

DOW INDUSTRIALS
30 industrials
10,040.82 **-42.33**

TIMES UNION BLOOMBERG
60 regional stocks
259.24 **-1.19**

NASDAQ
4900 stocks
1,819.89 **-11.48**

GOLD
NY Mercantile
407.10 **+2.80**

DOLLAR
VS. YEN
109.32 **-0.02**

BONDS
10-YR. TREASURY
4.22 **-0.02**

BUSINESS

ALBANY, NEW YORK

FRIDAY, AUGUST 20, 2004

IN BRIEF

Plug Power fuel cell passes California's emission test

COLONIE — One of Plug Power Inc.'s fuel cell products has received emission standards certification in California, which has some of the strictest air pollution regulations in the country.

The California Air Resources Board, a state air pollution agency, says Plug's GenSys 5C meets the 2007 emissions requirements for distributed generation equipment.

The natural gas-powered GenSys was designed to provide on-site electricity and heat for homes. Ten GenSys 5C systems are running in San Diego and Los Angeles; five more are being installed in Southern California.

Shares (Nasdaq: PLUG) were up 32 cents Thursday, ending the day at \$5.43.

—Sara Clemence

SUNY, upstate colleges unite for tech start-ups event

ALBANY — The State University of New York is teaming with upstate colleges and universities to host the second annual Universities of Upstate New York Venture Forum, a venture forum for start-up technology companies that start in the schools.

UNYTECH04 connects venture capitalists and private investors with technologies and companies being developed on campuses. The event has been set for Sept. 20 at the Sheraton Syracuse University Hotel and Conference Center.

The eight participating schools are: Alfred University, Binghamton University, Cornell University, Rochester Institute of Technology, State University of New York, SUNY College of Environmental Science and Forestry, SUNY Upstate Medical University, Syracuse University, University at Buffalo and University of Rochester.

The companies cover industry sectors such as pharmaceuticals, biotechnology and nanotechnology.

—Sara Clemence

MVP offering coverage for anti-smoking drug

SCHENECTADY — MVP Health Care has a new offer for its smoking members: a cessation program that includes coverage of the anti-smoking drug Zyban.

MVP members who register for the "I Aim to Quit" program qualify for coverage of a three-month supply of Zyban at the brand-name prescription drug price. MVP normally does not cover Zyban, a prescription drug that reduces nicotine withdrawal symptoms.

Participants also will have access to up to four phone sessions with trained cessation counselors.

"Smoking is one of the root causes of serious illnesses including heart disease and cancer," said Dr. Dennis Allen, MVP executive vice president of medical affairs and chief medical officer.

It also benefits MVP because a healthy member means less health care costs for the company.

—Alan Wechsler

Two Web sites offering services for blind, visually impaired

ALBANY — In one of the first enforcement actions of the Americans with Disabilities Act on the Internet, two major travel services have agreed to make sites more accessible to the blind and visually impaired.

Priceline.com and Ramada.com agreed to changes that will allow users with "screen reader software" and other technology to navigate and listen to the text throughout their Web sites, New York Attorney General Eliot Spitzer said.

Although the software and other devices have been available for years, Web sites must have specific coding that allows the equipment to run.

Spitzer's settlement follows investigations over the last two years to determine if Web sites conform to the federal act and state law that require all "places of public accommodation" and all "goods, services, facilities, privileges, advantages or accommodations" be accessible to the disabled.

Ramada.com and Priceline.com faced no charges and admitted no guilt, but will pay the state \$40,000 and \$37,500 to cover the investigation's cost.

—Associated Press

Garage plan gives cars a lift

Saratoga Springs
\$10M, four-story building would use robotics, not ramps

By **KENNETH C. CROWE II**
Staff writer

Developers are proposing what they say is the state's first robotic parking garage, to be built on the last unused parcel on Putnam Street.

In addition to the 189-space garage, the \$10 million building would include a banquet facility.

Saratoga Parking and Banquet

Inc. unveiled its four-story building during a news conference Thursday in the Saratoga Springs Public Library.

"It's hard to get parking in Saratoga," said John Franck, the company president. The structure would be the first all-paid parking garage in the city.

"Our project is a concept based upon necessity," said Hank Kuczynski, the company's vice president and former deputy mayor of the city.

The 53 Putnam St. site, which currently houses a closed garbage truck garage, is one block east of

Broadway.

The robotic parking uses lifts to raise, lower and move parked cars through four levels. Using machinery to move the cars eliminates the need to include space for parking ramps.

"This is a creative option and meets the needs of our growing customer base," said Mark Baker, president of the Downtown Business Association.

Paid parking downtown is a "concept that maybe its time has come," Baker said.

The city has about 4,600 spaces. Please see **GARAGE E4** ▶



SARATOGA PARKING AND BANQUET INC.

A \$10 MILLION parking garage and banquet facility proposed for downtown Saratoga Springs is shown in this rendering.

ENERGY EFFICIENCY



MICHAEL P. FARRELL/TIMES UNION

DAVID TORREY, left, and James Kokernak of Malta-based Advanced Energy Conversion talk Thursday about the rapid-starter/generator, a product of theirs that's being used by a Queens company in a new hybrid taxi cab.

What's under hood keeps cab clean

Young Malta company's motor system makes hybrid taxi ride worth the fare

By **SARA CLEMENCE**
Business writer

In color (yellow) and birthplace (Queens), the cartoonish-looking MetroKing taxi is all New York City. The big doors and jump seats, however, scream London. And it even has an upstate side.

The cab runs on compressed natural gas, and is not just a hybrid in looks, but in ambitions.

"Let's make something that runs on a domestic energy source, let's mobilize people with special needs, and while we're at it, let's stop the engine to save pollution," said Michael DiGonis, founder and president of Alternative Fuels Technologies Corp., the Jamaica, Queens company that created the taxi.

Hidden under the hood is a system that shuts off the engine when the cab is stopped, saving fuel and cutting air pollution, restarts it in a heartbeat and

Hidden under the hood is a system that shuts off the engine when the cab is stopped, saving fuel and cutting air pollution, restarts it in a heartbeat and generates electricity for the car.

generates electricity for the car. The machine, called a rapid-starter/generator, is the creation of Malta-based Advanced Energy Conversion LLC.

David Torrey, 44, and James Kokernak, 34, founded the company seven years ago, as teacher and student at Rensselaer Polytechnic Institute. Today, Advanced Energy is at a turning point.

The firm has run on grants, consulting work and, Kokernak jokes, bottle returns. But this year it has nine employees and expects revenues of \$1 million. The starter/generator will debut inside the MetroKing at a major taxi trade show in Florida in Novem-

ber. And the company plans to release its first commercial product, a solar energy inverter, by the end of the year.

Torrey and Kokernak started working together 14 years ago, when Kokernak was an undergraduate at Worcester Polytechnic Institute in Massachusetts and Torrey was his teacher.

"I got a 25 on the first exam he gave me," Kokernak said. "If you said to me then we'd be working together, I'd say you were crazy."

Both ended up at RPI, where Kokernak's graduate thesis was on an energy-efficient electrical motor. It seemed like a viable product, so they started the company and got a grant from the New York State Energy Research and Development Authority.

From an RPI lab, they moved to Cohoes. Six months ago, they landed at the authority's Saratoga Technology & Energy Park in Malta. The motor never took off. "We didn't realize how firmly entrenched the existing technology is," Torrey said.

But other projects came along. A few Please see **TAXIE4** ▶

News on region's jobs is mixed

Albany *Work force expands by 5,500 in last year, but jobless rate rises*

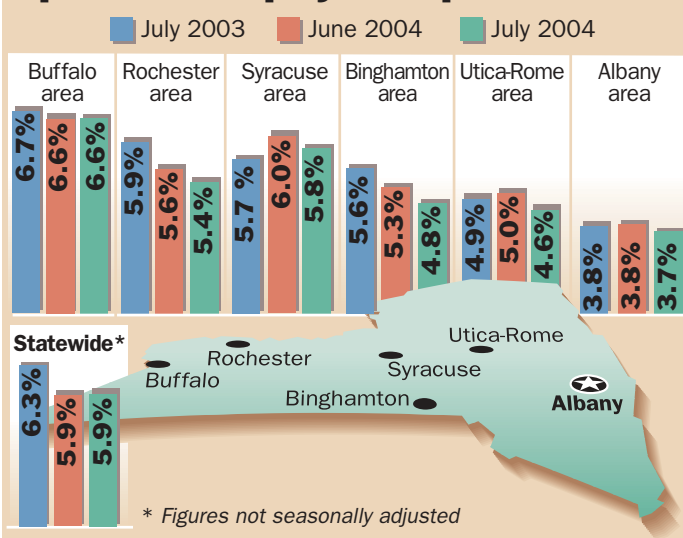
By **JOSHUA HURWIT**
and **KEVIN HARLIN**
Business writers

Capital Region employers added 5,500 jobs to their rolls in the past year, although unemployment edged up, according to state data released Thursday.

The Labor Department reported the six-county region's unemployment rate at 3.8 percent for July, even with June but up slightly from the 3.7 percent measured a year ago. The state also said 461,500 people held non-farm jobs in the region in July, up 1.2 percent from a year ago.

Please see **JOBS E4** ▶

Upstate unemployment picture*



Google's shares soar on first day of trading

Internet company's hyped stock auction questioned as price surges 18 percent

By **MATTHEW FORDAHL**
Associated Press

SAN JOSE, Calif. — In a debut vaguely reminiscent of the dot-com boom, shares of Internet search giant Google Inc. surged in their first day of public trading Thursday as investors who avoided the company's auction-based offering readily jumped into the familiar territory of the stock market.

Though the 18 percent jump

boosted the paper worth of Google shareholders and insiders, it also raised questions about the effectiveness of the unorthodox auction designed to gauge true demand and set a rational price that wouldn't be subject to big swings.

"It seemed like the whole purpose of the auction was to prevent that kind of big move from happening," said Barry Randall, portfolio manager for the First American Technology Fund. "If it's not a failure, it clearly didn't work the way Google's management intended it."

Google shares finished the day Please see **IPO E4** ▶

LEDGER

In wake of scandal, Nortel to slash jobs

TORONTO—Nortel Networks said it will slash its work force by 3,500, or 10 percent, as it struggles to recover from an accounting scandal that toppled three top executives and led to a criminal investigation and lawsuits.

Nortel Networks Corp. released "estimated limited preliminary unaudited financial results" Thursday for the first half of this year, revealing six-month revenue of \$5.1 billion, with \$2.5 billion in the first quarter and \$2.6 billion in the second quarter.

Estimated net earnings for the half were break-even to two cents per share.

That compares with revenue of \$4.7 billion in the first half of last year — one of many numbers that remain in doubt as Nortel reviews its past financial reporting under scrutiny from Canadian and U.S. law enforcement agencies and securities commissions.

—Associated Press

Delta's restructuring plan raises worries of default

ATLANTA—Delta Air Lines Inc.'s plan to restructure some of its debt outside of bankruptcy has raised concerns among credit analysts who believe the move could be tantamount to defaulting on the money the carrier owes.

Standard & Poor's on Thursday dropped Delta's credit rating to a lower degree of junk status and warned that the rating could be lowered to default.

S&P is concerned a swap of debt for equity in the company could be viewed as coercive if the debtholder has no choice and ends up receiving less financial consideration than originally owed.

Atlanta-based Delta's low credit rating hampers its ability to raise additional financing. Delta's debt stands at more than \$20 billion.

On Thursday, Delta met with its pilots union behind closed doors. The union has offered up to \$705 million in concessions. Company and union officials refused to immediately provide any information about the meeting.

—Associated Press

30-year mortgage rates hit lowest level since April

WASHINGTON—Mortgage rates declined again this week, with 30-year mortgages remaining below the 6 percent level for a third consecutive week, Freddie Mac reported Thursday.

The mortgage giant said that its latest nationwide survey showed that rates on 30-year, fixed-rate mortgages fell to 5.81 percent this week. That's down from the average rate of 5.85 percent last week and is the lowest level for 30-year mortgages in more than four months, since they averaged 5.79 percent the week of April 8.

The survey showed that rates on 15-year fixed-rate mortgages also declined to 5.19 percent, down from 5.24 percent last week.

—Associated Press

United locks to dump pensions

Airline says move will help it find financing to emerge from bankruptcy

By DAVE CARPENTER Associated Press

CHICAGO — Cash-strapped United Airlines said in a bankruptcy court filing Thursday that it "likely" will be necessary to terminate and replace its employee pension plans.

The carrier cited the size of further cost cuts and the need to find bankruptcy-exit financing as reasons for such a drastic move.

The filing came a day before a federal bankruptcy court hearing on United's pension plans, which

the company announced last month it would no longer contribute to while in Chapter 11. That action has been assailed by United's unions and challenged by the government's pension-protection agency as violating federal pension law.

In its court filing, United cited the government's recent decision to reject its bid for a \$1.6 billion loan guarantee along with sky-high jet fuel prices. The Elk Grove Village, Ill.-based airline said it "must have the cash flow and liquidity that the financial markets are willing to finance."

"We have taken every effort to restructure our business without affecting accrued pension benefits,

and will continue to explore every other option," the company said in the 26-page filing. "However, given the magnitude of further cost reductions needed to create a viable business plan and attract exit financing, termination and replacement of all our defined benefit pension plans likely will be required."

If United ends its four employee pension funds, it would represent the largest pension default ever by an airline. The action would dump billions of dollars in future pension obligations onto the Pension Benefit Guaranty Corp.

The agency said last week that United's pension plans are underfunded by \$8.3 billion.

Stocks fall as crude prices continue rise

New high for oil, terrorism fears keep investors on sidelines

By MEG RICHARDS Associated Press

NEW YORK — With the much-ballyhooed initial public offering of Google Inc. behind them and oil chugging to a new record high, investors took a step back Thursday, sending stocks lower.

The downward trend underscored that the equity market is deeply mired in the trading doldrums characteristic of late summer, though analysts noted there are additional pressures this year. Fears that the Olympics in Athens or the upcoming Republican convention in New York might be targets of terrorism have kept an unusual number of investors on the sidelines, and oil prices aren't helping, said Janna Sampson, director of portfolio management at Oakbrook Investments.

"People are thinking there is just no good reason to take on this risk," Sampson said. "I know I've got clients who are telling me they have money but they're waiting until after these things are over. And we don't often see institutional investors holding up for events."

The Dow Jones industrial average declined 42.33, or 0.4 percent, to 10,040.82.

Table with 3 columns: Name, Last, Change. Lists various stocks like Capital Bank, CNB Bancorp, IFS Int'l, Lincoln Logs, Panther Mountain, Safari Associates, Tomra Systems.

This list contains small Capital Region companies. Listings by Bloomberg News

The broader gauges were also lower. The Nasdaq composite index fell 11.48, or 0.6 percent, to 1,819.89. The Standard & Poor's 500 index was down 3.94, or 0.4 percent, at 1,091.23.

Oil prices soared \$1.43 to \$48.70 on the New York Mercantile Exchange, despite assurances from Iraq that it would resume full exports from its southern terminals. Further rattling traders, a radical Iraqi cleric rejected an offer to peacefully end his militia group's two-week-old standoff in the holy city of Najaf.

Amazon.com Inc. was down 73 cents at \$38.63 after announcing plans to buy China's largest online retailer, Joyo.com Ltd., a deal valued at \$75 million. Joyo.com, which sells books, movies, music and gifts, has an estimated 80 million customers.

TAXI: Pollutes less

Continued from E1. A years ago, a large automotive supplier approached them with the idea of a starter that could also supply electricity to a car.

"The electric load (in cars) has been steadily increasing over the years as more widgets get added," Torrey said.

After investing about a half-million dollars, the auto firm lost interest. It still has rights to the earlier stages of the technology, but Advanced Energy has taken it further, developing a product that is almost ready to ride.

About a year ago, NYSERDA, which has provided Advanced Energy Conversion with more than \$500,000 in grants, linked Alternative Fuels Technologies with the Malta company.

Alternative Fuels, the 30-year old Queens company, specializes in alternative fuel vehicles, such as electric delivery trucks. Today, more than 100 of the company's natural gas-powered vehicles are operating in New York City, founder DiGonis said.

He came up with MetroKing when a friend being treated with cancer became wheelchair bound and had trouble finding a ride.

"I looked at him sort of playfully and said, 'Monday, I'll go to the shop and build you a car,'" DiGonis recalled.

MetroKing, which carries a \$40,000 price tag, is the result of his multimillion-dollar investment. The vehicle will be manufactured in Buffalo.

"We believe it would be a good solution to a lot of problems," DiGonis said. "Thirty-five percent of the time taxi cabs are not moving. I saw no reason why these taxicabs should have their engines running while stopped."

NYSERDA has also given Advanced Energy Conversion funding to make the restarter operate as a motor when the taxi engine is off, so the air conditioning will run at red lights.

A regular alternator is 45 percent to 50 percent efficient, Korkernak said. Their device gets about 70 percent to 80 percent of the power out of the fuel. With more than 50,000 yellow and livery cabs in New York City, they have a ready-made market — and the ability to make a difference.

"Cleaning cabs up helps clean up New York City's air," said Jason Babbie, environmental policy analyst for the New York Public Interest Research Group.

"Something that provides an economic stimulus update and cleaner air downstate is definitely a win-win."

IPO: Auction questioned

Continued from E1. At \$100.34 with more than 22 million shares having changed hands, making it among the 10 most active issues on the Nasdaq Stock Market. The closing price was \$15.34 higher than the final IPO price set by the auction, but still lower than the \$108 bottom of the company's initial range.

The stock's performance isn't likely to generate many complaints at Google, its underwriters or anyone else holding the appreciating stock. But it's a let-down for the company, which only profits from the 14 million initial shares it sold at \$85 each, and pre-IPO shareholders who sold 5.5 million at the same price.

In the end, the IPO raised \$1.67 billion. If the stock had been priced at \$135 — the high end of Google's original estimate — the offering would have raised as much as \$3.6 billion and given the company a market capitalization as high as \$36 billion. Google downgraded the estimated range early Wednesday.

Google declined to comment. Its quiet period extends for another 25 days.

GARAGE: \$10M proposal unveiled

Continued from E1. downtown, according to a parking study, and needs an additional 1,200.

Franch said the robotic parking would cost \$20,000 to \$22,000 per space compared to a traditional parking garage cost of \$18,000 to \$20,000 per space. The building would charge \$225 to \$250 for monthly parking.

The city is charging \$7 on weekends and \$5 on weeknights this summer to park in two city-owned lots downtown. The lots

have been filled on weekends. Franch said it demonstrates that the market is there for paid parking.

The proposed building would have 1,100 square feet of retail space on the first floor, four levels of parking over the next two stories and a 6,400-square-foot banquet facility and night club on the top floor. The building would be located on a 0.3-acre parcel on land leased from 53 Putnam St. Inc.

The proposed building was designed by Synthesis Architects

of Schenectady. Omni Development Company Inc. is coordinating the project.

The site was used as a garage for C and B Sanitation, whose signs still adorn the doors. Franch said the boarded-up garage has not been used in 10 years.

Saratoga Parking and Banquet Inc. is seeking funding for the project and hopes to have it in place by January, Franch said. Construction would begin in May and be completed in 2006.

New York Stock Exchange table with columns: YTD Name, Last, Chg. Lists various stocks like SKT, SLM, SPX, etc.

Times Union Source Line 446-4000 NEWS 2010

LEGAL NOTICE NOTICE OF SALE SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF ALBANY TRUSTCO BANK Plaintiff -against- DANIEL E. ARMSTRONG, CHALLENGER H. ARMSTRONG, HISTORIC PASTURES HOMEOWNERS ASSOCIATION, "JOHN DOE" (said name being fictitious, it being the intention of the plaintiff to designate any and all persons in possession of the mortgaged premises) and HISTORIC PASTURES CONDOMINIUM Defendant(s) Pursuant to a judgment of foreclosure and sale entered in the Albany County Clerk's Office on June 22, 2004, I, the undersigned, the Referee named in the judgment, will sell at public auction at the Albany County Courthouse, main entrance, in the City of Albany, New York, on September 1, 2004, at 10:00 a.m., the premises directed by the judgment to be sold, which are described in Schedule A (Description) attached hereto. The premises are known as 51 Westerlo Street, Albany, New York. SCHEDULE A ALL that certain piece or part of a condominium situ-

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File Storage Cartons 99¢ ea. Free Local Delivery. Schaap Records Management 459-2220 Ext. 29. 2 piece 10 x 12 x 15 double bottom, double end wall construction. NOT economy grade. Designed for professional use. Limit 500. Introductory price expires August 31, 2004. Additional cartons available at \$1.59. www.Schaapmoving.com

LEGAL NOTICE LEGAL NOTICE LEGAL NOTICE LEGAL NOTICE LEGAL NOTICE essence of the Contract and completion of the Work must be within 240 days after the Agreement is approved by the Comptroller. Due to the tightness of the construction schedule, bidders should consider the necessity for an increased work force and shift operations. The only time prospective bidders will be allowed to visit the job site to take field measurements and examine existing conditions of the project area will be at 10:30 a.m. on August 31, 2004 in the Lobby of the DMNA Headquarters at the AAFS, 330 Old Niskayuna Road, Latham, NY (Must Have Photo ID; No Weapons Allowed). Prospective bidders are urged to visit the site at this time. Prospective bidders or their representatives attending the pre-bid site visit it will not be admitted on facility grounds without proper photo identification. Note that parking restrictions, and security provisions will apply and all services will be subject to search. Phone the office of John Fallarino, (518) 786-4810 a minimum of 24 hours in advance of the date to provide the names of those who will attend the pre-bid site visit. It is the policy of the State and the Office of General Services to encourage minority business enterprise participation in this project by contractors, subcontractors and suppliers, and all bidders are expected to cooperate in implementing this policy. The Office of General Services reserves the right to