

On the law

Bill Grady, Merrill Goozner, John O'Brien

Women fear law, bias still in league

What do the partners whisper when a lawyer decides to take off early one afternoon to watch the kid's Little League game?

If the lawyer is a woman, she runs the risk of people thinking that her family is first priority and work ranks second, says Barbara L. Yong, who chairs the Committee on Women's Rights, a joint effort of the Women's Bar Association and the Young Lawyers Section of the Chicago Bar Association.

And if the lawyer is a man?

"When men do it, people think it's cute. It's great. He is showing concern," said Yong, a lawyer with Siegan, Barbakoff & Gomberg. "Law firms never presume that the man thinks his family is more important than his job."

The number of women lawyers has increased dramatically in the last two decades, and women are winning greater acceptance in major law firms and the courtroom. But many women still face more problems than men in balancing family and career goals without shortchanging clients. And they too often face put-downs from colleagues, corporate clients and judges.

The bias that women experience in state courtrooms has been under study for more than a year by a 44-member task force set up by the Illinois Supreme Court and coordinated by the Women's Bar Association, the Chicago Bar Association and the Illinois State Bar Association.

Hearings were held last year, and the group hopes to release a comprehensive report, with more than two dozen recomendations, by the end of this month, says Audrey H. Rubin, the lawyer who chairs the Illinois Gender Bias Task Force.

The task force report is expected to address problems of gender-based bias-against men and women—in Divorce Court, criminal sentencing and prosecution and civil damages. The report also is expected to look at courtroom dynamics generally—what types of treatment women experience as lawyers, witnesses or plaintiffs.

Rumors struck down

Rumors that she may be stepping down after eight years on the federal bench are "greatly exaggerated," says U.S. Magistrate Joan Humphrey Lefkow.

Lefkow, who recently was named executive magistrate for the U.S. District Court here, figures the rumors started making the rounds after she was required to reapply for her job, which was up for reappointment in November. There were a whopping 135 applications for three positions, including hers.

But Lefkow won reappointment to another eight-year term. The new magistrates are Edward A. Bobrick, a former administrative law judge at the Department of Health and Human Services, who has started hearing cases, and Chicago lawyer Ronald A. Guzman, who is to take the bench July 23.

Interest in the job no doubt was generated in part by salary. Pay for magistrates jumps to \$114,000 in January from \$88,340.

• An update: Each of the 11 present or former Chicago police officers transferred from jobs at the city's Office of Municipal Investigations during the administration of Mayor Harold Washington—and the estates of two others—will be getting the \$15,000 in damages suggested by the federal appeals court last year. U.S. District Judge Harry Leinenweber entered judgments last week on behalf of 10 officers or their estates, and the city agreed to identical settlements for the others, according to John Gubbins, their lawyer, and Mary L. Mikva, an assistant corporation counsel.

• It's a midlife job change for Raymond Cusack, 45, a partner at Johnson Cusack & Bell, who called it quits last week. After making a fortune in insurance defense work, he's moving to Tucson to practice law. Law firm chief William Johnson confirms there was some disaffection but wouldn't elaborate. "He wasn't happy with the management," Johnson said. "He wanted to make a change. So he's going to start all over."

Other comings, goings and a parting shot: Howard Pearl, the former assistant U.S. attorney who prosecuted cases both with and against onetime U.S. Atty. Dan Webb, joins Webb as a partner at Winston & Strawn. Pearl was a prosecutor at the trial of sports agents Norby Walters and Lloyd Bloom, who was represented by Webb; then he assisted Webb as a prosecutor at the Iran-contra trial of former national security adviser John Poindexter. . . . William Juneau, an attorney and former Tribune reporter, adds his name to the law firm started by Michael E. Lavelle, ex-chairman of the Chicago Board of Election Commissioners, and Edward J. Holden, a former assistant public defender. Lavelle, Holden & Juneau has offices in Oak Park and the Loop. . . . Veteran criminal defense lawyer Julius Lucius Echeles, now 75, vows to resume "shooting craps and chasing clients" after he recuperates from last week's bypass surgery. "In that order," he assures.

Adjustable mortgage issuers to draw suit

NEW YORK (Reuters)—Three Indianapolis law firms plan to file a suit on behalf of consumers who may have been overcharged billions of dollars on adjustable-rate mortgages and other loans.

"The defendants would be all financial institutions which are writing ARMs [adjustable-rate mortgages] and potentially using erroneous calculations," said Henry Price of the Indianapolis law firm Price and Shula.

The suit, which Price said would be filed in Indiana in the next six weeks, could spark similar actions against banks, savings and loans, mortgage banking

companies and credit unions in other states. The Federal Deposit Insurance Corp. acknowledged last week that it was reviewing potential errors in adjustable-rate mortgages held by thrifts seized in the U.S. cleanup of the savings and loan industry.

Philips predicts a huge loss for 1990

From Chicago Tribune wires

EINDHOVEN, Netherlands—Dutch electronics giant N.V. Philips, hit by a slump in its worldwide business, said Monday it expects to suffer a huge loss this year and will cut 10,000 jobs as part of a radical restructuring.

The world's second-largest consumer electronics concern, Philips forecast it will report a net loss of \$1.075 billion in 1990. Last year it had a profit of \$740 million.

The predicted loss stunned analysts, who had been expecting N.V. Philips Gloeilampenfabrieken to make a small profit this year in line with the company's earlier forecasts.

Its share price slumped nearly 7 percent, to \$16.56 on the Amsterdam bourse, in 30 minutes of hectic trading after the announcement.

Jan Timmer, formally elected president of Philips Monday, told an extraordinary meeting of shareholders the company would drastically restructure its business by making deep cuts in its work force of 290,000.

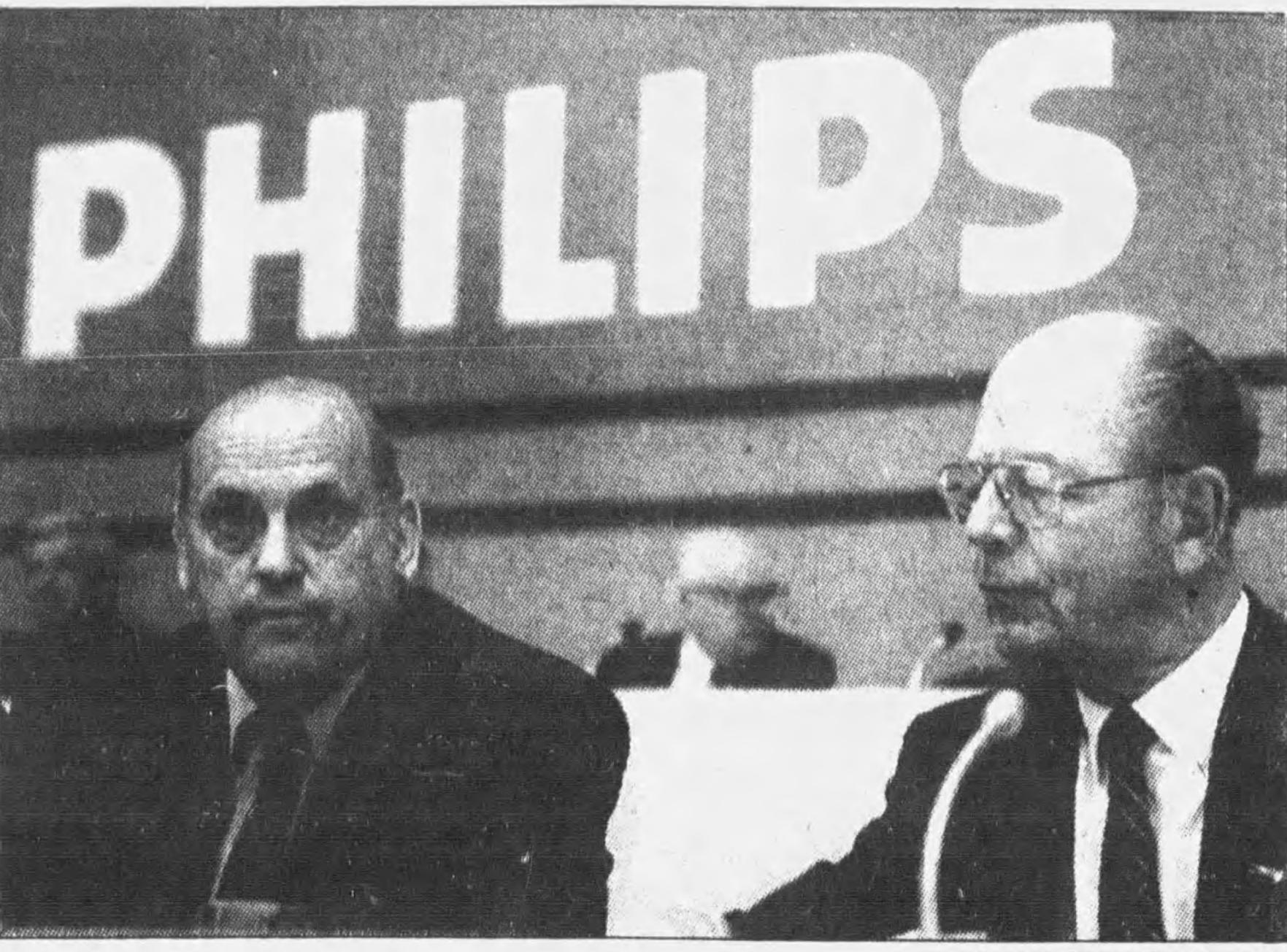
Although Timmer conceded that the losses he expects Philips to absorb in 1990 are high, he said "they are not such a high amount that panic is nec-

Philips leadership cannot "wave a magic wand" to solve the electronics giant's problems. Timmer said the company will begin

However, he warned that the new

the layoffs immediately. Most of the job losses will be in Europe, he said.

The company, second only to Japan's Matsushita among global consumer electronics concerns, has been struggling to make its vast array of products profitable.



Agence France-Presse photo

Jan Timmer (left), N.V. Philips' new chairman, waits Monday for the firm's shareholders meeting to start in Eindhoven, the Netherlands. He predicted a billion-dollar loss for 1990. At right is Philips official Wisse Dekker.

While its consumer products, ranging from light bulbs to compact disc players, have held up relatively well, some tech areas have done poorly, analysts

Its professional products and systems division, for instance, suffered an operating loss of \$65.72 million between January and June, in contrast to an operating profit of \$13.25 million in the year-earlier period.

Its computer division is particularly troubled, with estimated losses of about

\$537 million per quarter over the last

However, the company's largest diviventures in computers and other high-sion, consumer products, did better Philips' record business, Polygram, than last year, with January-to-June sales of \$4.92 billion and a profit of \$341.85 million, up from \$4.47 billion in sales and profits of \$184.97 million in the first half of 1989.

"Philips considers the financial position of the company strong enough to bear the loss," Timmer told sharehold-

Timmer succeeded Cornelis van der

Klugt, who was forced to resign in May after Philips reported an unexpected plunge in profit in the first quarter of this year.

Some analysts said the decision to restructure the sprawling conglomerate, established 99 years ago meant problems in unprofitable divisions would be swiftly tackled.

"This loss figure suggests that [Timmer] is really trying to pull out all the rubbish at once," said Dirk de Jong, an analyst at N.V. Mulco, an Amsterdam stock brokerage.

Analysts said Timmer, known among local trade unionists as "Hurricane Gilbert" because of his earlier dramatic restructuring of Philips' now highly profitable consumer electronics division, appeared to be living up to his nick-

Timmer said the company would spend \$1.45 billion on restructuring unprofitable areas of its business. He said Philips remained committed to all its existing divisions but that he wanted to make the company's managers more profit-oriented.

"We have to try to be as good as we think we are," he added.

Financial analysts have high expectations of Timmer, based on his past successes.

He made his name by shaking up turning it from a problematic subsidiary in 1981 into a big money spinner by 1987.

After that he was made director of the consumer electronics division, which produces a range of products, from razors to compact disc players, and initiated another reorganization that transformed it into one of the group's main profit centers.

Maxwell facing challenge at home to ratings system

By Steven Prokesch New York Times News Service

LONDON—Even as Robert Maxwell moves to challenge the A.C. Nielsen Co. in providing audience ratings to the American television industry, his market research company is suffering setbacks in Britain and Australia.

In Britain, the Maxwell company, Pergamon AGB, next year will lose the television-ratings monopoly it has held since 1968.

And in Australia, AGB has recently lost its ratings business in four cities to Nielsen. The American company already measures television audiences in Melbourne, and its executives say about 95 percent of Australia's viewers live in those five markets.

AGB may get its chance to retaliate against Nielsen on its home turf. The three major American television networks are unhappy with many Nielsen measurements—especially statistics that show overall television viewing dropping—and AGB has announced that it is being encouraged to enter the ratings business in the United States. But none of the networks has made a formal commitment to AGB.

AGB faces an equally important challenge in Britain, where it is based, even though it has kept Nielsen at bay here. Beginning Aug. 1, 1991, AGB will have to share its ratings business with Research Services Millward Browne.

The total business is worth 6.25 million pounds, or about \$10.9 million, a year for seven years, said Nigel Newsone-Smith, director of the Broadcasters' Audience Research Board.

The board, which awards the contract, is owned by British Broadcasting Corp. and the Independent Television Association, whose members include the country's 16 commercial television broadcasters.

AGB, Research Services and Nielsen all tried to win the entire contract. Newsone-Smith would not say how it will be financially divided between AGB and Research Services, which is owned by Lopex PLC and the WPP Group, two big advertising and marketing com-

Under the new contract, Research Services will choose the homes in which to install the "peoplemeters" that viewers use to record who is watching what. AGB will do the rest: install the meters, compile the data and distribute the results.

AGB has used peoplemeters to measure British television audiences since December 1984.

"It's an extremely good service," said Alec Kenny, media director of Saatchi & Saatchi Advertising.

Gareth Morgan, head of research at the Independent Television Association, added, "It works perfectly satisfactorily."

Even so, the television and advertising industries apparently believed that a higher level of perfection could be achieved. The current system does not provide the gender and

age of viewers visiting homes with peoplemeters. Nor can it tell when someone played back a program that was previously recorded on a videocassette recorder. "Those were two major issues," Morgan said. A new

peoplemeter will be introduced to do both. While there has been a gradual drop in the size of British television audiences, it is believed that much of

that decline is the result of people recording programs and then playing them back at a later time, he said. The number of hours viewed a week by the average person in Britain fell to 25.5 hours last year from 25.87 hours in 1988. But viewing of recorded programming

rose to 1.76 hours a week, from 1.5 hours in 1988. "We have research that indicates that about twothirds of that is programming that was previously recorded off the set," Morgan said. About 62 percent of homes in Britain have at least one videocassette record-

When the VCR is recording, the new meter will put an electronic footprint on the tape to enable the meter to recognize it when the program is played back.

Even if a viewer does not push the buttons to indicate who is watching which programs, both the existing meter and the new one can tell that the set is on.

The new contract also calls for the number of homes with meters to be increased to 4,435 from about 3,000. The makeup of this viewer panel will also be changed. The current panel proportionally reflects Britain's population.

The new one will be disproportionate, with increased representation given to the younger and wealthier

viewers that advertisers most want to reach. "People in the older, 'down-market' segment tend to be heavier viewers and, therefore, you don't need so many of them on the planel," Morgan said.

Time Warner sues Pathe on MGM deal

New York Times News Service

A \$100 million lawsuit Time Warner Inc. filed late last week against Pathe Communications Corp. accuses the Italian comparights twice.

Angeles Superior Court, includes five counts against Pathe, which is seeking a \$650 million loan from Time Warner to help finance a \$1.2 billion bid for MGM/UA Communications Inc.

Time Warner also charged that its deal with Pathe was signifi-

cantly undermined when Pathe renegotiated its merger agreement with MGM/UA last week.

The suit casts considerable doubt on the shaky financial ny of trying to sell the same film agreement and presents another distribution and home video obstacle to the quest for MGM by Pathe and the company's The suit, filed Friday in Los owner, Italian financier Giancarlo Parretti.

> Some analysts and movie business executives said the motive for the suit was difficult to see because it was unlikely that Pathe would be able to buy MGM.

Warner might counter some of

the criticism it received by negotiating with Parretti, whose background has raised questions, and that it might make a deal between Pathe and a third party to acquire MGM more difficult.

The analysts and executives also said Time Warner could end up with money if the suit succeeds and if cash is available. Parretti has put as much as \$325 million into his MGM bid.

The suit alleged that Pathe used the one movie rights agreement, crossing out Time Warner and in-They speculated that Time serting MGM, to sell the same rights to MGM after its buyout.

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