

business

IN MINNESOTA
Pilots union
chairman survives
recall effort **D2**



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Investor wants answers from United

● A huge California pension fund called the stock-option grants for top UnitedHealth executives and board members "intolerable." by DAVID PERLES dperles@startribune.com

A powerful institutional investor is turning up the heat on the directors of UnitedHealth Group Inc. In a harshly worded letter sent Tuesday, the California Public Employees' Retirement System, a major force in the institutional investment community, requested a con-

ference call with James Johnson, the board's compensation committee chairman, to discuss the process by which UnitedHealth has awarded stock options.

The pension fund said it wants the call to take place before Tuesday's annual shareholder meeting at UnitedHealth's Minnesota headquarters.

Known as CalPERS, the California

fund is the largest state pension system in the country and carries clout with companies and investment managers that often outweighs the stake it holds in individual shares. CalPERS holds 6.5 million shares of UnitedHealth, or about 0.5 percent of the company.

"These stock-option grants are an insult and add injury in a market of skyrocketing health care costs in America, and ... we find this intolerable and unsustainable," CalPERS President Rob Fechner said in a let-

RISKY REPLACEMENT

In a study of 2,915 patients with recalled heart devices, 18 percent chose to replace them. Complications required a follow-up surgery in 31 patients and two died.

Treating an irregular rhythm implanted defibrillators are expected to shock the heart back into a normal beat.

Defibrillation is important either in that it



Source: Guidant Corp., JAMA, Associated Press

Study details risks of ICD replacement

● Patients must balance potential risks when contemplating replacement of a recalled heart device, the study says.

by JANET MOORE jmoore@startribune.com

When news hit last year that several popular models of heart defibrillators might fail, many patients implanted with the device called their doctors in a panic and asked that it be removed.

But a Canadian study released Tuesday in the *Journal of the American Medical Association* indicates that some patients who had their potentially faulty devices removed faced substantial complications, even death. Leaving the device alone might have been a better option.

Devices continue: Despite worries, failure rates are low **D3** ▶

3M agrees to pay EPA \$1.5 million in chemical case

● 3M agreed to the penalty over its reporting of chemical use but admitted no wrongdoing.

by RHEE ECHOLS rdechols@startribune.com

3M Co. agreed Tuesday to pay the Environmental Protection Agency a \$1.5 million penalty as a result of 244 violations of the Toxic Substances Control Act in connection with 3M's use of various chemicals, including those employed to make Scotchgard and Teflon.

The EPA accused 3M of failing to notify the agency about new chemicals and of late reporting of "substantial risk information." The fine, small for a corporate giant such as 3M, is large by EPA standards.

"EPA takes violations of toxic substances laws seriously and is committed to enforcing those laws," said Granta Naluyama, assistant administrator for the EPA's Office of Enforcement and Compliance Assurance.

EPA continues: 3M began phasing out the chemicals in 2000 **D3** ▶



Merle Jean Gartland, the proprietor of Merle Jean's Puppets, put on a show at the Goddard School in Apple Valley. This puppet, Fred, resembled a lion.

A popular puppet regime

SMALL BUSINESS DICK YOUNGBLOOD

As more than 20 preschool children were bawled into their seats last week at the Goddard School in Apple Valley, some of the toddlers began to whimper at the sight of the lady with her strange assortment of puppets.

But as Merle Jean Gartland began to introduce her entourage—including the Hungry Monster, Herman the Worm and Jont the Upside-down Wacating Can with the long spout nose—the cries were drowned out by giggles, then outright guffaws.

The highlight might have come in the middle of the Toy-Spider song when, as she sang "down came the rain," Gartland sprayed the audience with a fine mist of water.

"Again," the kids shouted, "Again!"

"I have the best job in the world," Gartland told them. "I never have to work; all I do is play with puppets."

Welcome to Merle Jean's Puppets, a collection of 300 puppet characters that populate upwards of 90 stories from which Gartland can choose for the shows she presents at schools, day-care centers, libraries and churches.

The result is a "delightful and refreshing change

A story-telling puppeteer built her business by hand—and holds her fans in the palm of her hand.



Merle Jean Gartland's hand took on a new personality as Herman the Worm.

from the electronic amusement of TV and video games that kids grow up with these days," said Barbara Vergara, director of the Goddard School, a preschool and day-care center. "She really captures their attention and imaginations."

One pine-stemmed critic put it best: "Boy, that was really cool." A 5-year-old kid was heard telling a friend.

Gartland's eclectic aggregation includes common household items gussied up with fake hair and eyes and colorful ducts to make them look lifelike. There's a puppet made out of a mailbox, with the door as the mouth; another fashioned from a toilet bowl brush and dressed up in doll clothes and sunglasses; yet another made from a small garbage container with a swivel top acting as the mouth for the voracious Hungry Monster.

There are dinosaurs and crocodiles, leprechauns and teddy bears, monkeys and mice, and enough burly animals to make Old MacDonald a rich man. Not to mention characters with plastic windows in their stomachs so kids can see what they're eating—including one whose stomach pops open to free the animals he's consumed.

Youngblood continues: She turned finger puppets into a business **D6** ▶

Average Jill has made her tax bill today (but not in Minnesota)

"Think you've been working the first 116 days of 2006 to bring home the bacon? Actually, you've been putting Uncle Sam's breakfast meat on the table. Until now.

April 26 is Tax Freedom Day: the day that the average American has finally earned enough to pay federal, state and local tax bills for the year. The day is calculated each year by the Tax Foundation, a Washington-based nonpartisan tax research organization.

The average American will spend more days working to pay taxes than to pay yearly expenses for housing, food and

clothing combined. Tax Freedom Day is three days later than it was in 2005, because of bigger paychecks and fatter dividends, not tax increases. And it's a week earlier than it was in 2000, when the tax burden peaked.

But not so fast. Today may be Tax Freedom Day for the average American, but not for Minnesotans. Folks residing in the Land of 10,000 Lakes will need to toil until May 3 before they're in theory, can keep their hard-earned cash. Just four other states have later tax freedom days this year. □

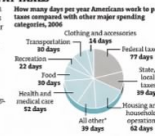
KARA MCCLELLER

MORE DETAILS ▶ www.taxfoundation.org/taxfreedomday • ALSO Minnesota ranks 10th in total taxes as a percentage of income **B5**

WORKING TO PAY TAXES

Americans work an average of 116 days per year to pay their federal, state and local taxes, but just 22 days to pay for their recreational activities.

● All other categories include a "regret" value for savings. Source: Bureau of Economic Analysis and Tax Foundation calculations



EARNINGS SEASON

Reported Tuesday: Amerigo, Buffalo Wild Wings, Conduit, C.H. Robinson, Deluxe, Fargo Electronics, Jelf, Comfort, Amazon.com, AT&T, DuPont **D2, D9**

Reporting today: CyberOptics, Fair Isaac, Farout, Dow's, Regis, Unilogic, Boeing, PepsiCo

ARCTIC CAT RECALL

Arctic Cat recalled 12,000 snowmobiles, citing faulty fuel tanks that could crack and leak **D2**

| Dow | Nasdaq | S&P 500 | NYSE | STI 100 | Gold (oz) | Oil (bbl) | 3-month | 2-year | 10-year | 30-year | Prime |
|-----------|----------|----------|----------|---------|-----------|-----------|---------|--------|---------|---------|-------|
| 11,283.25 | 2,330.30 | 1,301.74 | 8,405.92 | 176.53 | \$634.20 | \$72.88 | 4.77% | 4.94% | 5.07% | 5.16% | 7.75% |