

ed to close in the final days of the quarter closed June 30 have been delayed.

Women earn more than men in some jobs

Women's salaries equal and even surpass men's salaries in certain fields, according to an annual survey by *Working Woman* magazine. In advertising, female CEOs average an annual salary of \$275,000, compared with \$253,100 for men. Female physicists earn \$65,208, \$400 more than their male counterparts. In occupational therapy, women make an average of \$39,312 — \$7,384 more than male occupational therapists. Overall, the study found that women continue to narrow the pay gap with men.

Corporate confidence improves in Japan

Corporations surveyed in the Bank of Japan's closely watched *tankan* survey of business confidence were surprisingly optimistic in the April-June quarter, the survey released Tuesday showed. The bank's index improved from minus-9 in the January-March quarter to plus-3 in the April-June period. It was the first time since September 1997 that the index climbed into positive territory. But small and midsize companies, which employ the majority of Japanese workers, said they plan to cut expenditures this fiscal year.

American automakers' sales fall in June

U.S. auto sales dropped in June for the second consecutive month. Automakers blamed the dip on rises in interest rates, consumer debt and gasoline prices. DaimlerChrysler's 9.8% drop in sales last month of its Chrysler, Plymouth, Dodge and Jeep brands was the largest of any major automaker. Ford Motor reported a 3% decline, while General Motors sales dropped 5.5%. Among Japanese automakers, Toyota reported a 7.8% sales jump in June, and Honda sales were up 16%. Among European automakers, Volkswagen reported its strongest June in 27 years, with sales up 9%. Audi reported a 20.2% sales increase.

Construction spending gains 0.1% in May

Construction spending rose 0.1% in May to an annual rate of \$809 billion after falling a revised 1.1% in April. Higher demand in non-residential buildings boosted construction spending, the Commerce Department said.

Written by Sara Nathan from staff and wire reports

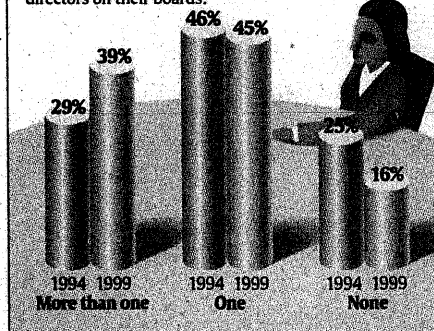
We want small businesses' input

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USA TODAY Snapshots®

Women gain in board seats

Fortune 500 companies with these numbers of female directors on their boards:



Looking ahead: John Wieland, a home builder and chairman of the board of the Atlanta Fed Bank, signaling a home under construction in Vinings, Ga., sees an economic slowdown, inspiring hope of a "soft

Cover story

Economy signals slowdown

Market data needed to confirm rate hike success

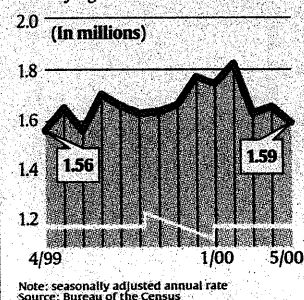
By George Hager
USA TODAY

Atlanta homebuilder John Wieland is already living through the Federal Reserve's much-hoped-for economic "soft landing." His business is off about 10% from last year, and the slight slowdown is doing everything Fed Chairman Alan Greenspan and his colleagues say they want it to.

After scrambling for workers when the housing market was red-hot last year, Wieland finds that painters, carpenters and other subcontractors are much easier to get this spring — a sign that the once impossibly tight labor market is easing. "When we say we need another coat (of paint), they say, 'Sure,'" says Wieland. Not long ago, painters would have already moved on to the next job after slapping a single

Start of a soft landing?

May's decline in housing starts could be an early sign of a slowdown.



coat on a new home.

And drywall, lumber and other materials that once were expensive or hard to get are cheaper and more plentiful, a sign that supply and demand are coming into balance. The price of the wood that goes into one of Wieland's homes has dropped 10% since last year,

and drywall prices didn't do that out their hearts," Wieland says. Housing is traditionally the sector of the economy that is least sensitive to higher interest rates, but increasingly suggests it is beginning to feel the broader economy's impact. The Fed has been trying to keep a steady campaign over the last year to cool the market to cool the economy as well.

For example, M. J. M. the National Association of Manufacturers (NAM) says manufacturing is on a downward glide. "The manufacturing industry is the lowest in a year," says Norbert Ore, a business survey

Please see COVER

E-mail nudges aside stationery

By Jim Hopkins
USA TODAY

SAN FRANCISCO — It may not be time to write off stationery stores for good, but a host of competitive threats, including e-mail, is taking a big bite out of the market.

About 26% of these traditionally mom and pop stores bit the dust from 1992 to 1997 — more than any other retail category, according to recently released Census data.

Driving the trend:

► **Technology.** As the Internet's popularity surged in the '90s, dozens of Web sites such as bluemountain.com started offering free electronic greeting cards, replacing the paper versions that were the bread and butter of stationery shops. "Electronic publishing has definitely displaced some demand," says Bear Stearns analyst Linda Lieberman, who follows International Paper.

► **Mass-market retailing.** Wal-Mart,

Target and others made inroads against stationery stores as notepaper and greeting card producers such as Hallmark shifted away from specialty card shops. At the same time, business stationery sales moved toward category killers Office Depot and Staples.

Letitia Baldrige, the etiquette doyenne whose latest book, *Legendary Brides*, will be published in October, is alarmed by the lack of prenuptial formality. "You feel the engraving on a proper wedding invitation," says Baldrige, social secretary in the Kennedy White House. "And it's a delicious feel. Have you ever had a delicious feel from an e-mail?"

Here in the heart of e-commerce, stationery stores such as Papyrus survive by catering to carriage trade customers drawn from San Francisco's most affluent neighborhoods.

The typical Papyrus order averages \$400 for engraved notecards or wedding invitations on fine paper. "Professionally,

it really sets people apart," says Domingo, managing director of the store.

The Internet is also a threat. This spring, Geocities, a Web site for paper greeting cards, described with 1 even signatures in advance.

"We'll put a st.velope, and mai.utive Officer G.\$2.49 to \$3.49.

The popularity of standing, a sur.that 83% of cons.tional paper gre.

And Crane & nery, detects a.says spokesman seems to be a r.out in a persona.personal ways o