

BUSINESS

Send your story ideas to dnbiz@dailynews.com
DOW 8,848.15 ▲ +104.21 | **NASDAQ** 1,909.29 ▲ +22.68 | **S&P 500** 951.13 ▲ +10.75 | **RUSSELL 2000** 526.96 ▲ +7.74

CIT bailout comes from bondholders

By Stevenson Jacobs
and Daniel Wagner
The Associated Press

It's a new twist in the financial crisis: A major bank on the verge of a last-minute rescue — only this time the bailout isn't coming from the government.

A proposed \$3 billion rescue of commercial lender CIT Group by its bondholders is the first time since the banking crisis erupted that private investors are stepping in to save a big financial firm without federal help or oversight.

The deal, details of which were still being worked out Monday, suggests the appetite for risk in the private sector is increasing, analysts said. It also could provide a framework for other financial rescues if Washington is turning off the bailout spigot.

The tentative deal was approved by CIT's board Sunday night, according to two people briefed on the talks who requested anonymity because the negotiations were confidential. Details were still being ironed out, with no guarantee the plan wouldn't fall apart.

Still, the deal, along with robust earnings reports last week by several big banks, raises hopes that private capital can start flowing again into the beaten-down banking industry, analysts said. That was all but unthinkable just a few months ago.

CIT lends money to nearly a million small and midsize U.S. companies. It was forced to turn to bondholders for help after the government refused to save the company last week, a sign the administration is pulling back on costly and unpopular bank rescues.

The lifeline for CIT, whose clients include Dunkin' Donuts franchises and clothing maker Eddie Bauer, aims to sustain the company long enough for it to restructure its debt. It does not guarantee CIT will avoid bankruptcy. The company has a \$1 billion payment due in August.

Barnes & Noble ups e-book ante

By The Associated Press

Barnes & Noble says it will take on Amazon.com with an electronic bookstore that will allow customers to buy books to read on a variety of handheld platforms and computers.

The New York-based retailer says the store will provide access to more than 700,000 titles and up to 1 million titles within the next year. It says the store would be the world's largest e-bookseller.

The bookseller is competing against Amazon.com Inc.'s early lead in the category. Electronic books have been a large focus for Amazon with its support of the Kindle reader.

The company also says that as part of its digital effort, it will be the exclusive content provider for the new Plastic Logic eReader device.



Footage of Michael Jackson's rehearsals for his "This Is It" comeback concert series is being auctioned to studios and networks, with Sony Corp putting in a \$50 million bid.

Sony bids \$50 million for rights to Jackson footage

PRODUCTION: Rehearsal shots could be turned into movie, TV special.

By Ryan Nakashima
The Associated Press

Sony Corp.'s movie studio has bid \$50 million to acquire the worldwide distribution rights to a film based on rehearsal footage for Michael Jackson's "This Is It" comeback concert series, according to a person familiar with the bid.

The bid came after several studios, including Paramount, Universal, 20th Century Fox and Warner Bros., were shown footage starting early last week, said the source, who spoke on condition of anonymity because the bidding had not been

completed.

The winning studio would produce the film with Jackson's concert promoter, AEG Live, and his estate. It would go a long way to helping AEG Live recoup some of the \$30 million to \$32 million it spent producing the concert before Jackson died June 25.

Sony Pictures has a leg up on other bidders because Sony Music distributes Jackson's music and is in a 50-50 partnership with his estate in Sony/ATV Music Publishing.

The estate and AEG Live are also negotiating with several television networks and pay-per-view outlets on a TV special that would be a stage show featuring Jackson's music and dancing. It would be directed by "This Is It" director

Kenny Ortega.

The selling price being discussed for the rights to show the TV special is also in the tens of millions of dollars.

General Electric Co.'s NBC has been in talks on the TV show, but the concept, air date and cost for the rights have not been finalized, said NBC spokeswoman Rebecca Marks.

"We have no deal for the rights to the Michael Jackson special," Marks said.

The special administrators of Jackson's estate, attorney John Branca and former music executive John McClain, have been moving quickly to secure Jackson's assets and cut deals to capitalize on the surge in interest in the pop star since he died.

Brokerage must buy back securities

INVESTING: New York's attorney general settles case with TD Ameritrade.

The Associated Press

Retail brokerage firm TD Ameritrade Inc. agreed Monday to repurchase \$456 million in auction-rate securities from investors as part of a settlement with the New York Attorney General's Office and Securities and Exchange Commission.

Attorney General Andrew Cuomo's office also said it plans to sue the brokerage Charles Schwab & Co., saying it misrepresented the safety of such securities.

Cuomo's office has been at the forefront of pushing brokers and underwriters of auction-rate securities to repurchase them from investors who were left with steep losses after the market for the investments collapsed in early 2008.

The auction-rate securities mar-

ket involved investors buying and selling instruments that resembled corporate debt whose interest rates were reset at regular auctions, some as frequently as once a week. They were sold as being as safe as cash, but the market for them fell apart last year amid the downturn in the credit markets.

Over the past year, Cuomo's office has brokered a dozen settlements with other firms that wrote or sold the securities. Counting those settlements and others elsewhere around the country, more than 20 firms have agreed to repurchase \$61 billion in the investments, according to the attorney general's office.

As the latest firm to reach a settlement, TD Ameritrade will repurchase all auction-rate securities it sold before Feb. 13, 2008 to individuals, charities, non-profits, small businesses and institutions.

TD Ameritrade, the brokerage unit of Omaha, Neb.-based TD Ameritrade Holding Corp., agreed

to purchase all securities held by retail investors with accounts smaller than \$250,000 within the next 75 days. It will repurchase the remaining securities by March 2010. The brokerage firm also agreed to reimburse investors who sold their securities at a loss after the market for them collapsed last year.

Aside from the settlement with TD Ameritrade, Cuomo's office sent a notice Friday to San Francisco-based Charles Schwab, saying it planned to sue the brokerage firm for claiming the securities were safe while selling them.

The notice gives Schwab five business days to respond and resolve the investigation.

In a statement, Schwab said no one could have foreseen the collapse of the entire auction-rate securities market, and that blame was unfairly laid on the brokerage firm for failing to disclose that risk. Schwab said it plans to fight the allegations.



LARRY STEVEN LONDRE
CSUN
DIALOGUE

Precision pays off in advertising strategy

If you believe the statistic that American consumers are exposed to 2,500 to 3,500 ad messages daily, it makes you wonder if all available surfaces are currently used up.

Ad professionals are split on the value of bombarding consumers with marketing messages, from ads imprinted on eggshells and digital displays on elevators to visuals projected on floors and sidewalks. While some believe in advertising everywhere, others feel today's level of saturation is like being stung by a thousand jellyfish: Nothing penetrates when everything is over-stimulated.

I have compiled an assortment of more than 250 unconventional marketing vehicles to present to my clients and students. From the ever-present "swoosh" logo on sports hero wardrobes to the everyday's surfaces like tattoos, banana peels, umbrellas, cows, beach sand, space ships, urinals and more, it is quite evident that media is everywhere.

It has been reported that the Mach 4 Baptist Church in Lemon Grove, Wash., sold bathroom wall space to Burger King, the rims of their collection plates to Hewlett-Packard, and the backs of pews to Jolly Time popcorn. A pastor in Austin, Texas, is reportedly paid \$500 a week to wear Tommy Hilfiger at the lectern. Colgate-Palmolive has reportedly offered \$150 for a single reference to any of their products by clergy, requiring only a videotape showing the remarks being made to a group of 100 or more people.

US Airways was reportedly talking to several companies regarding placing ads on aircraft revenue bags. Airlines face less revenue and more costs, resulting in monetizing every inch of available space — watch for ads on blankets, pillows and the backs of tray tables. Travelers in the Indianapolis International Airport seeking to juice up their laptops or cell phones have discovered Chase's logo and message: "This outlet works. Now you can, too."

So, does avant-garde advertising work? One never knows without tracking. Today's ad environment is all accelerator and no brakes.

I challenge my own clients and students to develop more discipline and more precision in order to take the most critical step: track responses. That's when you know if your investment paid off.

Larry Steven Londre teaches marketing, advertising, and media classes at California State University, Northridge.

Stock Exchange Highlights

NYSE ▲ 141.90 ▲10.13	Amex ▲ 1,636.94 ▲12.39	Nasdaq ▲ 1,909.29 ▲22.68
--------------------------------	----------------------------------	------------------------------------

WELCOME TO EDDY'S
SCHOOL OF ANGER
MANAGEMENT. I'M

I WAS ONCE LIKE YOU:
ANGRY AT EVERY
IDIOT IN THE WORLD.

I CREATED A SCHOOL
SO THEY GIVE ME
MONEY WHILE I

Stocks of Local Interest

YTD	Name	Ex	Div	Yld	PE	Last	Ch %Ch
Amgen	Nasdaq	---	---	15	58.27	-.52	+9