina Almers, assistant manager at The Lodge.

## Tomato prices shoot through the roof; Florida freeze blamed

From staff and wire reports

Tomato lovers may soon have to do without as local restaurants charge more and more for the vegetables whose market price skyrocketed during January.

A 25-pound case of tomatoes cost \$9 in December, but restaurant managers Tuesday reported paying \$46 for the same case, and in some parts of the state, prices are as high as \$55.

Doris King, a waitress at Mariakakis Restaurant and Bakery on U.S. 15-501 Bypass, said they no longer put tomatoes on sandwiches or salads. "We don't use tomatoes any more," she said.

And Mariakakis isn't the only restaurant in town that has changed its menu due to the high cost of tomatoes.

Prices have increased dramatically because of a mid-December freeze in Florida that decimated the state's tomato crop. The freeze sent the price of orange juice and green beans up as well.

Restaurants are either charging more for tomatoes, attempting to discourage tomato lovers or gritting their teeth waiting for prices to return to normal.

Prices in stores are two to three times higher than in December. Prices may decline again in March, when tomato crops replanted by Florida growers are expected to reach market.

Gary Taylor, produce manager for the Charlotte-based Harris-Teeter grocery store chain, said prices would not be so high if people weren't buying tomatoes.

"Even with the high retail (prices), consumers have not stopped buying tomatoes. Our movement's hardly dropped off at all."

Taylor said prices may come down within three weeks, but they aren't likely to until Florida's replanted crops come to market, sometime in March or April.

Sadlack's charges 50 cents extra for tomatoes on a sandwich; sandwiches without tomatoes cost 10 cents less than usual, said Cheryl Ripperton, an employee at the restaurant. Tomato prices eventually increased 30 cents as prices rose during the past three weeks.

Forrest Williamson, day manager at the Skylight Exchange on Rosemary

Street, said the sandwich shop would not raise prices even though it is paying \$41 a case.

"What we've been doing is asking if they want them or not," he said. "We made the decision yesterday (not to raise prices). I don't think it's going to go any higher."

Saunders said Sadlack's would not reorder tomatoes until the market price goes back down. He now has a reserve of two cases.

In High Point, one restaurant is advertising tomato sandwiches at \$9.95 each, to tell the public about the dramatic increase in tomato prices.

"I don't know what's going on, but it sounds like a little price gouging to me," owner Nello Teer said. "I've rejected shipments for the past two weeks because I can't afford them."

Tomatoes on sandwiches at the restaurant are what are known as culls. The vegetables may have a blemish or scar that keeps them from being top grade. Culls are now selling for \$12 a case.

"We cut out all the bad places and I don't like to use them, but if people want a slice of tomato, it's all I can afford," he said.

Steve Johnson, vice president of Foster and Caviness Wholesale in Greensboro, said tomato packers used to throw culls away. "Now they're saving everything they've got because they can sell them," he said.

"Tomato prices are the highest I ever remember," said Clayton Davis, manager of the State Farmers' Market in Asheville.

The prices are reflected in grocery stores where tomatoes per pound begin at \$1.99 and are as high as \$2.50.

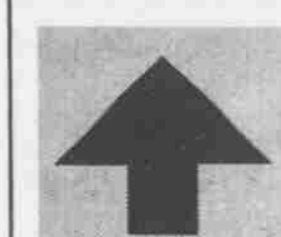
The price is up from about 69 cents in early December. "Sure, we've felt it," he said. "We've gone from selling 25 to 35 cases a week down to six."

Farmers whose crops were killed by the freeze replanted immediately. Those crops should be ready to harvest by mid-March, Davis said.

"Whenever those come in, I would expect the prices to be cheaper than usual because everybody replanted."

## Stocks

### DOW JONES INDUSTRIAL AVERAGE

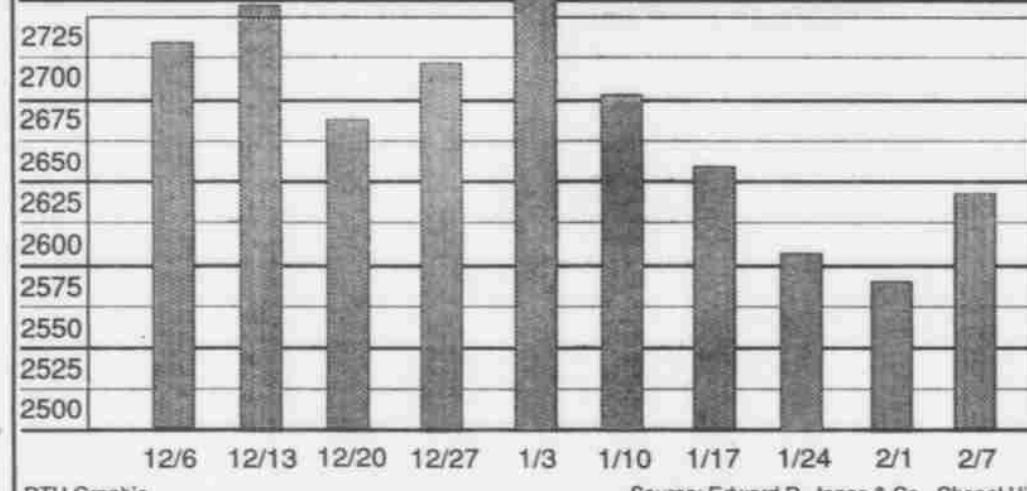


**2640**  
up 33.8  
Volume: 186 million shares

### NORTH CAROLINA STOCKS

COMPANY	CLOSE	CHANGE	HIGH	LOW	WK. AGO
BellSouth	52 7/8	+ 1/8	53	51 3/4	52 3/8
Duke Power	53 7/8	- 1/8	54	53 5/8	53 3/4
Food Lion	11 1/8	-	10 1/8	10 3/8	11 1/8
Liggett	9 5/8	+ 1/4	9 5/8	9 1/2	10 1/8
NCNB Corp.	42 1/4	+ 3/4	42 1/4	40 3/4	42

### WEEKLY TREND



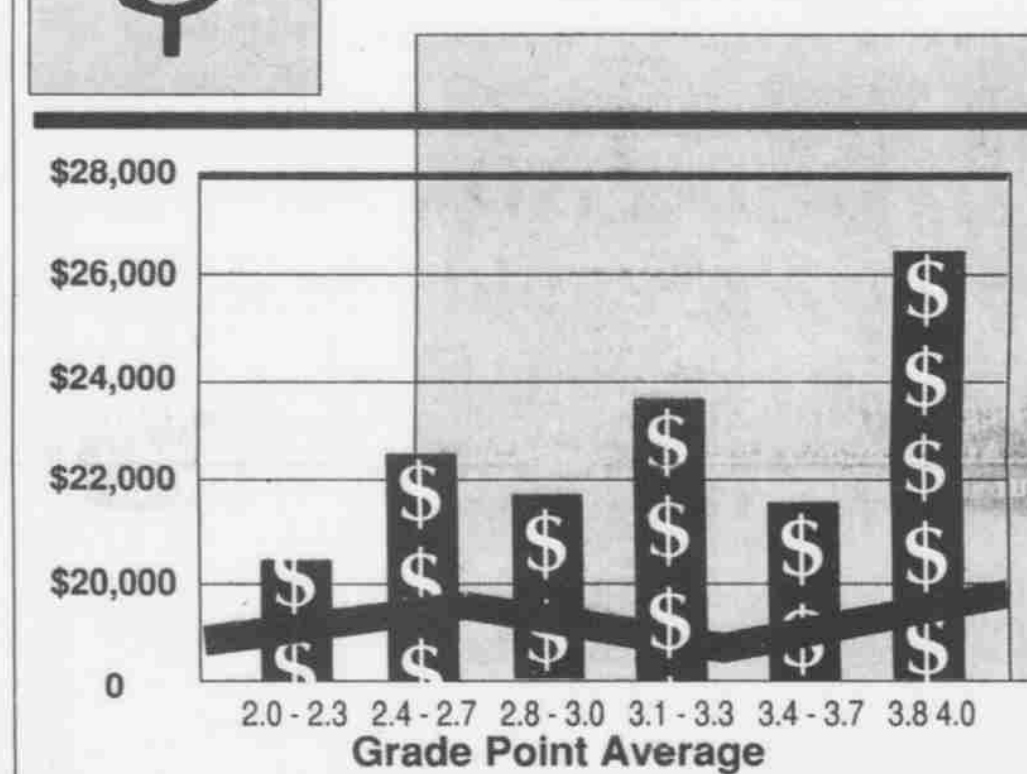
DTH Graphic Source: Edward D. Jones & Co., Chapel Hill

## SALARY vs. GPA



**\$22,492**

Average Annual Salary of 620 May, 1989 Graduates surveyed by UCPPS



DTH Graphic Source: UCPPS

## CSCU offers job travel loans

By CRAIG ALLEN

Assistant Business Editor

Spring semester, for many seniors and graduate students, is the final hurrah as they make the first step on the long road to a successful career (knock on wood.)

As seniors near commencement, many students will receive second interview notices. Second interviews are granted to students whom employers have taken special interest in and often involve travel.

To help with travel expenses, the Carolina Students' Credit Union (CSCU) offers travel loans to seniors

and graduate students.

Money borrowed from CSCU can also be used for travel to medical and graduate education programs.

The credit union offers loans of up to \$600 to eligible students for three months at 16 percent interest. The loan requires no co-signer.

But students must have a letter from their interviewer saying they will be reimbursed for their travel expenses.

The loans can also prevent students from tapping their savings accounts, which are often earmarked for a final spring break getaway.

To apply for a CSCU Career Loan,

students must be CSCU members and provide a copy of the company's second-interview letter. CSCU charges a \$3 processing fee.

If you are a member of CSCU and need a career loan, visit the CSCU office, in the Student Union, fill out an application and, within five days, a loan officer will notify you as to the status of the loan.

CSCU is a non-profit financial cooperative and is volunteer-staffed.

Services offered by CSCU include loans to students, share accounts and certificates, direct billing and others.

Resume Drop: Feb. 13  
Open Sign Up: Feb. 28

## Career Corner

Date	Company	Job	Major
<b>PRESCREENING COMPANIES</b>			
3/6	Arkwright	Sales	LIBA/BA
3/6	Booke & Company	Math	APMA/BS, COMP/BS, STAT/BS, MATH/BS
3/6	Jefferson Pilot	Insurance	BU/BS, LIBA/BA
3/6	Ortho Diagnostic	Biology	BIOL/BS/MS
3/6	State Farm Insurance	Insurance, summer permanent	BU/BS, LIBA/BA
3/7	J.C. Penney	Retail Mgt.	ANY
3/7	Jefferson Pilot	Finance, Insurance	ANY
3/7	Wallace Computer Services	Marketing, Sales	BU/BS, ECON/BA, INDR/BA
3/8	Edison Plastics Co.	Marketing Sales	INDS/BA, SPCH/BA
3/8	IBM Corp.	Chemistry, Prod. Data Base Mgt. Quality Control	APPS/BS, CHEM/BS/MS
3/8	IBM Corp.	Programming Research, Stat.s	APCS/BS, COMP/BS/MS/PHD
3/8	Liz Claiborne	Programming Summer only	APMA/BS, MATH/BS/MS/PHD
3/7-8	M & M/Mars	Accounting, Fin. Man. Info. Sys. Retail Mgt., Sales details pending	JOUR/BA/MA, ENGL/BAMA
<b>OPEN SIGN UPS</b>			
3/5	Eckerd Family Youth Alt.	Recr., Teaching	AFRI/BA, AFAM/BA, ANTH/BA, CRJU/BA
3/5	Harris Teeter	Mgt.	PSYC/BA, RECR/BA, SOCI/BA
3/6	Ames Department Store	Retail Mgt.	EDUC/BA
3/7	U.S. Air Force		ANY
<b>PRESENTATIONS</b>			
2/13	Kraft General Foods	5 pm, C Ballroom Carolina Inn	Interviewees only
2/14	Ferguson Enterprises, Inc.	7 pm, 210 Hanes Hall	

DTH Graphic Source: University Career Planning and Placement