

### Asia markets (as of 1 a.m. ET today)

	Value and Points	Percentage
Hong Kong	19,710.02, -297.75	-1.5%
Singapore	16,828.07, +8.61	+0.1%
Japan	2212.85, -14.47	-0.7%
South Korea	640.58, +8.13	+1.3%
Malaysia	975.35, -0.70	-0.1%

1: Wednesday (N.Y.) Today (Tokyo)  
2: per dollar 109.11 108.69  
3: 1.0074 0.9951

**IDIUM INVESTMENT:** Craig McCaw's investment group agreed to pump \$74.6 million in financing into satellite phone company Iridium, pending certain agreements regarding Iridium's Chapter 11 bankruptcy. The money will allow Iridium to continue operating while McCaw considers buying the company. McCaw is primary shareholder of wireless phone company Nextel, chairman of satellite system Teledesic and is investing in another satellite system in bankruptcy, ICO Global Communications.

**SEAT CHECKS:** DaimlerChrysler is opening its dealers' child safety seat checkpoints to owners of all types of vehicles, the automaker said Wednesday. Trained inspectors check proper installation of child seats and to make sure children are in the right restraint for their age. The company says 96% of parents believe their child seats are installed correctly, but only about 20% are. The service is available at 400 dealerships and will be at 1,000 dealerships by year's end. For appointments, call 1-877-4-A-KID or visit the Internet site [www.fitforakid.org](http://www.fitforakid.org).

**CRUDE PRICES:** Crude oil prices jumped nearly 3% Wednesday after the American Petroleum Institute said U.S. stockpiles of crude oil stood at 283 million barrels, near their lowest level since 1976. A Venezuelan official also said no decision has been made on whether the Organization of Petroleum Exporting Countries will ease its curbs on oil production to increase supplies. Crude oil for delivery in March rose 75 cents to \$28.77 a barrel.

**COKE LAWSUIT:** Coca-Cola turned over an internal document known as "the Carl Ware Report" to plaintiffs' lawyers in a racial-discrimination lawsuit against the company. The 1995 report, prepared by Ware, Coke's most senior African-American executive, includes suggestions on how the company could do a better job promoting diversity. Attorney Pamela Coukos says the report "shows for at least four years, they've been on notice that there are barriers to advancement for African-Americans within the company."

**COHEN'S FORECAST:** Wall Street analyst Abby Joseph Cohen said Wednesday that the presidential candidates' plans for the budget surplus are the only wild card in determining the success of stock markets in 2000. Cohen, a Goldman Sachs analyst who has achieved near-celebrity status for her predictions, said the budget surplus should be used for social obligations and to pay down the national debt. Candidates should not offer larger tax cuts until actual surplus figures are available, she said. Cohen said investors will do well in 2000, but probably not as well as in 1999.

**STOCK FRAUD:** Prosecutors brought criminal charges against 21 former managers and brokers at Sterling Foster, a defunct Long Island, N.Y., company that specialized in small-company stocks. Prosecutors said the brokers used heavy pressure as well as false and misleading sales pitches to convince customers that the stocks would rise rapidly in value, producing \$200 million in illegal profits.

Written by Sara Nathan from staff and wire reports

### SA SNAPSHOTS®

Look at statistics that shape your finances

### Financial fears

Percentage of people who are extremely or somewhat fearful of these potential problems in the new century

36% 35% 31%

### from casual

By Stephanie Armour  
USA TODAY

Many Internet companies have been so focused on survival that they've paid scant attention to basics such as sexual-harassment training, overtime pay and employee handbooks.

That may cost them. Some Internet firms are facing sexual-harassment lawsuits, challenging the idea that cutting-

rudimentary human-resource issues on the back burner. It's going to come back and bite them," says Jerome Coleman, an employment lawyer at Nixon Peabody in New York. "If there's liability, it can be substantial."

New York-based Juno Online Services is facing separate lawsuits from two former employees claiming sexual harassment. The company declined to comment, but those lawsuits and other cases have raised

serious employment experts to the payroll.

"It can feel more important to hire a programmer than to hire an HR person," says CEO David Friend, at eYak, a Boston start-up building an Internet-based communications service.

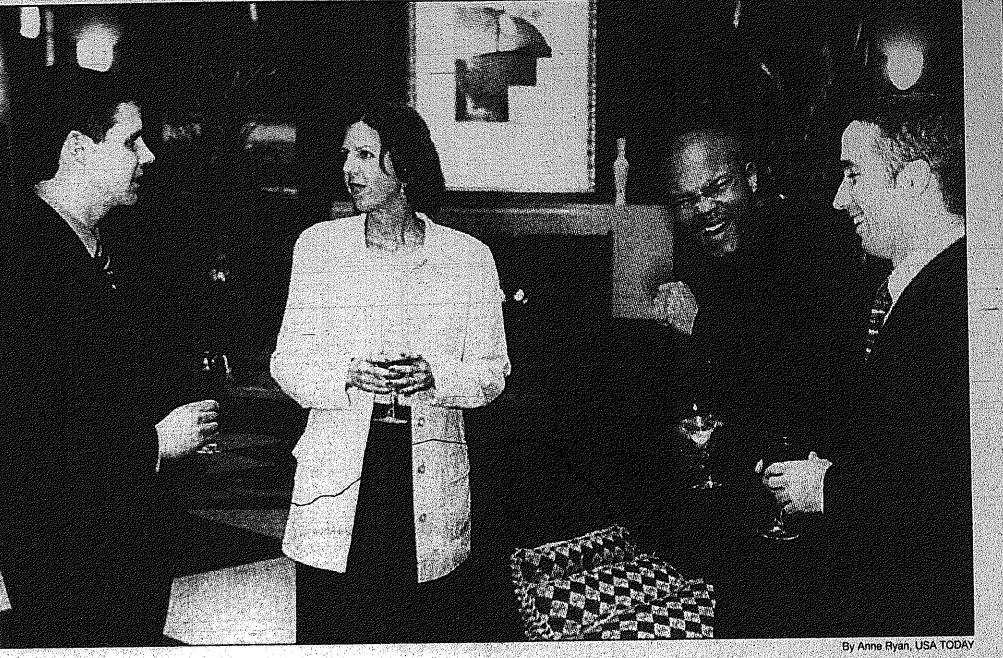
► **Image.** Some may balk at adopting traditional corporate policies that Internet firms have rejected as stuffy.

"I still have some people who think we're a start-up, and I

wood City, Calif.-based Internet software firm. "We just pay attention to all those things large companies pay attention to."

► **Timing.** Executives at start-ups that have ignored employment issues may worry about taking corrective action.

"People call and say, 'We just realized we haven't been paying people right. How do they fix it without a bull's-eye on their head saying, 'Sue me?'"



By Anne Ryan, USA TODAY

Entertaining for success: Chris Connor, Leigh Bright, Thomas Mathes and Charles Mulhall, left to right, enjoy the business managers wine hour at Encore in Chicago's Hotel Allegro. Hotels are trying to lure young business travelers with on-site entertainment.

### COVER STORY

# Hotels target Generation X

## Young travelers demand high-tech services, amenities

By Salma Khan  
USA TODAY

What do Tootsie Rolls, basketball courts and vomit jokes have to do with business travelers?

Plenty if they're under 35.

Airlines, hotels and car rental companies that spent the past 30 years courting baby boomers are now gazing longingly at the boomers' affluent younger siblings and kids. And they're discovering that the interests and preferences of the more than 14 million business travelers ages 18 to 34 are very different from older travelers.

To woo them, travel companies are creating unusual perks and unconventional gags in TV commercials. They're taping airfare promos to pizza boxes, teaching kickboxing classes in hotel fitness centers and replacing buttoned-



Fresh décor: Rooms at the Loews House of Blues hotel in Chicago have a Moroccan and Indian-influenced interior.

down restaurants with sweatshirt-casual bistros.

"If we catch hold of the Generation X crowd now, they'll stay with us forever," says Starwood Vice President Guy Hensley.

Starwood created an entire hotel chain for those customers, W. Each hotel, whose rooms go for about \$300 a night, features contemporary designs, hip bars and whimsical amenities such as gum-ball machines with Hot Tamale candies that make them magnets for young travelers, Hensley says. And if they outgrow W's, Starwood hopes they'll switch to its more traditional Sheratons and Westins.

But marketing to the younger crowd isn't just a bet on the future. Companies are paying closer attention to younger travelers because many are earning far more than people ever have at that age, and they're eager to spend some of it on travel now — not after they retire, as older generations did. GenXers, born between 1965 and 1980, make up 44% of online travel bookers. Business travelers

Please see COVER STORY next page ▶

# Small airlines dangle perks for small businesses

## Earning corporate loyalty of even tiny firms pays off

By David Field  
USA TODAY

Other small airlines, including Frontier, Vanguard and Shuttle America, are competing for shares of the lucrative corporate business, even if its customers are entrepreneurial Davids instead of corporate Goliaths.

Business can qualify for the program," says Frontier sales director Tom Allee.

The Denver-based airline also has traditional corporate accounts for larger businesses, he says.

► Shuttle America, which flies six 50-seat turboprops be-

gram a 10% discount on fares, and lets them to get full refunds on unused tickets and to transfer, change or cancel their tickets without penalty.

"This really is aimed at a fairly small company that's cost-conscious," says Vanguard spokeswoman Rana Walker.

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# Travel industry woos Gen X

Continued from 1B

in that bracket take an average of five business trips a year and are more likely than older travelers to tack on extra days for vacation.

"They work to live, not live to work," says Michael Blackstone of the Baltimore-based consulting firm The Gen-X Press.

They also like to have fun, are tech-savvy and can be demanding. They include business travelers such as Leigh Bright, 32, who wants evening entertainment in hotels so she doesn't have to go out. And John Gontkof, 26, who likes to rent pickups and read *Wired* magazine in airline lounges. And Jared Larson, 32, who says hotels should do away with nachos on room-service menus and Louis XIV-style chairs in guestrooms.

## COVER STORY

Travel companies are trying to learn all they can about young consumers and how to speak their language. Upscale Crowne Plaza Hotels & Resorts this month included the under-30 crowd for the first time in its annual survey of travelers. Budget Rent a Car mines a gross-out humor vein in a \$20 million TV ad campaign. In one commercial, Budget's marketers reject a proposal to let people who rent Ford Ranger pickups be forest rangers after they imagine a bear vomiting on an eager customer offering it food.

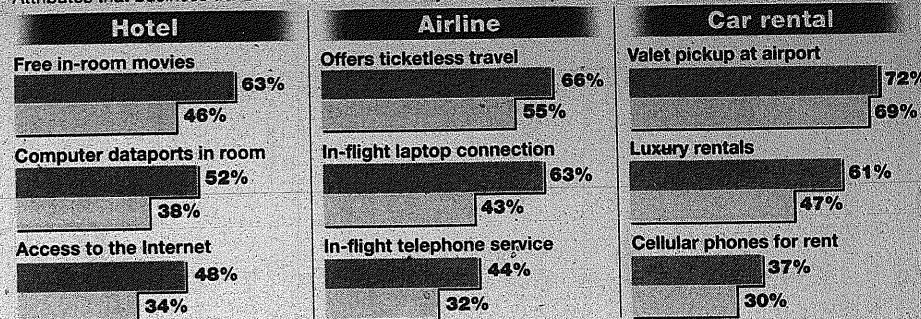
"If you talk their language and develop funny ads, hopefully it will resonate with them," says Budget's Vice President Mike Gavelek.

Some companies are trying to clinch loyalties even before young people join the workforce. AirTran Airways offers \$47-a-segment, one-way tickets to 18- to 22-year-olds. United Airlines launched a Web site for the college crowd, CollegeTravelNetwork.com, in November. It also introduced a separate frequent-flier program that allows college students to earn bonus miles for online ticket purchases, volunteer service and student referrals.

Cendant is trying to reel in 12- to 25-year-olds, who dominate what it

## GenXers value high-tech perks

High-tech amenities, entertainment and some services are more important to Generation X business travelers — those under age 35 — than baby boomers. Attributes that business travelers consider extremely or very desirable:



Source: Vesawich Peppardine & Brown and Yankelovich Partners 1999 Business Travel Monitor

By Marcy E. Mullins, USA TODAY

calls the "Eighth Continent" of Internet-savvy people. The corporate parent of the Ramada, Days Inn and Howard Johnson's chains invested \$100 million in a reservation system that provides real-time hotel availability on its Web sites because the younger generation wants instantaneous service, says Vice President Scott Anderson.

### Services and amenities

Travel companies aren't just peddling old products with new tricks. They're creating services and amenities, too.

The Kimpton Group, which operates 28 boutique hotels, is offering an alternative to entrepreneurs who dislike hotel meeting rooms with floral print wallpaper and crystal chandeliers. It is converting unused space in hotels into "incubafors" — low-rent office space for short or long-term use. The walls will be bare, light fixtures simple and carpeting rugged. "It's a finished shell — very basic, clean space for people to land and do their own thing," says Kimpton Vice President Steve Pinetti. "We're trying to connect with the whole younger crowd."

The incubators should be open at some San Francisco hotels by June.

What other hotels are doing to lure younger travelers:

► **Using technology.** Younger travelers are fans of high-tech gadgetry, and hotels play to that. The Loews House of Blues Hotel in Chicago says a funky, Moroccan- and Indian-influenced décor (wooden cobalt-blue desk, tent-like valance with colorful tassels, star-shaped mirror) isn't enough to draw younger guests. Each room also has a cordless phone, printer, fax machine/copier, high-speed Internet access, dual telephone lines, WebTV, VCR and stereo system with CD player. Luxury hotel Fifteen Beacon in Boston goes fur-

ther, adding three phones, including a cordless, in each guestroom and bathroom TVs.

"This is not your parent's hotel," says Fifteen Beacon general manager William Sander.

Even \$70-a-day suites in Marriott's Fairfield Inn & Suites are getting CD players and 32-inch screen TVs this year.

### ► Introducing exercise options.

Hotels trying to court young travelers are beginning to provide more than treadmills, stair-climbers and free weights. The new Ritz-Carlton Hotel & Residences in Washington, D.C., will have a 100,000-square-foot fitness center with two basketball and four squash courts. The House of Blues Hotel offers group boxing, kickboxing and team-building classes in its boxing ring.

► **Trying new dining concepts.** The Ritz-Carlton in Atlanta converted its five-diamond restaurant to the Atlanta Grill last month to appeal to a younger clientele looking for a more relaxed scene. Hyatt opened 28 cigar bars and 20 gourmet shops selling drinks such as Arizona Ice Tea, Hansen Sarsaparilla and Frappuccino.

### Entertainment

"When we travel, it's really different," says Chase London, 24, of Nashville. "My dad will order room service and go to bed. I'll look for pool halls and sports bars."

Younger business travelers want to socialize after a day's work. Hotels say that is why they are providing entertainment to keep them spending money on their property.

The Kimpton Group's Pacific Palisades Hotel is on Vancouver's hip Robson Street, a locale that is dotted with high-end boutiques, tattoo parlors and wellness stores. Starting next month, the hotel's employee uniforms, herbal tea hour and healthy honor bars will reflect the neighbor-

hood's ambience.

The W New York's Whiskey Blue bar attracts travelers and locals in their 20s and 30s and is run by night-club impresario Rande Gerber, husband of supermodel Cindy Crawford. The Loews Santa Monica Beach Hotel invites actors, musicians and artists for monthly chats with the guests.

### Décor

Bright, a marketing consultant in Toronto, says she prefers hotels with an informal, fun yet stylish décor. In Chicago, it's the Hotel Allegro.

"They play alternative music, everyone wears all black and they have Tootsie Rolls in big bowls," Bright says. "It's pretty cool."

Even the stodgy Ritz-Carlton is trading in its floral draperies and ornate moldings for a lodge-like décor to draw young business travelers to a new northern California property. The Ritz-Carlton Half Moon Bay resort, to open in December, will have what it calls a "rustic elegance" to appeal to young travelers who are more at home in a casual setting. Ritz-Carlton executives expect 40% of the guests to be in their 20s and 30s.

"We're not changing who we are, we're changing the feel — that's what we have to do with more young business travelers," says spokeswoman Vivian Deuschi.

Companies trying to gain young travelers' favor will soon have a Web site at which to check their progress. Room12.com has hired stringers age 35 and younger in 25 U.S. cities to keep a pulse on local hot spots attractive to younger business travelers. The site, expected to launch in May, will list the latest hotels, rooms, restaurants and events appealing to a younger clientele.

"What's great for the baby boomer isn't great for younger travelers," says Room12.com CEO Scott Gallo-way, 35.

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