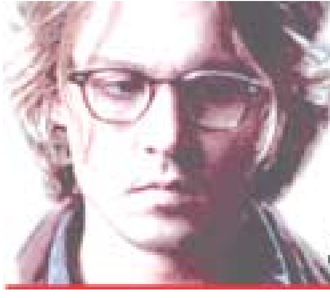


Weekend Guide SECTION E

Johnny Depp peers into 'Secret Window' | Parties o'plenty on St. Patrick's Day

The Detroit News

Friday, March 12, 2004 www.detnews.com 7 8 9 10 11 12 13 14 15 A B C D E F G

Ford, DCX revive 401(k) perk

Return of retirement account matches signals automakers' finances are improving

By Eric Mayne
The Detroit News

Ford Motor Co. and DaimlerChrysler AG's Chrysler Group are reinstating company-paid contributions to employee 401(k) plans, a signal that the companies are rebounding after several difficult years.

The automakers suspended matching contributions to 401(k) retirement funds in 2002 and slashed other benefits in an effort cuts costs.

Chrysler will resume company contributions for 15,000 employees on April 1. Ford said it will reinstate contributions for 45,000 employees on July 1.

Ford, which will contribute 60 cents on the dollar for up to 5 percent of an eligible employee's salary, also said it will pay bonuses to eligible mid- and upper-level managers worldwide. It will mark the first time since 2001 the 6,200 employees have received bonuses.

At Chrysler, enrolled employees will receive 401(k) matching contributions of 50 cents on the dollar on up to 6 percent of their base salary, spokeswoman Angela Spencer-Ford said.

Before company contributions were suspended, Ford paid 60 cents for each dollar up to 10 percent of employees' base pay. Chrysler had matched 60 cents per dollar up to 8 percent of pay.

General Motors Corp. has continued to make company contributions to employee 401(k) plans, but at a reduced rate.

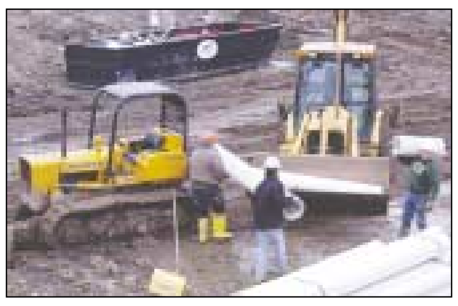
Please see 401(k), Page 7A

How automakers' plans compare

Company contributions to employee 401(k) plans at Detroit's automakers:

COMPANY	401(K) MATCH	ELIGIBLE EMPLOYEES
GM	50 cents for each dollar up to 6% of base pay	40,000
Ford	60 cents for each dollar up to 5% of base pay	45,000
Chrysler	50 cents for each dollar up to 6% of base pay	15,000

Small firms forced to drop health benefits



David Coates / The Detroit News

Most workers at A.G. Housey Co., a Detroit landscaping firm, lost Blue Cross coverage when the company said they would have to pay the premiums.

Others scale back coverage as costs prove too high.

Charles V. Tines / The Detroit News

Doreen Naparilla, left, QFS Marketing and Printing owner, had to end health benefits for her six employees in January. Office manager, Kim Ptak, right, says that without the insurance, she'll just try to stay healthy this year.

By Sheri Hall
The Detroit News

FARMINGTON HILLS — Doreen Naparilla, owner of QFS Marketing and Printing in Farmington Hills, was forced to eliminate health benefits for her six employees in January.

At $2,500 a month, the insurance was just too expensive, she said. Instead, she socks away $1,800 a month in a bank account used to cover employee medical costs.

It's a Band-aid solution at best. A serious accident or illness would wipe out the fund, and Naparilla's concerned employees could flee to jobs that offer health coverage.

"Cancer, an accident, anything could happen and you're not covered," she said. "But when you're faced with the choice of paying rent on your building or insurance, the insurance has to go."

Across Michigan and America, rapidly rising health care costs threaten the viability of small businesses as owners weigh whether to cut expensive benefits or risk losing employees to companies that offer better health coverage.

Hundreds of business owners like Naparilla have been forced to eliminate coverage or reduce health benefits as costs increase, for some more than 20 percent a year.

Please see BENEFITS, Page 2A

Health care crunch

- 52 percent of small businesses — 250 employees or fewer — don't offer health insurance to their employees.
- The average insurance plan for small business owners cost $402 per employee per month for a single person and $732 per month for family coverage.
- 65 percent of business owners who didn't offer health coverage said cost was the main reason.

Source: National Federation of Independent Business

Ailing Field's likely to lure eager buyer

Target looks to sell Hudson's successor to big-name chain.

By Karen Dybis, Kara Morrison and Darren A. Nichols
The Detroit News

Target Corp.'s decision to auction off struggling Marshall Field's sets the stage for a bidding war and is yet another sign that the stores' once beloved Hudson's name has faded even further.

Mervyn's, Target's middle-market department store, also will hit the chopping block. While analysts say Marshall Field's could find a home among chains running Macy's, Lord & Taylor and Dillard's, they predict Mervyn's may take longer to sell, mostly because it has faltered against competitors like Kohl's Corp.

Target officials and real-estate experts said few Marshall Field's stores should close, especially at valuable locations at malls like Twelve Oaks in Novi, Somerset Collection in Troy and Briarwood in Ann Arbor. Even so, Target has offered severance pay to those employees affected by its decision.

In Michigan, Marshall Field's has 21 stores, Mervyn's has 15 locations.

Area shoppers like Ron Majkowski, 68, of Roseville, say they are unhappy with Target's strategy. Majkowski said he still hasn't recovered from seeing the Hudson's name replaced at Eastland Center in Harper Woods.

"We've been shopping here 40-some years," Majkowski said Thursday as he made his way into the mall. "It was really a sad situation when they took the Hudson's name off the building. But we stuck with them, and we'll probably stick with the next one because it's convenient."

Though sporting a Marshall Field's shopping bag, Cartina Anderson, 19, of Lansing and James Johnson, 19, of Detroit were unfazed.

Please see FIELD'S, Page 2A

Revealing revenues

Marshall Field's stores have been a drain on Target's bottom line.

Store	Number of stores: Total	Number of stores: Michigan	Revenue (in billions): 1999	Revenue (in billions): 2003	Percent change
Target	1,343	51	$26.1	$41.3	59%
Mervyn's	266	15	4.1	3.6	-15%
Marshall Field's	21	62	3.1	2.6	-19%

Source: Target Corp. *The Detroit News*

David Coates / The Detroit News

Cartina Anderson and James Johnson leave Marshall Field's at the Eastland Mall on Thursday. Experts believe Field's will be snapped up quickly.

FRIDAY'S WEATHER

High 31
Low 20
See Page 8D

INSIDE

130th year, No. 203
© The Detroit News
Printed in the USA

50¢ 30¢ daily for home delivery in the 6-county metro area.

For home delivery call: (800) 395-3300

Recycled newspaint is used to print The Detroit News.

Terror strikes Madrid trains

Spain suspects Basque group; links to al-Qaida probed.

By Mar Roman
Associated Press

MADRID, Spain — A series of bombs hidden in backpacks exploded in quick succession Thursday, blowing apart four commuter trains and killing at least 192 people and wounding 1,200.

Spain blamed Basque separatists, but a shadowy group took credit in the name of al-Qaida for the worst terrorist attack in Spain's history.

Panicked commuters trampled each other, abandoning their bags and shoes, after two of the bombs went off in one train in the Atocha station in the heart of Madrid. Train cars were turned into twisted wrecks and platforms were strewn with corpses.

"March 11, 2004, now holds its place in the history of infamy," Prime Minister Jose Maria Aznar said.

The bombing came three days ahead of Spain's general election Sunday. A major campaign issue was how to deal with ETA, the Basque militant group.

The bombing also came 2½ years after the Sept. 11, 2001, terrorist attacks in New York and Washington.

The 10 backpack bombs exploded in a 15-minute span, starting about 7:39 a.m., on trains along nine miles of commuter line from Santa Eugenia to the Atocha terminal.

The government called for nationwide anti-ETA rallies for today.

A top Basque politician, Arnold Otegi, denied ETA was behind the blasts and blamed "Arab resistance," noting Spain's support for the Iraq war.

Bernat Armague / Associated Press

By nightfall Thursday, a memorial was set up in Barcelona, Spain, for the victims of the bomb attacks at Madrid train stations during the morning rush hour.

INSIDE

Shock, then panic
Explosions bring chaos, horror to capital. **Page 4A**

Who's to blame
It could take time for Spain to get at truth of bombings. **Page 4A**

House sets smut fines at $500,000

Senate considers own bill to toughen broadcast penalties.

By Jonathan D. Salant
Associated Press

WASHINGTON — The House overwhelmingly passed a bill Thursday substantially increasing the maximum fine for radio and TV indecency.

"I am tired of hearing parents tell me how they have to cover their children's ears," said Rep. Joseph Pitts, R-Pa.

The bill, passed 391-22, would raise the maximum fine for a broadcast license-holder from $27,500 to $500,000. The fine for a performer would go from $11,000 to $500,000.

Edward O. Fritts, the president of the National Association of Broadcasters, said, "Voluntary industry initiatives are far preferable to government regulation when dealing with programming issues."

The measure picked up momentum after the infamous Feb. 1 Super Bowl halftime show during which singer Justin Timberlake exposed Janet Jackson's breast to 90 million viewers.

The Bush administration endorsed the bill.

Critics said the legislation would undermine free speech.

Similar legislation in the Senate goes further, ordering the FCC to look at ways to protect children from violence on television and putting on hold sweeping media ownership changes adopted by the FCC last year.