

**Business news**

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# Business

**The Hour**

THURSDAY, FEBRUARY 14, 2008

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**IN BRIEF****Norwalk Chamber schedules events**

**NORWALK** — The Greater Norwalk Chamber of Commerce will host a Business After Hours from 5:30 to 7:30 p.m. on Thursday, Feb. 28, at the Flow of Art, 16 River St.

The chamber has also set a Networking Breakfast at the South Norwalk Branch Library from 7:45 to 9 a.m. on Thursday, March 6.

The multi-chamber Regional Business Networking Expo will be held from 3 to 6:30 p.m. on Tuesday, March 18, at Norwalk Community College's East Campus. Exhibit tables are \$325 and admission is free. Chambers involved are Greater Norwalk, Bridgeport, Darien, Stamford, Fairfield, Stratford, Trumbull and Westport.

For more information or to register for an event, call (203) 866-2521 or e-mail [info@norwalkchamberofcommerce.com](mailto:info@norwalkchamberofcommerce.com)

**SCORE to hold****income tax workshop**

**REGION** — Local SCORE chapters will hold a free workshop on Federal Income Taxes for Small Business from 7 to 9 p.m. on Wednesday, Feb. 20, at the Fairfield Public Library at 1080 Old Post Road. Check-in and refreshments at 6:30 p.m.

Fairfield County and Greater Bridgeport SCORE chapters are participating. The featured speaker is Joseph S. McCarthy, CPA, who will cover federal tax issues facing the small business owner, pitfalls and government tax penalties to avoid, what books and records to keep and how to minimize encounters with the IRS.

Call SCORE at (203) 847-7348 to register. For additional information see [www.scorenorwalk.org](http://www.scorenorwalk.org).

**Morgan Stanley to cut 1,000 jobs**

**NEW YORK** — Morgan Stanley on Wednesday said it will cut 1,000 jobs as the nation's second-largest investment bank trims its residential mortgage operations amid the continued deterioration of the mortgage markets.

The New York-based company said it will shutter its U.K. business that issues home loans and significantly scale back its mortgage business in the United States. Morgan Stanley joins hundreds of lenders in scaling back operations as the worst U.S. housing market in 26 years slows economic growth.

Morgan Stanley said it will continue to service loans in the United States through its Saxon Mortgage Services units. It will also offer residential mortgages to brokerage clients through Morgan Stanley Credit Corp.

**Cuomo investigates****major health insurers**

**ALBANY, N.Y.** — New York Attorney General Andrew Cuomo on Wednesday said he will sue Ingenix, its parent UnitedHealth Group and three subsidiaries, saying the insurers are defrauding consumers by manipulating how much doctors and hospitals are reimbursed.

Cuomo also sent 16 subpoenas to insurance companies including Aetna Inc., Cigna Corp. and Empire Blue Cross Blue Shield, the state's largest health insurer.

The case contends that insurance companies are underpaying consumers who use out-of-plan physicians.

No company or individual has been charged with wrongdoing.

## Retail sales post surprising gain in January

*Associated Press*

**WASHINGTON** — Shoppers put aside worries about the slumping economy to go to the malls and auto dealerships in January. That propelled retail sales to a surprising rebound following a dismal December.

The Commerce Department reported Wednesday that retail sales rose by 0.3 percent last month. Sales had fallen by 0.4 percent in December as retailers suffered through their

worst Christmas shopping season in five years. The increase was led by strong demand for new cars and a big jump in sales at gasoline service stations, which reflected higher pump prices.

The January performance came as a surprise to analysts who had been forecasting a 0.3 percent decline for the month. However, the January rebound may not last given all the problems facing consumers from

the steep slump in housing to job losses and a severe credit squeeze.

Consumer spending, which accounts for two-thirds of total economic activity, is being closely watched for signals of whether the country is falling into a recession.

"As the consumer goes, so goes the economy," said Joel Naroff, chief economist at Naroff Economic Advisors. "It appears the consumer may

have slowed down, but not left the field of battle."

In another sign of unexpected strength, the Commerce Department said that businesses built up their stockpiles of merchandise in December at the fastest pace in 17 months. Inventories rose by 0.6 percent in December, slightly higher than the 0.5 percent gain that economists had been expecting.

That strength could result in

an upward revision in overall economic growth for the October-to-December quarter from the current estimate of growth at a weak annual rate of 0.6 percent. That very weak figure had increased worries that the country could be falling into a recession.

Some economists believe a downturn has already started, although the Bush administration insists that while growth

**See RETAIL, C4**

Hour photo / ERIK TRAUTMANN

Randy Cohen of Americans for the Arts makes a point, while (left to right) An-Ming Truxes of the state Commission on Culture and Tourism, Rebecca Christopherson of the Advisory Commission on the Arts and Culture, and Diane Wittry of the Norwalk Symphony Orchestra listen during an "Economic Development and the Arts" event held Wednesday at Dolce Norwalk Center.

## Arts and the economy

**By CHRIS BOSAK**  
*Hour Staff Writer*

**NORWALK** — Nonprofit arts and culture organizations are responsible for billions of dollars and millions of jobs to the United States economy, according to an Americans for the Arts official.

The arts are an integral part of any economy, Randy Cohen, vice president of policy and research for Americans for the Arts, said at "Economic Development and Arts," a program held Wednesday morning at Dolce Norwalk Center. About 60 people attended the event.

"A vibrant arts community is good for local business," Cohen said. "It's not just the big urban centers that can have a vibrant arts community, they come in all sizes. Locally, nationally, and here in Norwalk, arts mean business."

Cohen cited the Americans for the Arts' study "Arts & Economic Prosperity," which was conducted in 156 communities — large and small — to determine the economic impact of the arts and culture. The study found that the industry generates \$166.2 billion in economic activity every year, of which more than \$100 billion is event-related spending by the audience for services such as food, gifts and lodging.

"And it's a growth industry," he said. "It grew 24 percent from 2000 to 2005. There's a lot of economic activity related to this."

An-Ming Truxes of the CT Commission on Arts and Tourism cited state data showing that 171,000 jobs and \$140.6 billion in spending come from the culture and tourism industry.

The Americans for the Arts study also showed that, on average, each person attending an arts-related event pumped \$27.79 (not including price of admission) into the local economy, and nearly 40 percent of the people attending the events are from outside the county.

The data from the study were music to the ears of Diane Wittry, music director of the Norwalk Symphony Orchestra.

"We're fortunate in Norwalk that we have an orchestra. It's been around for nearly 70 years and is an integral part of the community," she said. "We're trying to bring you something that invites you to get off the couch and see something wonderful."

Wittry added that the NSO is looking to reach out to the community even more, especially by bringing music to children. She hopes to bring full-orchestra concerts to schools in Norwalk during school hours so no child is left out.

"We owe it to the youngsters to have them hear a full orchestra during school time," she said.

Wittry also envisions a closer relationship with Norwalk Community College and an annual summer music festival in Norwalk.

"Imagine the economic impact that could have," she said of the festival. "I believe arts can change a community and the Norwalk Symphony Orchestra, working together with you, can change this community."

Rebecca Christopherson, chair of the Advisory Commission for Arts and Culture, recognized Norwalk for being an "arts friendly" community.

"We are surrounded and influenced by arts all the time," said Christopherson, who is also the director of Norwalk's Talent Education Suzuki School. "We need the arts because they teach other modes of thinking that are valued in the corporate world. Artists see new patterns and know how to learn from mistakes."

Tim Sheehan, director of the Norwalk Redevelopment Agency, urged the arts community to voice its opinion regarding the various redevelopment projects in Norwalk.

Arts, Sheehan said, are the "flavor and color that provides vitality to development that makes it attractive to businesses and residents."

The event was sponsored by the Dolce Norwalk Center, AMC Commercial, Hilton Garden Inn, CT Commission for Arts and Culture, and Austin McGuire; and presented by the Greater Norwalk Chamber of Commerce, the City of Norwalk, Norwalk Symphony Orchestra and Americans for the Arts.

## Reducing spending is the first step to reducing debt

**Q:** Is it OK to carry credit card and auto-loan debt so long as it's modest in relation to your income?

**A:** Consumer debt is not OK. It can damage your personal relationships and mental well-being, not to mention the stability of your financial future. Here are some tips for getting rid of it:

Make a plan and stick to it. The first step to successful planning is setting some goals. Decide the best ways to make the most of your money, and start working on reaching

those goals. By reducing your overall spending, taxes, borrowing and insurance costs, and boosting your rate of savings and investment returns, you can turn your financial situation around.

Get rid of your four-wheeled debt.

If you take out an auto loan to buy a car that you really can't afford, and you take a similar approach with other consumer items you don't truly need, you're going to have great difficulty saving money and accomplishing your goals.

**INVESTOR'S GUIDE****ERIC TYSON**

Moreover, you'll probably feel stressed all the time — which is a poor trade-off for the (short-lived) "new car smell." There are plenty of perfectly good cars out there that are within

your budget and that you can actually pay for with cash. Not having a car payment is a very liberating feeling.

Start making your purchases based on need, not emotion.

Marketers play on insecurities, fears and guilt, and suggest that you can feel better about yourself by buying their products. You won't be able to overcome spending and consumer debt until you recognize these pressures and how they corrupt your buying decisions. If a product is too expensive for your budget, then you don't

need it — no matter how much you might want it.

Research before you enter the stores.

Prior to going shopping for necessities that aren't everyday purchases — say, a new refrigerator — do some research first. (Consumer Reports is a good source.)

Your research will help you identify brands, models and so on that are good values. When you've checked in with your budget to make sure you can

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