



## Business Briefing, June 5

*Rocky staff and wire reports*

Wednesday, June 4, 2008

### NATIONAL

#### **Smucker brews up an all-stock deal for Folgers coffee**

Jams and jellies maker J.M. Smucker made a \$2.95 billion bid for more of the breakfast table Wednesday, announcing an all-stock deal for Folgers coffee.

Smucker also will assume about \$350 million of Folgers' debt in the deal with current owner Procter & Gamble.

Smucker will issue a special \$5 dividend to Smucker shareholders at a to-be-determined record date, before the acquisition.

P&G shareholders will receive about 53.5 percent of Smucker in a tax-free stock-for-stock acquisition after the dividend.

J.M. Smucker Co., based in Orrville, south of Cleveland, expects the acquisition will boost profits by about 9 percent, excluding costs, if it owns the brand for the entire 2009 fiscal year.

**PRICE REDUCTION** Sharper Image Corp.'s remaining assets will be sold to an investment group for \$49 million, a markdown from the price that the fallen specialty retailer had negotiated last month as part of its liquidation.

Sharper Image attributed the reduced price to "changed circumstances" since reaching a May 13 agreement to sell its assets for \$51.25 million to a joint venture consisting of Gordon Brothers Retail Partners LLC, GB Brands LLC, Hilco Merchant Resources LLC and Hilco Consumer Capital LLC.

**IDITAROD FEES** Musers wanting to run the world's best-known sled dog race will have to pay a lot more for a shot at a smaller guaranteed purse.

The entry fee for the 2009 Iditarod Trail Sled Dog Race will be \$4,000, a nearly \$1,000 increase from this year's event and more than double the \$1,860 fee from the previous year.

Race organizers blamed the change on increased expenses, most notably those linked to soaring energy costs. That includes the fuel powering the snowmobiles and planes that support the mushers and their teams throughout the 1,100-mile trek to Nome.

**TOMATOES PULLED** Albertsons on Wednesday announced it removed all Roma and "Red Round" Field Grown tomatoes at its Colorado and other Southwest stores following the Food and Drug Association warning about the possibility of salmonella

contamination.

**BAGELS FOR A CAUSE** Lakewood-based Einstein Noah Restaurants will offer a bagel and schmear to all customers for 99 cents June 6 to 8, encouraging customers to donate the \$1.50 difference to the Make-A-Wish- Foundation. Einstein said it hopes to raise \$500,000 from the nationwide event.

## **LOCAL**

### **Echelon to provide marketing services to Rocks Capital**

Denver-based Echelon Capital Group said it will provide Red Rocks Capital with marketing and consulting services.

Echelon Capital, started by former Janus executives John Zimmerman and Jack Swift, said it will promote the Golden-based firm's listed private equity strategy in the institutional market.

**PUBLISHER NAMED** Kim Roegner, display advertising director of *The Courier-Journal* in Louisville, Ky., has been named president and publisher of the *Fort Collins Coloradoan*. Roegner, 38, replaces Christine Chin, who resigned last month.

## **ECONOMY**

### **Worker productivity exceeds expectations**

Worker productivity increased at a faster pace in the first three months of this year than previously estimated, and wage pressures moderated.

The Labor Department reported Wednesday that productivity rose at an annual rate of 2.6 percent in the January- March period, faster than the government's initial estimate of 2.2 percent made a month ago.

Wage pressures, meanwhile, moderated from the final three months of last year with unit labor costs rising at an annual rate of 2.2 percent in the first quarter. That was a marked slowdown from a 4.7 percent surge in labor costs in the final three months of last year.

\* The Organization for Economic Cooperation and Development foresees several quarters of weak growth for most of its 30 members, which include the U.S., Japan, and several European countries, and on Wednesday cut its economic growth outlook through next year.

While the "odds have improved" that the financial crisis has passed its peak, the effects on growth are likely to linger, the OECD said.

\* The service sector grew at a better-than-expected pace in May but slower than in April, suggesting that higher prices for food and fuel may be crimping business in retail, entertainment and agriculture.

The Institute for Supply Management said Wednesday its service sector index was 51.7 in May, after a stronger-than-expected reading of 52 for April.

### **THIS JUST IN...**

awards at its fourth annual Report to Investors and Awards Luncheon: the Deal of the Year Award: **ConocoPhillips**; the Metropolitan Cooperation Award, **John Beeble** of Saunders Construction, **Joseph Bertsch** of EKS&H and **Mary Rose Loney** of the Loney Group; and the Chairs' Award for Outstanding Efforts in Economic Development, **Colorado Renewable Energy Collaboratory**.

\* **United Western Bank** donated \$5,000 to the Centennial Chapter of the American Red Cross for victims of the Windsor tornado.

\* Holland & Hart attorney **James Gonzales** won the 2008 Independent Publisher award for the best nonfiction work in the Southeast region.

\* **WindSong Stationery Inc.** will open at 323 Metzler Drive in Castle Rock.

\* **Ken Zelig**, regional president for Wells Fargo of Northern Colorado, will retire in late 2008.

\* Knight promoted **Brian Sokol** to vice president of strategy and development, domestic and international.

\* **Matthew R. Perkins**, **Albert J. Givray** and **Andrew I. Sultan** joined Davis Graham & Stubbs LLP's corporate finance and acquisitions practice as partners.

\* The **JW Marriott Denver** at Cherry Creek won two awards at the recent Marriott Western Region General Managers conference.

\* **Laura Stack** will host an event titled "Mastering Your Personal Productivity" on June 19 at the University of Denver. Information: 303-471-7401

\* Colorado State Bank and Trust appointed **Del E. Arnold** as vice president of private financial services and **Michael S. Bradley** as assistant vice president in the facilities department.

\* **Interweave** acquired *American Artist*, *Drawing*, *Watercolor* and *Workshop* magazines from **Nielsen Business Media**.

\* **American Furniture Warehouse** donated an entire house of furniture to a family in Windsor whose home was severely damaged and will continue working with the Salvation Army to help others who were affected.

\* BKD LLP's North Region promoted **Carol A. Lewis** to partner.

\* **Steve W. Doak** joined Jacobs Carter Burgess as a project manager in the aviation unit of the Denver office.

\* SNAP! Public Relations Inc. of Boulder added **Sylvia Henry** as account coordinator.

\* GHP Horwath hired **Anne Webster** as a manager in the Assurance Services Department and **Robert Glucksman** as an associate in the Valuation and Litigation Department.

\* The University of Colorado Denver selected **Roderick Nairn**, vice chancellor for University Initiatives, as its new provost.

**LOCAL**

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**BUSINESS**

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**ENTERTAINMENT**

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**NATION**

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**SPORTS**

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**OPINION**

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**LIVING**

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**WORLD**

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