

The Justice Department asked the U.S. Court of Appeals to move on a fast track for written arguments in Microsoft's appeal of antitrust violations. The government asked for a process that would be completed before year's end, less than half the time and with briefs half the length sought by Microsoft. Justice asked for oral arguments in January, but even with a quick schedule, oral arguments might take place after a new president is inaugurated Jan. 20.

Legislators approve rollover ratings

Congressional negotiators agreed Tuesday to a massive transportation spending bill that allows the National Highway Traffic Safety Administration to move forward with its rollover rating proposal while the National Academy of Sciences studies testing methods. The agency has said sport-utility vehicles will get scores between one and three stars. Ford's Explorer, which has been linked to more than 100 deaths in accidents involving Firestone tires, would get two stars according to a NHTSA paper released earlier this year. The full House and Senate must still approve the bill before it can be sent to President Clinton.

New home sales fell in August

New home sales fell 3% in August to a seasonally adjusted annual rate of 893,000 despite cheaper mortgage rates during the month, the Commerce Department said. (Fed leaves interest rates steady, 3B.)

Vaccine maker agrees to pay \$30M fine

A vaccine maker agreed Tuesday to pay a \$30 million fine for repeatedly violating federal drug-quality rules at two of its plants, including a flu-shot factory whose temporary closure contributed to this year's delay in flu vaccine. Wyeth-Ayerst Laboratories signed the consent decree with the Food and Drug Administration, which also requires the company to take steps to improve quality or face up to \$5 million more in fines. The FDA said it never found contaminated Wyeth products and is aware of no illnesses.

AOL, Time Warner want no conditions

America Online, which is seeking approval to buy Time Warner, launched an offensive to convince regulators that no conditions are needed to ensure competition in interactive television and instant messaging. The companies argued that ITV is in the early development stages, and it would be inappropriate for the Federal Communications Commission to impose conditions that do not apply to the whole industry.

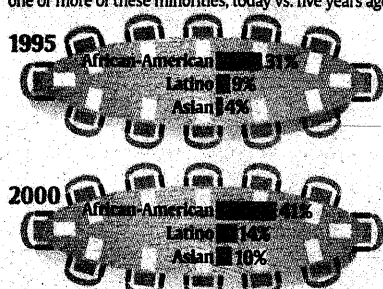
Written by Sara Nathan from staff and wire reports

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Diversity on boards increases

Racial and ethnic minorities are now on 65% of all corporate boards at Fortune 500 companies. Boards with one or more of these minorities, today vs. five years ago:



President's quality assurance at Bridgestone/Firestone

Cover story

Documents imply Firestone knew of tire trouble in '94

Also, testimony shows execs talked of problems in '97

By James R. Healey
USA TODAY

Bridgestone/Firestone was tracking problems with its Firestone ATX tires as long ago as 1994, documents show, and a recently-retired Bridgestone/Firestone official swears in a lawsuit deposition that top executives, including the CEO, were discussing the matter at quarterly meetings, at least since 1997.

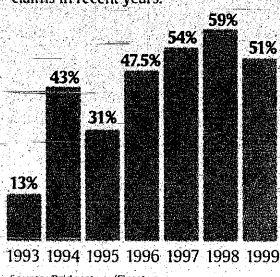
In sworn testimony and public statements, Bridgestone/Firestone executives have said the company wasn't aware of potentially fatal tread-separation problems until July, just before the Aug. 9 recall of 6.5 million ATX and Wilderness AT tires. A federal safety probe that began May 2 links Firestone tires to at least 101 deaths in the USA.

The information also challenges Bridgestone/Firestone claims that whatever warning flags existed within the company were cached in the company's finance office, useless to others who might have sounded an alarm.

Bridgestone/Firestone internal documents, submitted as part of four congressional hearings and a safety investigation by the National Highway Traffic Safety Administration, show concern within the company for years.

ATX problems

Bridgestone/Firestone internal documents tracked personal injury and damage claims for light truck tires. The recalled ATX and its updated version, ATX II, introduced in 1995, have accounted for a large percentage of the claims in recent years.



But when the recall was announced in August, tire company officials said they were reacting to a July analysis of Firestone data by Ford Motor, the biggest user of the recalled tires.

Tread-separation problems "only became apparent this year when we were looking particularly in the July and August time period, doing the analysis, some of which has been referred to here by Ford," Gary Crigger, Bridgestone/Firestone executive vice president, said in testimony Sept. 6 before a U.S. Senate subcommittee.

Had Firestone acted so many more people, including would still be alive," says Victorick of Corpus Christi, Texas. Matthew, 18, died in January when his Ford Explorer rolled times after the tread peeled left rear Firestone ATX tire. 1 among those recalled.

This story was also reported by Greg Farrell, Earle Eldridge, Del Jones, Sara Nathan, Thomas A. Fogarty and Barbara Harris.

An indication that tread separation was widely discussed at Bridgestone comes in a Friday deposition of Robert Martin, who retired president of quality assurance and is employed by the corporation.

Martin said in the deposition claims data showing tread-separation problems were presented to departments and to Masatoshi and chairman of U.S. operations executive vice president of Japan, Bridgestone.

Claims refer to money paid for damage and personal injury caused when tires fail. That's from money spent on warranties.

Martin: "The only place that data (were) ever discussed was sales CEO meeting." He described.

Please see COVER STORY next

More companies reveal financial info

Press releases, postings on Web sites taking place of private calls to analysts

By David Henry
USA TODAY

NEW YORK — Individuals are being let into an arena once reserved for stock analysts and institutional investors, as a small but rapidly growing number of companies routinely make stock-moving financial information available to all.

Before, companies shared so-called earnings guidance by phoning a select few stock analysts. Now when they want to update Wall Street's earnings expectations, they're increasingly likely to do so in press releases and postings on their Web sites, says Phil Livingston, president of the Financial Executives Institute.

"It is a small minority, but more and more companies are doing this or planning to," says Livingston.

Drug giant Pfizer is a leader in the trend. Last week, when announcing an extension of its stock repurchase plan, Pfizer said it is "still comfortable with financial analysts' current earnings estimates of up to \$1 per share" for 2000. Pfizer has been providing similar updates for about three years. It also extended its projections through 2001 when describing the impact of buying Warner-Lambert.

"Investors, like everything else, are something you compete for. Having timely information helps us in that regard," says CFO David Sheldar.

Others are giving numbers that investors need to figure expected earnings per share but stopping short of the actual per-share number itself. Since early 1996, Intel, in quarterly earnings

announcements, has given its margins and tax rates for the full quarter. Each month, computer maker Xilinx posts for two days revenue forecast. Internet community recently said publicly it increase its operating expenses at million in the coming nine months.

Driving the public disclosure changes in laws and regulations. Since 1996, corporations have been sheltered from investor over projections that prove they included caveats. The new Securities and Exchange Commission "Disclosure" rule, scheduled to take effect Oct. 23, will prohibit private guidance for analysts.

New technology. As companies have used the Internet to make conferences with stock analysts learned openness with individual investors promotes their stock.