

# BUSINESS

## The Hour

### In Brief

#### Aetna announces 2Q profit rises

HARTFORD

Shares of Aetna Inc. climbed Thursday morning after the health insurer reported a second-quarter profit that rose 6.4 percent on membership growth and premium-rate hikes and it reaffirmed its outlook.

Aetna shares were trading for \$41.90, an increase of nearly 4 percent over Wednesday's closing price of \$40.32.

The Hartford, Conn.-based company said it added 32,000 members in the quarter and increased its medical membership to 17.5 million people.

"We are very pleased with our performance in light of the challenging economic environment," Chairman and CEO Ronald Williams said in a conference call with analysts.

Williams said the company also remains "very confident" in its full-year adjusted earnings guidance of \$4 per share, even though he also noted that Aetna is not immune to industry issues like a slower economy and lower investment yields.

#### State panel says N.Y. foreclosures up

ALBANY, N.Y.

The state Commission of Investigation says mortgage fraud is on the rise and has hit hardest in New York City, Long Island and the Rochester area, regions where subprime loans are most common.

The commission says consumer safeguards in New York law have been replaced by weaker federal laws. The panel calls for licensing mortgage brokers and real estate appraisers to combat fraud.

The commission's report also says foreclosures statewide in the first quarter of this year were up 14 percent over the same three-month period in 2007.

The report finds residents in predominantly black and Hispanic communities are twice as likely to be subprime mortgage customers, the borrowers who have been hurt most often in the national mortgage crisis.

#### Dale Carnegie courses are set in Stamford

STAMFORD

Dale Carnegie Training of Western Connecticut will hold several workshops and seminars this fall in Stamford and Shelton, as well as North Haven and Southbury. The basic course, designed to strengthen communication and human relations skills, will be held at all four locations at various times this spring. Other courses include "Leadership Training for Managers," "High Impact Presentation Coaching," "The Sales Advantage" and a three-day "High School Teenager" program.

For more information on Dale Carnegie Training courses, call (203) 723-9888, or e-mail bob\_dickson@dalecarnegie.com.

#### Jobless claims hit 2003 high

WASHINGTON

The number of people filing claims for unemployment benefits jumped last week to the highest level in five years, reflecting in large part a new government outreach effort to locate people eligible for benefits.

The Labor Department reported Thursday that the number of applications for jobless benefits soared to 448,000, an increase of 44,000 from the previous week. That was far worse than the decline of 8,000 that economists had been expecting.

However, the government attributed much of the big jump to a special outreach program to notify people that they could qualify for up to 13 weeks of additional benefits because of legislation Congress passed in June.

When people came in to apply for the extended benefits, state claims officials discovered that many of them were eligible for another round of initial claims because they had held jobs for a brief period after exhausting their original benefits.

The government also said that employment costs rose by 0.7 percent in the second quarter.

## An early education in money

Norwalk business owner publishes book for teens about financial management

**NORWALK**

BY CHRIS BOSAK

Hour Staff Writer

Jill Russo Foster is a financial expert who has led presentations on a variety of topics such as identity theft, credit card awareness, improving credit score and her specialty: mortgages.

While dealing with myriad financial responsibilities can be daunting for many adults, Foster knows the key to a solid financial foundation starts well before adulthood. That's why Foster wrote the book "Cash, Credit, and Your Finances: The Teen Years," a short, easy-to-read book that introduces teenagers to the basic concepts on managing money.

"I've been in the mortgage business for a long time and I'm seeing the problems adults are getting into with credit, especially in this economy," Foster, who owns the Mortgage Arrangers in Norwalk, said. "If they took the time to learn about finances, even at a young age, then maybe they wouldn't get into this trouble. I've seen plenty of adults with good incomes, but they can't manage their money."

Foster published the book through one of her other companies and also recently launched a corresponding Web site: [www.cashcreditandyourfinances.com](http://www.cashcreditandyourfinances.com). "The Teen Years" is the first of a planned three-part series. Part II will cover the college years and Part III will cover the post-college years.

Foster also plans to make an audio recording of the book.

"I wanted it to be short. I wanted it to be fun," she said. "I didn't want it to be a whole summer project."

The book introduces five fictitious teenagers, all with a different style of handling their allowances and paychecks. Through the management of the teens' various funds, readers discover how to make solid financial decisions.

The book is filled with financial tips, easy-to-follow charts and graphs, and how-tos. The book covers basic topics such as savings, budgeting, balancing a checkbook



Jill Russo Foster holds her recently published book, "Cash, Credit, and Your Finances: The Teen Years," a financial management guide for teenagers.

Hour photo / ERIK TRAUTMANN

Jill Russo Foster will hold a launch party for her new book

"Cash, Credit, and Your Finances: The Teen Years" on Tuesday, Aug. 5, at a restaurant in Stamford. Call Russo Foster at (203) 853-7665 for details and to RSVP.

and taxes, as well as specific topics such as identity theft prevention, working with a bank, establishing credit, student aid and Internet purchasing.

Building a solid financial foundation starts from the time children receive their first allowance or holiday money, Foster said.

"We start with allowance and get them to know what a want is and what a need is," she said. "You don't have to wait until your first paycheck from a real job. Definitely it should start before you get to college. It's not easy to live without credit on a cash system the way it is now."

Foster has the outline ready for the next two books of her "Cash, Credit, and Your Finances" series, and expects the second book to be out by next summer. The audio recording of "The Teen Years" will be ready in a few months.

"I have lots of big ideas that will

come around eventually," Foster said. "I envision this book being the money book for Boy Scouts and Girl Scouts badges."

Foster said the writing of the book was the fun part. Being self-published, however, the chore of marketing, selling and distributing the book also falls on her shoulders.

"It's even tough getting the book into libraries. I thought that would be easy," she said. "The work after the writing is difficult. There are a lot of little details."

Marketing a book about teen finances is particularly difficult as the target audience (teens) is not likely to shell out their own money to buy the book. Therefore, it's up to parents to make the purchase for the teens.

"Parents want to start their kids with a solid financial foundation so the kids are not always living off mom and dad," she said. "People need to learn to live with their means and have some money saved for those what-ifs in life."

"Cash, Credit, and Your Finances: The Teen Years" is available at Pymander Books on Wall Street in Norwalk, the Wilton Open Book Shop and Barrett Bookstore in Noroton Heights (Darien). It is also available via [www.CashCreditAndYourFinances.com](http://www.CashCreditAndYourFinances.com).

## Affinion Group announces higher revenue

Staff Report

**NORWALK** — Affinion Group, a Norwalk-based affinity marketer of membership, insurance and package enhancement programs, on Thursday announced increased net revenues due to growth in both international and North American regions.

Net revenues for the second quarter of 2008 were \$354.3 million as compared to \$333.3 million for the second quarter of 2007. According to company officials, the increase in North American

revenue was primarily attributable to double digit revenue growth in Loyalty and a modest increase in Membership revenue.

"In spite of one of the most challenging economic environments our affinity partners and their customers have experienced in some time, our results for the quarter were strong, and confirm the resiliency of our business model and strategy," Nathaniel J. Lipman, Affinion's president and CEO, said. "While we don't project any near-term improvements in

the macro economic environment, we are comfortable with the attainability of our targets, and, accordingly, reaffirm our 2008 (adjusted) guidance of \$305 to \$315 million."

In North America, membership products revenue for the second quarter increased \$2.8 million as higher revenue per retail member and higher wholesale revenue from programs that were formerly retail were only partially offset by lower retail member volumes.

## Use common sense when dealing with employee issues

Question: We are a small business with about 10 employees. We aren't unionized (thank goodness) but we keep getting claims from our employees and former employees. Some are workers compensation claims, some are unemployment compensation claims, and some are discrimination claims. What are we doing wrong? Thanks for any advise that you have ...

— John N., Norwalk

Response: Since I don't know what type of business you have or how you treat your employees or how much employee turnover you have, I can only offer you some generalized comments, such as the following:

1. Treat your employees in the same way that you would like to be treated if you were the employee.

2. Use "progressive discipline" (oral warnings, written warning,

suspension, termination) before you fire an employee.

3. Use a personnel manual to advise the employees what they should be doing and what they should not be doing.

4. Correct whatever equipment or work procedure that had led to workers compensation claims in the past.

5. Before firing anyone, be sure that he/she is fully aware of the company policy that is being violated.

6. Obtain signed documents from your employees as to their



STEPHEN P. HORNER  
Employment Law

evaluations, job descriptions, policies, etc., so that you can prove that they were aware of your policies, especially their being "employees at will."

7. Treat your employees in the same manner (for the same issue) as the other employees are treated; i.e., no discrimination based on race, color, creed, national origin, sex, age, disability ... and don't retaliate against an employee for his/her complaining about not being paid or opposing discrimination.

The above is really just a beginning but there is only so much room for this column in the paper. The best advice is to use your common sense.

Stephen P. Horner is an attorney who practices employment and labor law with the Darien firm of Rucci Burnham. Questions for this column may be submitted at [shorner@rucciburnham.com](mailto:shorner@rucciburnham.com).

## Arch sales increase for quarter

Staff Report

**NORWALK** — Arch Chemicals, a Norwalk-based Biocides company, announced Thursday a four percent increase in sales for the second quarter of 2008, \$469.6 million from \$449.5.

"I am pleased with our results this quarter, which were driven principally by our water products, personal care and industrial biocides businesses," Michael E. Campbell, Arch Chemicals' chairman, president and CEO, said. "Our core Treatment Products segment achieved higher year-over-year sales and earnings, despite unprecedented high raw material, transportation and energy costs."

"Our nonstrategic performance urethanes business, however, could not offset record-high propylene and ethylene raw material costs, resulting in a significant year-over-year decline in earnings," he added. "We raised prices in the second quarter to offset these higher costs and expect to realize the full benefit in the second half of this year."

In the HTH Water Products segment, sales were comparable to the second quarter of 2007, as favorable foreign exchange was offset by lower volumes in the European and Canadian markets, as a result of unfavorable weather patterns.

In the Personal Care and Industrial Biocides segment, sales increased \$4.9 million or approximately six percent, principally due to favorable foreign exchange and higher volumes. The higher volumes were due to increased demand for biocides used in anti-dandruff products and marine antifouling paints.

In the Wood Protection and Industrial Coatings segment, sales increased \$16.3 million, or approximately 14 percent, due to the acquisition of the company's Australian joint venture (\$18.7 million or approximately 16 percent). Excluding the acquisition, sales decreased by \$2.4 million, or approximately two percent, as unfavorable volumes were mostly offset by favorable foreign exchange.

Arch is revising its earnings forecast for the full year 2008 due to higher than expected raw material costs and lower demand from the weakening U.S. economy. These conditions are principally affecting the performance urethanes business. Earnings per share for the full year are now expected to be in the \$2.20 to \$2.30 per share range compared to the company's earlier guidance of \$2.55 to \$2.65. Full-year sales are expected to increase by approximately five to six percent.

### BUSINESS PERSONNEL MOVES

**STAMFORD** — Genesis Underwriting Management Company has announced the following promotions and organizational changes.

**Jill L. Eaton** has been named manager of the company's Public Entity Division and will also continue to lead the division's Western Region.

**Kevin L. Williams** has been promoted to manage the Reinsurance & Insurance Programs Division, a new platform that combines the company's former Captive & Reinsurance Division with its Commercial Insurance Division.

**Mary T. Hogan**, a senior underwriter in the company's Chicago Captives & Reinsurance branch, has been promoted to genesis marketing manager, a newly-created position. She will assume responsibility for development and coordination of companywide and branch marketing activities.

### BusinessNews

If you have business news, fax items to 840-1802 or e-mail to [business@thehour.com](mailto:business@thehour.com). Personnel items appear on Wednesdays and Fridays.