

BUSINESS

SECTION
Stocks / B-2-3
Mutual Funds / B3
Classified / B4-5
Kids Clubhouse / B6



-75.07 DOW	-50.57 NYSE	-7.51 NASDAQ	-2.24 AMEX	-7.28 S&P 500
↘ CLOSE 10,467	↘ CLOSE 7,134	↘ CLOSE 2068	↘ CLOSE 1473	↘ CLOSE 1192
NYSE DIARY Advances: 1,682 Declines: 1,609 Unchanged: 158 Total Issues: 3,449 Total Volume: 1,923,068,537				

Confidence rising	120	102.2
The Consumer Confidence Index unexpectedly rebounded in May to the highest level since March.	100	87.5
Source: The Conference Board	80	88.5
	60	2004
		2005

In Brief

Citigroup to pay \$208M settlement

NEW YORK (AP) — Citigroup, the nation's biggest financial services company, has agreed to pay \$208 million to settle fraud charges brought by the Securities and Exchange Commission against two of its units, related to the creation and operation of an admitted operator agent that has served the Smith Barney family of mutual funds since 1999.

The SEC said it found that Citigroup Global Markets and Smith Barney Fund Management, the investment adviser to the mutual funds, misrepresented and omitted facts when recommending to the funds' boards that the funds change from a previous third-party transfer agent to an agent that was a Citigroup affiliate.

United, machinists agree on contract

CHICAGO (AP) — United Airlines and its machinists' union announced an agreement in principle on a contract Tuesday, narrowly heading off the need for a bankruptcy judge's ruling that could have triggered a strike. A formal contract agreement is to be presented in federal bankruptcy court June 17. Judge Eugene Wedloff gave the two sides until then to work out remaining details.

Verizon, SBC fail to win Texas franchise

DALLAS (AP) — Verizon Communications and SBC Communications believe they can break cable's powerful grip and get consumers to switch to the enhanced TV services they're cooking up, but they are having a tough time getting state legislators to help. The two telecommunications powers lost a key battle last weekend when Texas lawmakers failed to act on a bill that would have let phone companies obtain a statewide TV franchise instead of having to negotiate franchise with every individual city and town.

Agencies drop race in screening workers

NEW YORK (AP) — Eight employment agencies have agreed to end practices in which race was used as a criteria for screening candidates for domestic positions, state Attorney General Eliot Spitzer announced Tuesday. He said two other agencies are being sued by his office in federal court about alleged civil rights violations. Spitzer said an investigation found that the agencies routinely solicited racial preferences from prospective employers and used that information to keep people from being referred for certain jobs.

Money rates

Prime lending	6.00%
Fed discount	4.00%
Federal funds	3.0625%
Mortgages	
30-year fixed (N.J.)	5.85%
15-year adjustable (N.J.)	5.33%
1-year Treas. ARM index	4.27%
Auto loans (N.J.)	3.32%
2-year new car	7.96%
3-year used car	7.33%
4-year used car	8.22%
Money market funds	8.13%
Bank mutual funds	2.37%
Bank S&I funds	0.65%
3-month bill discount	2.93%
6-month bill discount	3.06%
10-year note	3.98%
Exchange rates	
Dollar per yen	\$108.04
Gold (ounce)	\$419.90
Sources: FHG Associates, Moneyline Telerate, iSC/Douglas's Money Fund Report, Bank Rate Monitor, Associated Press	

Andersen conviction tossed

Top Court: Jury instructions vague

BY HOPE YEN
ASSOCIATED PRESS

WASHINGTON — The Supreme Court threw out the conviction of the Arthur Andersen accounting firm for destroying Enron Corp.-related documents, ruling unanimously Tuesday that the jury instructions were too broad.

The decision was a defeat for the Bush administration, which had declared prosecution of white-collar criminals a high priority after accounting scandals at major corporations.

But it offered only symbolic relief for Andersen, the company whose 2002 conviction put 28,000 employees out of work and left it virtually defunct.

"We pursued an appeal of this case not because we believed Arthur Andersen could be restored to its previous position, but because we had an obligation to set the record straight," Andersen spokesman Patrick Dorion said. "We are very pleased with the

Chief Justice William H. Rehnquist, writing for the court, said the former Big Five accounting firm's obstruction-of-justice conviction was improper because the instructions at trial were too vague for jurors to determine correctly whether Andersen obstructed justice.

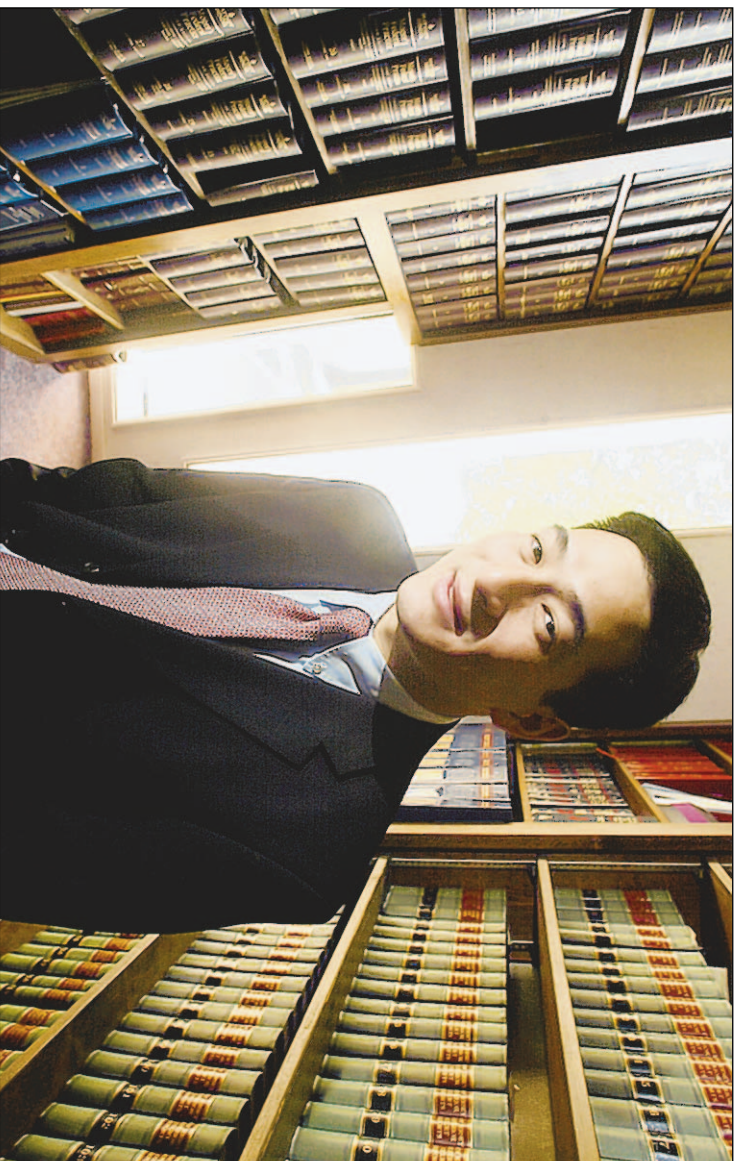
"The jury instructions at issue simply failed to convey the requisite consciousness of wrongdoing," he wrote. "It is striking how little culpability the instructions required."

Enron crashed in December 2001, putting more than 5,000 employees out of work, just six weeks after the energy company

disclosed massive write-downs. As the Securities and Exchange Commission began looking into Enron's convoluted finances, Andersen put in practice a policy that called for the destruction of what it considered unnecessary documentation.

Government attorneys then went after Andersen, making it the first major prosecution in the wake of the Enron scandal, citing the firm's "unprecedented campaign of document destruction."

They said Andersen was guilty under an obstruction law that made it a crime to "corruptly persuade" others to destroy docu-



BOB KARR / DAILY RECORD
Attorney Eugene Huang, a partner in a Morristown law firm, is president-elect of the Asian Pacific American Lawyers Association of New Jersey. Asian-Americans are underrepresented in the legal profession, he says.

Attorney from Hanover fighting stereotypes of Asian-Americans

DOSSIER

Eugene Huang, partner, Wiley, Malehorn & Sirota, Morristown

The job: Eugene Huang is a partner at the Morristown law firm of Wiley, Malehorn & Sirota.

Associations: He is president-elect for the 2006-07 term of the Asian Pacific American Lawyers Association of New Jersey.

Born: Dec. 13, 1970, in Montclair.

Raised: Glen Ridge.

Education: The Lawrenceville School, Class of 1988; Boston College, graduated magna cum laude with degrees in English and philosophy; New York University School of Law, Class of 1995.

Spare time: Mainly loves to be at home in the Cedar Knolls section of Hanover with his wife, Elizabeth, and daughter, Madeline, 2.

Also enjoys: golf and tennis.

On the page: Most recently read a book of poetry, "Hero Island," written by his partner and firm founder, Stephen B. Wiley.

One of his favorite works is "The Brothers Karamazov" by Fyodor Dostoyevski.

Restaurant: Nine Thai at the Hickory Square Mall in Chatham Township. "We go there a lot, and they are good to my daughter."

The organization: "Asian-Americans are underrepresented in the legal profession and barriers need to be broken," Huang said.

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He noted a recent incident on Radio 101.5 FM, where two disc jockeys, Craig Carton and Ray Rossi, made racist comments about an Asian-American who is running for mayor of Edison.

"There's a big push to bring this kind of thing to light," he said. "We try to encourage and mentor Asian-Americans in the profession and to counter the stereotype that even though Asian-Americans are intelligent, they are not charismatic or have leadership qualities and therefore do not make good law partners."

Final frontier: Judgeships. Huang noted that there are only two Asian-Americans on the Superior Court in New Jersey.

"It's important to get Asian-Americans in the upper echelons."

The profession: Huang came out of law school and was a partner in 2001.

"I love being a lawyer. I love

helping people. Here you see a lit-
tle bit of everything, from employment law to land-use applications to estate planning."

Greatest inspiration: "My parents, who immigrated from Taiwan and worked very hard."

"There's a big push to bring models for integrity and good values."

Most prized possession: "My daughter. When I walk in the door, she lights up — it's the best feeling in the world."

People who would be surprised to know: "I'm very competitive."

Favorite vacation spot: Hawaii. "It's a mythical place," he said. "My wife said she never saw me cry upon leaving a place before." Also, family-related trips to Taiwan and Japan to see his grandparents.

What misconception do you want to correct about lawyers? "Good lawyers don't create problems, they solve them."

Dossier was reported by Solly Silverman, a freelance writer.

ON MONEY

Altruism motivates Wharton graduate



WARREN BOROSON

Caren Franzini tells about applying for a job at a big investment bank in New York City right after she graduated from the Wharton School in the 1980s.

"Why do you want to work here?" she was asked during the final interview of the day.

Among her replies: She wanted to help people. She wanted to learn, she wanted to have fun.

Her interviewer kept asking the same question. Why does she want to work here? He asked it five times.

Finally, she confessed that she gathered that she didn't have the right answer. What, she asked, was the right answer?

Said the interviewer: "To make a lot of money."

A few years later, she was working at the Port Authority of New York and New Jersey. Her job: Choose banks to work with. Guess who appeared on the other side of her desk, pleading for a contract?

"Payback is sweet," Franzini said with a smile.

(I'm sure she made a choice based solely on the merits of all the applicants.)

"Today, Franzini is CEO of the New Jersey Economic Development Authority in Trenton, a job she has held since 1994.

From a talk she gave to the Wharton Club of New Jersey the other day, it's clear that she loves her work. Really. "It's so much fun," she said.

Her job, as she put it, is to make New Jersey an even better place to do business. And to create more jobs in New Jersey. Sometimes what her agency does is not what you might expect. For example, she doesn't try to steal business from New



York City. Or from Philadelphia. She believes that we're in this together. I was surprised to learn that the NJEDA, besides giving low-cost loans and participating in and guaranteeing bank loans to mature businesses and to startups, also helps nonprofit companies. And it helps businesses, developers, municipalities and community groups clean up otherwise useless contaminated sites.

The NJEDA, she explained, is a quasi-public company, so it enjoys the best of both worlds: public and private. The governor appoints the members, and the governor provides final approval for EDA board actions. "We operate like a business. We must make money to keep running." The NJEDA has a \$14.5 million budget and 140 employees.

Sometimes the NJEDA partners with other states on projects despite the competition. As Franzini said, "We're friendly competitors."

And sometimes, New Jersey steals other states' good ideas, she said. Her father taught her that.

Her father had run a clothing store in Atlantic City, and the family lived above the store. Sometimes her father would look around his store and ask, "Is this how Saks Fifth Avenue would do it?"

Sometimes the NJEDA will entice businesses to move to New Jersey by offering tax breaks. If 100 new employees come to the state, after all, they will pay a good deal in taxes to the state — and some of that tax money can be returned to their employer.

To participate in the Business Employment Incentive Program, a high tech/biotech company must create 10 new jobs and a nottech company must create 25 new jobs.

SEE BOROSON / B3

Briefcase

COMPANY NEWS

Morris County

■ **Schindler Enterprises**, based in Morris Township, has agreed to acquire Stale Industries, based in Ridgefield Park. Terms weren't disclosed.

■ **Morris Township**-based **Honeywell International**, which is parting down less-profitable businesses, sold its U.S. Industrial Group to focus on higher-growth markets. Terms weren't disclosed.

Also, **Visteon Corp.**, named John Donofrio as senior vice president and general counsel. Donofrio, 43, had been vice president and general counsel of Honeywell Aerospace Electronic Systems, a unit of Honeywell International.

■ **Able Laboratories**, based in Cranbury that recently recalled all of its products, said it filed about 200 employees on higher-growth markets.

■ **Franklin Lakes-based Medco Health Solutions** was subpoenaed by one government agency probing its dealings with drug makers. It is trying to keep documents from being passed on to other government investigators.

■ A bankruptcy judge on Tuesday granted US Airways' request to establish a 30-day window for other parties to make bids to support its proposed merger with **American West**.

■ **American International Group**, the insurance company being investigated by state and federal regulators about account-

ing issues, filed its long-awaited 2004 annual report with the Securities and Exchange Commission, restating financial results for 2000 through 2003 and adjusting its 2004 results. At Dec. 31, 2004, by \$2.26 billion, or 2.7 percent, to \$80.61 billion, in line with an earlier estimate.

■ **TD Bank Financial Group** and **Ameritrade Holding Corp.** are in discussions regarding a potential transaction involving the online brokerage **TD Waterhouse USA**.

PEOPLE



MICHAEL DULICK has been named general manager of the Olive Garden Italian Restaurant in Rockaway.



MICHAEL A. PACIO JR. of Roseland has been hired as regional business banker and as a mortgage adviser at Keany Federal Savings Bank.



RICHARD GIORDANO has become senior underwriter at Burns & Wilcox, Parsippany.

ANDREW ALLU has been promoted to sales manager at Pattern Systems, Mount Arlington.