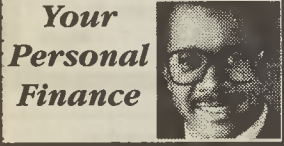


STRICTLY BUSINESS

Retiring debt will really hurt

CHARLES ROSS



It's not what you want to hear, but the best way to dig yourself out from under debt is to resolve to pay until it hurts.

First, add up all your debts, totalling the combined required payments per month. Next, review your budget and determine the maximum you can afford to spend on debt payments. Try to commit at least 25 percent of your net income to paying down debt. Then take steps to get a grip on your spending habits.

If you are deeply in debt, it is probably because you use your charge accounts too much. So, place a spending limit on yourself for a period of at least a couple of years. Once you are out of debt, don't be too quick to remove the limits you have set.

Establish priorities

Once you've decided to get out of debt, you need to devise a strategy that will make your payments worth the maximum possible. Check your credit card and charge account statements carefully to determine the interest rates on each. Then try to eliminate the accounts with the highest rates first. Usually these will be department store charges which can run as high as 22 percent.

You could save thousands of dollars if you pay more than the monthly minimum on the higher-interest accounts. You'll get them paid off quicker, which reduces the length of time you carry the interest charges.

If you can't manage minimum payments, get in touch with creditors and negotiate a lower payment amount, or perhaps a reduced interest rate.

Refinance

Refinancing can be a good way to start lowering your debt, and there are a lot of options. One choice is to refinance your mortgage which can be a good idea even if you have no other debt. Transfer your high-rate credit card balances to a lower rate card or credit line.

One caution: avoid debt consolidation loans whose interest rates can be as high as forty percent. Use a low-rate home equity loan to pay off your most expensive debts.

As a last resort, borrow from your 401K savings to pay off debt. But with all these strategies, keep one important thing in mind: paying off one loan with another only helps reduce debt if you change your spending habits. Otherwise you may simply be running up more debt.

Get help

There are several good places to turn for help in devising a

See **RELIEVE** on page 8A

Nationwide takes heat on redlining

By John Seewer
THE ASSOCIATED PRESS

COLUMBUS, Ohio — Nationwide Mutual Insurance Co. is facing scrutiny from federal authorities and lawsuits in at least seven states for allegedly telling its agents to avoid insuring homeowners in minority neighborhoods.

The Justice Department is looking into whether the nation's sixth largest property and casualty insurer violated civil rights laws.

At least six Nationwide agents have said they were told not to do business in sections of cities where minorities were in the majority.

The lawsuits accuse the insurer

of refusing to write policies on the basis of race or residence in low-income areas. They were filed in Ohio, Kentucky, Pennsylvania, Michigan, Maryland, Florida and Connecticut.

Nationwide spokesman John Millen said Wednesday that company executives have met with Justice Department officials about the complaints for several months.

Millen said redlining is against company policy. He said Nationwide is working on a plan to increase business in urban neighborhoods, but would not say whether it was in response to the inquiries.

Justice Department spokesman Lee Douglass would

not confirm or deny that the agency is investigating Nationwide.

The National Fair Housing Alliance, a Washington-based nonprofit agency, has been investigating Nationwide's urban underwriting policies since 1991.

The group has found that people in white neighborhoods received better coverage and lower rates than homeowners in black areas, said Shanna Smith, the alliance's executive director.

"They wrote out zip codes where agents weren't allowed to pursue business," Smith said. "The company has policies that deny coverage in African-American and Latino neighborhoods."

Three years ago, the alliance filed complaints against Nationwide, All-State Corp. and State Farm Mutual Auto Insurance Co. with the Department of Housing and Urban Development.

But it asked the Justice Department in August to investigate Nationwide after getting little cooperation from the insurer, Smith said.

"Nationwide has fought this every step of the way," she said.

Nationwide has fought the housing organizations' authority to regulate insurers in discrimination matters. The 6th U.S. Circuit Court of Appeals in Cincinnati ruled in 1995 against a lawsuit the company filed that attempted to limit the groups.

The court's ruling upheld the belief of housing advocates that they have the authority to investigate and regulate insurance companies in matters involving housing discrimination complaints.

Dave Farmer, senior vice president for the Alliance of American Insurers, said the number of complaints facing Nationwide is relatively small. The New York-based group represents about 260 insurers.

"I don't want to minimize the complaints, but an overwhelming number of citizens of all races are getting property insurance," Farmer said.

He added that insurance rates are heavily dictated by condition and location.

Rare hair experience



Fred Jones (right) and son Raymond opened Salon Central in Freedom Village last year. The 10,000-square foot facility is a mall for beauty professionals.

10,000-square foot salon opens

By John Minter
THE CHARLOTTE POST

There are malls and then there are malls.

That's the theory behind Fred Jones' Salon Central in Freedom Village.

Jones and his son Raymond operate the 10,000-square foot mall for beauty professionals — hairdressers, cosmetologists, manicurists and skin care specialists. There's even a tanning booth.

Jones, former owner of three McDonald's franchises in Winston-Salem, brought the idea to Charlotte in December and hopes to open as many as five more.

"Charlotte was a natural," said Jones. "There are more hair stylists in the city of Charlotte than any other city in proximity to Winston-Salem."

"Charlotte is one of the fastest-growing and most progressive cities, business-wise, in the country right now. And there

See **SALON** on page 8A

BUSINESS BRIEFS

Elaine Johnson retired from the Center for Substance Abuse Prevention.



Johnson

Johnson, who retired from the center last month, headed the U.S. Dept. of Health and Human Services agency since 1988, where she spent 20 years in the substance abuse and mental health fields. Johnson was CSAP's only permanent director since the agency was established in 1986.

Stephanie O'Neill has been designated acting director until a permanent director is appointed.

David Allen Willis has been named banking officer of Wachovia Bank of North Carolina N.A.



Willis

in Greensboro. He currently serves as commercial real estate banking officer.

The Akron, Ohio, native joined Wachovia in 1995. Willis earned a bachelor's degree in accounting from N.C. State University.

Donnie Smith has been appointed plant controller at Philip Morris' Cabarrus Manufacturing Center.

Smith joined Philip Morris as an accountant in Richmond, Va.

in 1985, where he held supervisory and management positions. He was transferred to Atlanta



Smith

in 1993, where he served as regional sales controller.

A native of Rocky Mount, Smith earned a bachelor's degree in business from UNC-Chapel Hill and a master's in business administration from UNC Charlotte.

Guerdon Stuckey, assistant to the president of the Charlotte-Mecklenburg Urban League, has been elected to the YWCA of the Central Carolinas Advisory Board for the Support Our Students Program.

Stuckey will serve a three-year term and will be responsible for looking at policy and program issues in relation to the SOS program.



Stuckey

Dorothy Mann PhD has been named to the board of directors for Kaiser Foundation Health Plan Inc. and Kaiser Foundation Hospitals.

Mann, who lives in Seattle, has served as chair of the board of trustees of Group Health Cooperative, the nation's largest consumer-governed integrated health care organization with more than 500,000 members in Washington and northern

Idaho. She is a senior fellow in the Institute for Public Policy and Management, Graduate School of Public Affairs at the University of Washington at Seattle.



Mann

Andrea Hall has been promoted to operations officer at Wachovia Bank of North Carolina.

Hall joined Wachovia as an operations manager trainee in Winston-Salem. She is currently serving as supervisor, Lockbox Mailroom Operational Services in Charlotte.

Hall is a graduate of Alabama State University.

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