



The State
COLUMBIA • SOUTH CAROLINA

BUSINESS

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Dow 10305 ▼ 0.35% - 36.07 • Nasdaq 1,969 ▼ 0.28% - 5.55 • S&P 500 1,094.04 ▼ 0.18% - 1.98 • Gold \$412.30 ▲ \$1.30 • Oil \$32.50 ▲ \$0.63

Struggling One Price fires CFO

By BEN WERNER
Staff Writer

C. Burt Duren, chief financial officer of troubled One Price Clothing Stores, was fired after the stock markets closed Christmas Eve, the Duncan-based company said.

On Friday, company officials were told about apparent misstatements regarding information given to large lenders, said Grant H. Gibson, corporate counsel for One Price.

A lender told the Duncan-based company that it had been given incorrect statements about One Price's assets. Those assets were used to secure One Price's revolving credit facility — large loans for a stated period of time that do not have a fixed repayment schedule. The majority of One Price's assets are its products in inventory.

Duren confirmed the information given to lenders was inaccurate, Gibson said.

Duren could not be reached at One Price's headquarters Wednesday and no listing for his home phone could be found.

Supplying incorrect information to lenders could cause One Price to default on its loans, the company said.

The company has informed the Securities and Exchange Commission and its lenders about the misstatements, Gibson said.

The company's audit committee has hired an outside firm to perform a forensic audit of One Price's financial statements.

Part of the investigation will include a review of past Securities and Exchange Commission filings by One Price, Gibson said. That review could result in the company amending its filings to the SEC, which regulates publicly traded companies.

Duren had been with One Price seven years but had been chief financial officer only since Oct. 8.

One of the first things Duren did as chief financial officer was help One Price secure a \$5 million loan to make it through the holiday shopping season. The loan was made indirectly by Sun Capital Partners, which owns 83 percent of One Price's outstanding stock.

One Price said Lynn Skillen, a Sun Capital vice president, will become its interim chief financial officer.

One Price operates 550 stores in 30 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands under the One Price & More!, BestPrice! Fashions and BestPrice! Kids names.

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Kathe Cronin is still looking for her first real estate sale. She lost her \$52,000-a-year job this year when Sprint laid off her and hundreds of other workers.



Many await economic recovery

By ADAM GELLER
The Associated Press

In the 10 months since Kathe Cronin was laid off from Sprint Corp., she's come up empty trying to replace the \$52,000 salary, three weeks vacation and self-confidence she lost with the job.

So the cubicle veteran changed course this fall, signing on at a just-hatched subdivision near her home in Harrisonville, Kan.; staking her economic bets on a newly issued real estate license. Still, her first



PHOTO BY CHRISTOPHER ALUKA BERRY/SPECIAL THANKS TO MICKEY LEITH

St. Nick ranks among the world's best chief executive officers, given his ability to manage a vast enterprise while making his customers happy.

WHY SANTA MAKES THE BEST CEO The Claus that impresses

By CHRIS ROBERTS
Staff Writer

It is Christmas Day, so you figure Santa Claus is sprawled on a beach somewhere, sunning his little round belly after working his one day this year.

You are probably wrong. More likely, he is back at the North Pole to compile the after-action report, conduct inventory, change Rudolph's oil and tackle some last-minute tax maneuvers.

You see Santa listening to true believers at the mall, waving at the tail end of Christmas parades or riding a Norelco through the snow. Your mind's eye sees him guiding the sleigh, quaffing milk, nibbling cookies and jamming himself through chimneys late on Christmas Eve.

Now think of Santa behind a desk.

Less work for Santas at nation's malls

SANTA ISN'T THE big mat at Christmas that he used to be, at least not at the mall.

While appearances by St. Nick remain a holiday ritual at most of the nation's 1,130 enclosed shopping centers, there are bearish signs for mall-based Santas, according to data from the International Council of Shopping Centers.

Evidence of Santa fatigue:

- The number of Santa photos sold per mall in 2002 was 4,683, down 54 percent from 2000.

Of all of Santa's skills, the right jolly old elf's biggest task is running a company. He is chief executive, chairman, president, main stockholder and spokesmodel for one of the planet's biggest conglomerates.

The vastness of his enterprise

makes Wal-Mart look like a yard sale, Microsoft like a typing pool.

Yet Santa pulls it off with ease, without the grime of fellow business owner Ebenezer Scrooge or the greed of Professor "Think Nasty" Hinkle, the magician from "Frosty the Snowman."

What makes Santa such a good business executive?

Consider that Santa:

- Holds the mystique of authority.
- Power perceived, as Santa would tell you, is power achieved. And few CEOs have the perceived power of Santa Claus, who has

made nearly everyone happy nearly all the time while maintaining control of his company for centuries.

■ Is deaf at delegating authority.

How can every mall in every town have a Santa Claus? How can Santa be red and yellow, black and white — sometimes at the same mall at the same time?

■ Runs the world's best distribution system.

FedEx is the Pony Express compared to how Santa delivers the goods. Internet lore says Santa's sleigh must travel at 650 miles per second and hit nearly 1,000 houses a second for nearly 31 hours to deliver to good boys and girls. Despite the math, he gets the job done.

■ Stays close to his customers.

FAO Schwartz is in bankruptcy

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Jewelers hope this month's sales are a gem

More than most other retailers, jewelry stores count on late-year profits

By JOHN KIRKPATRICK
The Dallas Morning News

The holiday season is a time of extremes — extreme spending, extreme busyness, extreme anxiety about buying the perfect gift.

And in retailing, one of the greatest extremes is in the jewelry industry.

The biggest chunk of sales and the vast majority of profits come in November and December.

Those two months account for about a third of jewelry retailers' annual revenue — and, for many jewelers, most of the earnings, according to industry experts.

"You wonder why they don't just close their doors the rest of the year," analyst Kent Gassman said with a touch of sarcasm.

November and December are expected to bring a 7 percent sales gain at jewelry stores over the same period last year, which pulled in a 6 percent increase over



KNIGHT RIDDER NEWS SERVICE
December is a diamond merchant's best friend.

COMING SUNDAY

The State's quarterly economy watch looks at South Carolina's recovery, with a special focus on the state's struggling steel industry.

check — no salary, just sales commission — is probably months away.

"As far as the economic recovery for me, I haven't seen it," said Cronin, whose work site now is a handful of half-built homes edged

by a cow pasture. "But if I just can hold on and make it through this crunch — "

Cronin's uncertainty says a lot about the economy and the people who make it work as 2003 nears an end.

After almost three years of painful job cuts, factory closings and thin corporate profits, this was the year the battered economy finally began to come back.

But many of the workers and businesses hit hardest by the downturn can only visualize a rebound. Even some who have seen a pickup in their fortunes remain doubtful about whether the turnaround can sustain itself.

For scores still out of work,

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