

subishi recently admitted it covered up customer complaints for 30 years and would have to recall more than 600,000 cars to rectify potential faults.

United Artists files for protection

United Artists Theater filed for protection from creditors under Chapter 11 of U.S. bankruptcy law while it reorganizes to reduce debt and expenses. Edwards Cinemas and Carmike Cinemas also filed for bankruptcy protection this summer, while Loews Cineplex Entertainment warned last week that it might default on its debt.

Judge to rule on Universal, MP3 case

A judge is expected to rule today on a lawsuit brought by Universal Music Group, the world's largest record company, against Internet music company MP3.com. The lawsuit claims that MP3.com should pay up to \$450 million in damages for infringing on Universal's copyrights. MP3.com says an award that large would put it out of business. The nation's four other major record labels have settled with MP3.com, but the company could face additional lawsuits from music publishers and other record companies.

New 401(k) retirement plan proposed

Senate Finance Committee Chairman William Roth, namesake of the popular Roth IRA, unveiled legislation Tuesday that would create a similar 401(k) and raise contribution limits for individual retirement accounts and 401(k) plans. The bill, similar to a measure the House passed in July, would raise annual contribution limits to 401(k) plans from \$10,500 to \$15,000. A new 401(k) option would be created that would allow people to contribute after-tax dollars that could later be withdrawn tax-free. For IRAs, the limits would rise from \$2,000 to \$5,000 a year.

Downgrade sends Intel shares tumbling

Intel shares fell 6.3% to \$69.25 Tuesday on a dose of bad news. A leading analyst, U.S. Bancorp Piper Jaffray's Ashok Kumar, downgraded the company. He says Intel will enter December with excess inventory and that gross margins will be under pressure with the introduction of the Pentium 4 chip.

WorldCom to buy Intermedia

WorldCom, the USA's second-largest long-distance telephone company, announced that it planned to acquire Intermedia Communications and take a controlling stake in Digex, a leading Web hosting company, for \$3 billion in stock. The deal is WorldCom's first since its failed foray into wireless communications through a planned merger with Sprint.

Written by Michelle Kessler from staff and wire reports.

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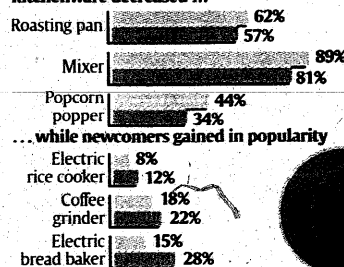
USA TODAY Snapshots®

Kitchen buying changes in 1990s

Percent of households with item on hand:

1996 1999

Since 1993, households with traditional kitchenware decreased ...



Source: NPD Group

By Anne R. Carey and Marcy E. Mullins, USA TODAY



529 adds up to college

State-sponsored plans can be used to build up m

By John Waggoner
USA TODAY

Parents often wake up in the night, worrying. There's Billy's cough. Susie's friend with the earrings. Susie's friend's parents with the nose rings.

But it's the thought of paying for college that jolts parents upright in bed, drenched with sweat. Today's parents — particularly younger, Gen X parents, the first to shoulder the era's massive tuition debts — are determined to save enough to send their children through college.

That hasn't gone unnoticed by the financial services industry. As students head back to school this year, they — or their parents — are faced with an average annual tab of \$21,339 for tuition, room and board at a four-year private college. Even at four-year public institutions, the average annual tab has hit \$8,086. So it's no surprise that saving for

college has become a big custodial trust accounts.

But the hottest new in "529" college savings plans friends invest for a child: nics are bidding fiercely to that don't have plans.

And with good reason. away more than \$100,00 the gains. The money get aged accounts with a m vestments geared toward vestment preferences.

And unlike the old pr can be used at any colle than education IRAs, 529

Pleas

Cover story

Stocks face historically tricky September

By Matt Krantz
USA TODAY

Investors tempted to get giddy over August's rally and the steady recovery in individual stocks this summer might want to wait.

Wall Street, after a typically slow August, is returning to full strength and trading is picking up again. But the stock market is heading into what has historically been its toughest two months of the year.

"Investors should view buying more cautiously," says Danny Seitz, research analyst at Instinet Research.

That's not the kind of warning many investors would expect after a gangbuster month. In August, the Nasdaq composite rose 12%, the Dow Jones industrials climbed 7% and the Standard & Poor's 500 gained 6%.

But a blowout August historically sets investors up for a nastier-than-usual Sep-

tember and October, according to an Instinet analysis of the S&P going back to 1928. And October, by most measures, is the market's worst month of the year.

When stocks fare well in August, they fall by 1.4% on average during September and October, Instinet says. When stocks fall in August, they chalk up a 0.4% gain during September and October.

Prudent investors should already be braced for a tough couple of months, says John Bollinger of BollingerBands.com.

Fall is almost always a bust for stocks, he says. Stocks on the S&P have tumbled 3% on average from July 15 to the end of October, Bollinger says, based on 40 years' worth of data. Those losses eat into the average 6% advance made by the market between January and July 15. The S&P's average annual performance over that period: 9.5%.

The market typically reaches its lowest point on the 300th day of the year, which