

NewsLine

From Valley Press wire services

Rio Tinto extends deadline

LONDON — Anglo-Australian mining company Rio Tinto PLC has extended the deadline for acceptances of its \$4 billion takeover offer for Riversdale Mining Ltd for the third time.

Rio said Friday that it now holds 73.39% of Riversdale shares as it extended the offer deadline by two weeks to June 3.

Rio received a boost to its bid for the Australian-based coal producer last month when Brazil's CSN reversed its previous objections and accepted the offer.

But India's Tata Steel, the other major stakeholder in Riversdale with around 26% of shares, continues to rebuff the offer.

Rio is keen to capitalize on Riversdale's sizable business in Africa, which includes a major project in Mozambique and the Zululand Anthracite operation in South Africa.

HMV selling books unit

LONDON — Struggling entertainment retailer HMV Group PLC said Friday it is selling its Waterstone's bookshops to raise 53 million pounds (\$86 million).

The sale of the bookstore chain to A&N Capital Fund Management Ltd. comes ahead of a July 2 deadline for HMV to meet commitments on bank loans.

Russian billionaire Alexander Mamut, who holds a 6.7% stake in HMV, also has an interest in A&N.

"The sale of Waterstone's will enable management to focus more closely on executing the turnaround at HMV and continuing to develop the HMV customer offering," said HMV, which faces which faces stiff competition from supermarkets and internet sellers.

HMV shares were up 10.4% at 11 pence in early trading on the London Stock Exchange. The shares traded at 66.5 pence as recently as Sept. 8.

HMV disclosed that Waterstone's sales were down 4% on a comparable stores basis in the 53 weeks ending April 30.

Additionally, HMV games and music sales were down nearly 14%.

Steel mine to expand

FERMONT, Quebec — Global steel giant ArcelorMittal will create 8,900 construction and mining jobs with a \$2.16 billion expansion of its Quebec mining complex near Labrador.

The Luxembourg-based company said Friday that annual production of iron ore concentrate will increase to 24 million tons from 14 million tons by 2013.

ArcelorMittal Mines Canada is also evaluating doubling its iron ore pellets output to 18.5 million tons.

The investment of its Mont-Wright mining complex and construction at Port-Cartier will create 8,000 construction jobs and 900 permanent mining positions.

The company is the world's largest steel producer and owns the former Dofasco Inc. of Hamilton.

Greek markets jolted

ATHENS, Greece — The Fitch ratings agency downgraded Greece's debt grade by three notches further into junk status on Friday, another blow to the debt-ridden country that saw its borrowing rates spike to new record highs.

Fitch cited problems with Greece's implementation of essential reforms to its economy, which European officials have said are behind schedule and need to be broadened.

The downgrade "reflects the scale of the challenge facing Greece in implementing a radical fiscal and structural reform program necessary to secure solvency of the state and the foundations for sustained economic recovery," the agency said.

It cut Greece's long-term sovereign rating to B+ from BB+ — a move which the government criticized as having been influenced by media rumors and a failure to consider the additional commitments Athens has made.

Many have said the sheer size of Greece's debt, which stood at over €342 billion (\$488 billion) in 2010, combined with a budget deficit of 10.5% of GDP, means the country will eventually have to restructure its debt — pay creditors later or less than the full amount owed.

Giving back is good for bottom line

Mattress mogul Larry Miller reflects on harsh economy

By DENNIS ANDERSON
Valley Press Editor

If the national economy is recovering, Southern California remains among the areas hardest hit by recession, and all businesspeople are going to have to plan how to tough it out, and work harder and smarter in order to survive and thrive.

That's a business forecast from a widely recognized business personality who makes his money by putting it in all in the mattress. No, not "hidden money" in the mattress. His trade is selling mattresses and sleep systems.

It's the considered wisdom of Larry Miller, president of Sit 'n Sleep, best known for his ad zingers, "Or your mattress is freeeee!" and his suffering accountant Erwin's lament, "You're giving them away! You're killing me, Larry!"

With 26 stores operating across Southern California, including the Palmdale store, Miller observes that sleep sets and systems tend to mirror the national economy. Also it is a line of commerce that reflects to some degree what is happening with the housing and real estate scene.

Mattresses, he said, reflect gateway life experiences, like marriage and acquiring the first home. Also changes are made in bedroom furnishing to accommodate deaths, divorcees, kids moving out of the house, everything related to the

entire domestic scene.

To be viable means being sensitive to the ups and downs of national and regional economies. Some parts of the country are in economic recovery and are doing better, Miller noted. Texas, for example. California, Nevada and Arizona are still navigating the meteor storm that hit the housing economy a couple of years back, and that has affected so many life and buying decisions we all make.

"Consumers feel poorer because of increased gas prices, food prices.

"I think business is going to be tough for a while," he said in a telephone interview. "I think the pie has shrunk for all of us, so we have to work harder for a bigger share of a slightly smaller pie."

The Palmdale store, he said, "is seeing a turnaround. The first areas, I think, that were hit in this recession were the outer core stores."

Thus the plan for tough times, Miller reasons, is to worker harder, show up early and stay late. Erwin, reported to be modeled on an actual fussy bottom-line accountant, would approve.

"We're in profit, and we're doing all right," Miller said, adding, "It's much more of a struggle today. To serve our customers we have to deliver overwhelming service. It's not easy out there right now," he said.

Economic downturns tend to shake down who is going to be in



over the long haul, he said. "Any businessman can do well when business is good," Miller said. "When business is tough, you have to double down."

Among opportunities Miller said he sought for his chain during the Great Recession were favorable terms on long-term leases for his stores. He said he has succeeded at that.

"A lot of the leases we are looking at are more affordable," he

said. "These real estate prices now ensure that we (Sit 'n Sleep) have a 20-year future. I want to see a third generation in the business."

It's a business he started with his father, as he put it, "starting from nothing," with both of them pooling \$10,000 apiece.

Sixty-hour weeks came with the territory of selling mattresses and futons and furniture, with the younger Miller doing the deliveries personally after hours. It was hard

work, and he was glad to have it. It chafed at Miller some that because he and his father were in business starting very small, the profit margins didn't allow for much in the way of charity donations.

"When we were solicited, and people would come to us, it was embarrassing," Miller said. "I made a promise to myself that if I ever was fortunate, that when that time came, I would be generous with time and with money. It's incumbent on people who have economic success to be helpful to those who do not have it."

This week, Miller is receiving the JVS Business Leadership award at the Beverly Hilton during a Strictly Business LA luncheon event. The nonprofit Jewish Vocational Services has been in action and growing since the Great Depression. It offers business training, counseling, interview skills, computer and networking training. The group reaches out across all lines of race, ethnicity and religion.

"We served 39,000 clients last year," Miller said.

Some of those clients have lost confidence, lost their place in society, or run out of unemployment benefits. These are people, Miller said, who can be helped to regain confidence, be retrained, and find a productive place as recovery advances.

"A lot of businesspeople can forget where they came from."

His work with JVS, he said, "is an honor and a privilege. I'm really happy to be doing it."

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Poll finds recent college grads hit by recession

By GEOFF MULVIHILL
Associated Press

A new survey of college graduates from the last five years finds the Great Recession has hit them hard, forcing them into low-paying jobs often unrelated to their education and leaving half of them expecting less financial success than their parents.

Don't blame a spoiled generation, says Cliff Zukin, a Rutgers University political science and public policy professor who was co-author of the study.

"83% of them worked when they were in college," he said. "They're making sacrifices to go through with this and they're coming out without a great job and with debt. That's not a great situation."

What's so disheartening for Zukin is that only about one-fourth of U.S. adults are graduates of four-year colleges. If the most educated are facing such difficulties, it shows just how sluggish the labor market was during the recession — and

remains now. Zukin has previously studied unemployed older workers, many of whom are giving up on ever finding meaningful work again. Put it together, and it gives a dismal view of a broad span of the workforce.

The median starting salary for those who graduated between 2006 and 2008 was \$30,000. For the 2009 and 2010 grads, it dipped to \$27,000. And women graduates continued to make less than men.

Zukin said that with future salaries dependent on the initial one, it could mean the recent grads will have lower earnings throughout their careers.

Nearly half the graduates say they're working at jobs that don't require a college education. And many of those who left those first jobs didn't find a better situation.

Seven in 10 said their educational background had some relationship to their first job. But for those who are now working else-

where, only about 6 in 10 say their work is in the field they studied.

In other words, not all computer science graduates are going from baristas to programmers. Many are going to jobs at other coffee shops.

And graduates are reliant on their parents financially.

Nearly half say they're subsidized in some way by their parents or other family members, including more than 1 in 5 who live with relatives.

While 85% have health insurance coverage, only half have it through work. Nearly one-fourth are covered by a relative's plan.

The nation's hope — most often delivered, historically — is that each generation does better than the last.

That optimism isn't there for the recent graduates.

About half say they personally don't expect to do as well as their parents. And 56% say their generation won't do as well as their parents' generation.

Dealing with workers' time off

By JOYCE M. ROSENBERG
AP Business Writer

NEW YORK — Vacations can be frustrating for a small-business owner who's focused on getting the work done. Just when business is picking up, staffers are asking for time off. Even new ones.

In those moments, look at the upsides of vacations. They keep your staff refreshed and better able to produce. And being as liberal as you can with time off helps build staffer loyalty, something you'll need as the job market gets better and many people start looking for new work.

If you're hiring your first employee now, expect vacations to be part of the discussion you have

before you close a deal. Even if you have long-time employees, you might want to revisit your vacation policy and see if it needs any changes, especially since the Memorial Day weekend will bring with it the start of summer vacations.

Some things to consider about vacations:

How much time off?

Several factors go into deciding how many days or weeks to give staffers:

■ How much time off can you afford to give?

■ What's the norm at other companies in your industry and/or your town or city?

■ Do you want to give everyone the same amount of vacation, or

have employees earn it through seniority?

■ How much vacation time have staffers had at previous jobs?

■ What other benefits do you offer, including sick time?

Create a written policy

Vacation policies aren't something you should make up on the fly. You need to be sure all your staffers know what to expect and that everyone is treated fairly. Human resources consultants suggest writing down your policy and making sure it's available for everyone to see.

A policy needs to spell out how vacation is earned (unless everyone gets the same amount of time), how far in advance it needs to be requested and how conflicts are resolved. If two or more staffers want the same days and you can't accommodate everyone's request, does the most senior staffer get the time off?

Often, staffers will work together to find a solution when there is a conflict, but you need to be prepared to step in if they can't.

Planning for vacations

If employers dread vacations, it's because they're worried about how the work will get done. Figuring out the answer well in advance will not only relieve your stress, it'll ensure that everything goes smoothly.

The solution usually is to have staffers trained so they can sub for one another. Or you might want to bring in a temp to fill in, which can also be a solution when you have a number of people who want to be off at the same time.

Job market very tight for teens

By CAROLYN SAID
San Francisco Chronicle

Working at Pinole Paws, a pet-grooming salon, gives Ajunee Mitchell, 18, lots of opportunities to play dog whisperer; she brushes, bathes and trims about eight pooches a day.

"It's OK; calm down," Ajunee Mitchell crooned while drying Gina, a year-old toy poodle. Mitchell started at Pinole Paws in a summer job two years ago through a California program for low-income youth and has worked there full time since graduating from high school.

"She has a gift for it," salon owner Deb Jordan said. Mitchell "has made herself so indispensable."

Many young people find summer jobs help usher them into the workplace, sometimes introducing them to their avocation, and giving them the chance to learn new skills.

But this year, fewer youth than ever will land summer jobs, because of cuts to federal job money and economy-battered adults competing for the same positions. Exacerbating the situation, the retail and

restaurant sectors — the most common sources of youth employment — are cutting back as consumers tighten their belts.

Only about 1 in 4 young people is likely to find work this summer, according to a study from the Center for Labor Market Studies at Boston's Northeastern University. That's the lowest rate since World War II.

"Unfortunately, I think it will be a horrible year for young people for summer employment," said Glenn Eagleson, director of policy and planning for San Francisco's Office of Economic and Workforce Development.

Last year, stimulus funds allowed his office to run a "robust" summer-job program. "This year we're using some of our savings ... to have a much smaller program," he said.

Summer unemployment hits particularly hard in low-income populations.

"For many of these youth, the money is not spent frivolously," said Larry Robbin, executive director of Robbin and Associates, a workforce-development consultancy in Oakland. Much of their paycheck "goes for food, clothing and their families."

Hired: Completing task shows class

By MARVIN WALBERG
Scripps Howard News Service

For 20 years, this column has emphasized exceeding expectations — in the job search, the workplace and in life.

Responsibilities and job duties explain, but accomplishments sell the sizzle, get you hired and get you promoted. It's part of my mantra, "Do what others fail to do."

The following is true:

My daughter, Lia, is a rising senior at the University of Alabama in Tuscaloosa. Although the April 27 tornado didn't damage buildings on campus, the extreme devastation to the city had a major impact on the student population. The university shut down classes and waived final exams, giving students the option of accepting their current grades in a class or arranging to take a final exam later on. School was over for the term and students moved home.

Lia had an "A" in one of her advanced creative writing classes. However, the professor asked that she attempt to finish a computerized project she was working on so she could use it in teaching next year. Lia didn't have to do it to get the "A," but it was an honor to be asked for it. Most important, it

was an unfinished project Lia felt should be completed. To do that, however, she would have to use a special computer program only available in a lab on campus. As soon as power was restored, Lia traveled back to Tuscaloosa and continued her work. Because she had to move out of her dorm, she is commuting to school to work on it as I write this column.

Most students who were passing took their grades and ran. Lia is exceeding expectations, both for the honor and for the simple sake of completing a project she set out to do. This accomplishment will go on her resume, and she will be rewarded for her work ethic. I am proud.

You will have choices in life and in work. Some will be as easy as taking an "A" and moving on. Others will involve decisions that will help define your work ethic or morality or honor. Weigh the values and make the right decisions, even when they aren't the easiest. Create accomplishments that sell your sizzle.

Do what others fail to do.
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Demographic Update

Spending on living room chairs	ZIP code	City	2010
93536	Lancaster	\$0.92	
93550	Palmdale	\$0.86	
93535	Lancaster	\$0.80	
93551	Palmdale	\$0.78	
93534	Lancaster	\$0.47	
93552	Palmdale	\$0.45	
93560	Rosamond	\$0.35	
93505	California City	\$0.19	
93510	Acton	\$0.17	
93543	Littlerock	\$0.16	

by ZIP code
2010
*in millions of dollars
Consumer spending on living room chairs in the Antelope Valley is estimated at \$5.507 million annually.
Source: 2010 Bureau of Labor Statistics, EASI, AdMall