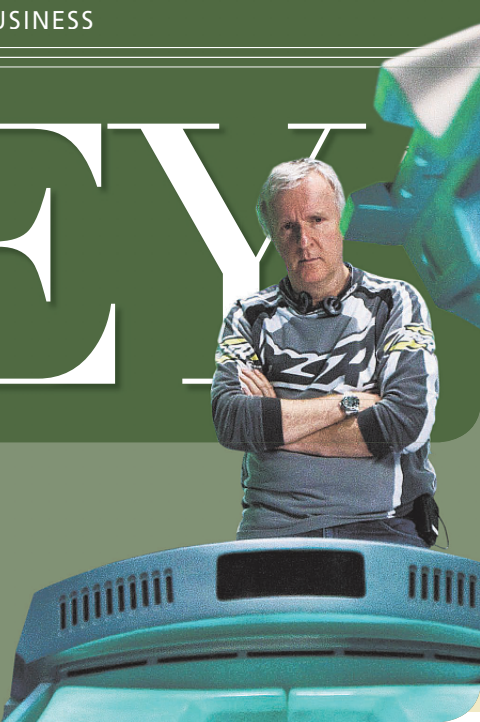


MONEY



Big gambit on 3-D

FILM » Twentieth Century Fox is placing big bets that “Avatar,” James Cameron’s first film since he directed “Titanic,” will take 3-D cinematography to an unrivaled level. **» E3**

EARNINGS REPORTS

Cost cuts, not sales, lift firms

Profits look good as companies slash jobs, perks; revenues idling.

By **STEVENSON JACOBS**

The Associated Press

New York » Corporate America is turning a profit again, but only by spending less, not making more.

Although recent bullish profit reports have fueled the stock market, a true economic revival will depend on consumers opening their wallets. So far, there’s not enough evidence of that nationwide.

Big names such as Caterpillar, IBM, Whirlpool, Pfizer,

3M and Lowe’s boosted profit forecasts for 2009 following a slew of second-quarter earning reports that blew past lackluster expectations. Yet the gains aren’t coming from sales.

Rather, companies are slashing everything from jobs to officer perks to boost the bottom line and please investors who have responded by pushing the major stock indexes to their highest levels in months.

None of this is surprising coming out of a recession. But the increase in the major stock indexes is raising questions about whether

Please see EARNINGS, E2



FILE | *The Associated Press*

At long last, profits and bullishness are displacing gloom and despair in corporate America after a round of cost cutting, as evidenced at a New York job fair, above. But a key element needed to restore the economy remains missing: revenue.

ALSO » STOCKS CLIMB, BUT CAUTION IS KEY » E2

This fall, expect to see fewer flights

Thirsty for revenue, airlines may charge higher fares and fees.

TRIBUNE STAFF
AND NEWS SERVICES

Airline passengers in Utah and across the nation will see fewer nonstop flights, less convenient travel options and possibly higher fares and fees in coming months as major carriers make capacity cuts this fall season for the second year in a row.

Earnings reports for the April-June quarter this week showed airlines are desperate to raise revenue as they head into their traditionally slow period.

Six of nine major U.S. carriers reported profits in

Please see AIRLINES, E2

Utah’s largest coal producer is in the red

Arch Coal Inc.’s CEO foresees ‘inevitable rebound’ in demand.

By **MIKE GORRELL**

The Salt Lake Tribune

The soft economy continued to impact the bottom line during the second quarter at Arch Coal Inc., Utah’s largest producer of coal.

But Steven Leer, CEO of the St. Louis-based company, expressed optimism Friday that “coal markets are in the process of bottoming out ... improving company financial performance in the second half of the year.”

Arch Coal reported a net loss of \$15.1 million, or 11 cents a share, in the quarter ended June 30, compared with earnings of \$113

Please see COAL, E2

THE MARKET

Investors held on to the stock market’s rally Friday, extending a two-week jump that has added 11 percent to the stock market’s major indicators. Disappointing results from Microsoft Corp. and Amazon.com Inc. hit technology shares, however, and dragged the Nasdaq composite index lower. **» E3**

Dow
Close » 9,093.24
+23.95 +0.26%

NASDAQ
Close » 1,965.96
-7.64 -0.39%

NYSE
Close » 6,377.46
+34.94 +0.55%

S&P 500
Close » 979.26
+2.97 +0.30%

UTAH STOCKS

The Bloomberg Utah Index measures the performance of the state’s major publicly held companies.

Utah Index
Close » 227.59
+1.54 +0.68%

Webcast will focus on stimulus grants

To help Utahns learn more about stimulus grants available in the state, Utah State University Extension and the Governor’s Office of Economic Development will sponsor a Webcast from 9 to 10 a.m. Thursday. The session may be viewed at <https://breeze.usu.edu/goed07/> using a high-speed, Internet-connected computer that supports Flash 8.0.0 and has speakers.

CONSUMER NOTES

Pre phone can again connect to iTunes, for now

Palm Inc. says the Pre can again connect to iTunes — only a week after Apple shut it out. A software update delivered to the phones re-enables the transfer of music and video from iTunes to Pres. The question is how long it will remain before Apple stamps it out again. **» E8**

Gasoline prices increasing, in spite of abundance

Nationally, retail gas prices are increasing, even though supplies have swelled for six weeks in a row. With so much unused gasoline in storage, analysts said prices should be heading even lower, but that doesn’t seem to matter because there are hints that demand will rebound. **» E2**

Communications companies promise downloading speeds as high as 50 to 100 megabytes per second – and pricing to match.

TELECOMS BATTLE TO BE THE FASTEST

By **STEVEN OBERBECK**

The Salt Lake Tribune

Competition among the providers of high-speed residential Internet services in Utah appears to be intensifying.

Qwest Communications Inc. said this week that it is rolling out a new high-speed Internet product in the Salt Lake City area — a service that it is billing as among the fastest in the country.

“This is a really neat time to be in this business,” said Travis Leo, director of Qwest’s high-speed Internet products. “We’re seeing customer demand [for high-speed services] increase at a time when the technology is increasingly capable of meeting their needs.”

The new product, which Qwest says can deliver download speeds of up to 40 megabytes per second (Mb/s), leverages the “fiber-to-the-node” technology the telecommunications company introduced into Utah last year that offers speeds of up to 20 Mb/s.

Qwest, though, isn’t the only provider of high-speed Internet services in Utah with an eye to delivering faster connections.

In February, Comcast Corp. announced it had doubled the speed of its Internet service in Utah to up to 16 Mb/s, or fast enough to download a full-length feature movie in less than six minutes.

And unlike Qwest, which is taking a gradual approach to rolling out its new product in Utah, Comcast’s service is available throughout most of the cable company’s Utah service territory that stretches from Logan to Nephi and from Heber to the Tooele-Grantsville area.

Please see INTERNET, E2

**Service now being rolled out.*

*** Service available over Utopia network Source: Service providers*

XMission**
Speed » 50 Mb/s
Cost » \$105/mo.

Prime Time**
Speed » 50 Mb/s
Cost » \$70/mo.

Fuzecore**
Speed » 50 Mb/s
Cost » \$58/mo.

Qwest*
Speed » 40 Mb/s
Cost » \$115-125/mo.

Comcast
Speed » 16 Mb/s
Cost » \$75/mo.

DSL
Typical speed » 7 Mb/s