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ADVERTISING: Verizon pulls ad offensive to Greeks

Athens --- U.S.-based telecom giant Verizon Communications Inc. has agreed to withdraw ads in Greek newspapers that featured an unlicensed photo of the ancient Parthenon in Athens, Greek authorities said Thursday. The company apologized for using a picture of the 2,500-year-old temple in a newspaper advertising campaign, a culture ministry statement said. Verizon said it was not aware it had broken Greek law and intended no disrespect to the monument, according to the statement. Culture Minister George Voulgarakis said the advertisement "was an insult to a monument that belongs not only to Greek but to global culture." "We are satisfied with the American company's apology," he said.

CORPORATIONS: Tyco board OKs split into 3 firms

Industrial conglomerate Tyco International Ltd. said Thursday that its board has formally approved the company's breakup into three separate companies through a tax-free dividend distribution to shareholders. The Securities and Exchange Commission also has registered the new companies, Tyco said in a statement. "We are now in the final stages of completing this complex transaction, which will provide these businesses with the focus and flexibility to achieve their long-term growth potential," said Edward Breen, Tyco's chairman and chief executive. On June 29, each Tyco shareholder will receive one share of the company's health care business, which is being named Covidien, and one share of Tyco Electronics for every four common shares of Tyco International held at the close of business June 18. Tyco Electronics had about $13 billion in sales in 2006. The former Tyco Healthcare had about $10 billion in sales last year. Tyco International, which will keep its headquarters in Bermuda, retains the largest chunk, which includes the fire and security and engineered products units.

DEALS: Cadbury to buy Turkish gum firm

London --- Confectionery and soft drinks maker Cadbury Schweppes PLC said Thursday it agreed to buy Intergum, a privately owned Turkish gum business, from the Amram family. The company said the deal was for $450 million in cash and debt, and declined to say how much debt was included in that figure. "The acquisition of Intergum will strengthen our participation in the fast-growing Turkish confectionery market," the company said in a statement. The deal is subject to regulatory approval by the Turkish Competition Board and is expected to be completed in the third quarter of 2007. In 2006, Intergum, the maker of First gum, had a 46 percent share of the Turkish gum market and posted revenue of $109 million, Cadbury said. Cadbury Schweppes is splitting itself in two, separating its confectionery and soft drinks businesses, as it apparently bows to pressure from investors led by U.S. billionaire Nelson Peltz. The company intends to spin off its Plano, Texas-based U.S. beverages arm, which makes products including Snapple and Dr Pepper, from the rest of Cadbury. That would leave its confectionery business, which has products such as Dairy Milk chocolate and Trident Gum.

FINANCE: Provident Financial to spin off unit

London --- British insurer Provident Financial PLC said Thursday it plans to spin off its international home credit business and give existing stakeholders a share in the business for every share they own in the parent company. "The international business will be better able to capture its growth opportunities through greater management focus and the closer alignment of management incentives to the performance of the international business," the company said in a statement. "The U.K. business will be able to concentrate on developing a more broadly based business." Home credit involves unsecured personal loans to consumers that are delivered by agents to their homes; collections also can occur at the home. Ahead of the sale, Provident will pump 70 million pounds ($139.5 million) into the business to help support it as an independent concern. Provident Financial shares fell 2.05 percent to 764 pence ($15.23) on the London Stock Exchange on Thursday.

Royal & Sun to expand in Europe

London --- Royal & Sun Alliance Insurance Group PLC said Thursday it agreed to buy half of GD II-Global Direct Insurance Investments BV, a joint venture with Direct Insurance Financial Investments Ltd., for 88 million pounds ($175.4 million) to boost its presence in Eastern Europe and Russia. The company will pay an initial 44 million pounds ($87.7 million) in cash for the shareholding along with a further 44 million pounds ($87.7 million) to fund future growth, the company said in a statement. "The joint venture is consistent with the group's emerging markets strategy," Royal & Sun said in a statement. GDI is Poland's leading direct motor insurer. Completion of the transaction is subject to regulatory approval.

FOOD / BEVERAGES: Profits increase at Smithfield Foods

Smithfield, Va. --- Meat producer Smithfield Foods Inc., which operates the world's largest hog slaughterhouse in southeastern North Carolina, said Thursday its fourth-quarter profit rose sharply, as rising pork and beef sales offset the higher cost of grain to feed its hogs. Profit totaled $37 million, or 33 cents per share, for the quarter ended April 29, compared with $1.1 million, or a penny per share, in the same period last year. Results include a 4-cent charge on the value of some beef segment assets and a gain of 5 cents from a lower tax rate. The 2006 quarter included a 5-cent charge for restructuring East Coast pork-processing operations. Sales rose 14 percent to $3.06 billion, from $2.68 billion a year ago. Analysts polled by Thomson Financial had expected profit of 36 cents on revenue of $3.16 billion. Pork sales grew 19 percent to $2.06 billion, while beef and hog production sales also increased. However, hog production operating profit fell, because of higher costs and the impact of circovirus, a hog sickness that hurt sales.

LEGAL: Former Swissair execs acquitted

A three-judge court on Thursday acquitted 19 top executives and consultants accused in the collapse of Switzerland's former national carrier Swissair and ordered the government to pay compensation totaling more than $2.5 million. The defendants in Switzerland's largest corporate fraud trial denied from the start charges that included damaging creditors, mismanagement, making false statements and forging documents. Some have blamed the big Swiss banks and the Sept. 11, 2001, attacks on America for the airline's downfall. Former employees and others in the courtroom were angered by the ruling. Swissair was abruptly grounded on Oct. 2, 2001, after months of financial problems left it unable to pay for fuel and landing fees. Tens of thousands of passengers were stranded worldwide. Thousands of employees and many shareholders lost their life's savings.

MANUFACTURING: Whirlpool to cut 700 jobs in Tenn.

Nashville --- Whirlpool will eliminate more than 700 jobs at two Tennessee plants that make dehumidifiers, air purifiers and cooking ranges, the company said Thursday. Whirlpool Corp. plans to phase out at year's end the manufacturing of dehumidifiers and air purifiers at its plant in the Nashville suburb of La Vergne, which employs about 600. About 330 jobs will be cut, the company said. Whirlpool also said it will relocate the manufacture of its freestanding cooking ranges from its Cleveland, Tenn., plant to factories in Tulsa, Okla., and Celaya, Mexico. About 400 jobs will be eliminated at the Cleveland site by the end of 2008, mainly through attrition and reduction of temporary positions, the company said. The Cleveland plant, north of Chattanooga, currently has about 1,200 employees. It hasn't been decided how many jobs will be added at Tulsa and Celaya, the company said. Othal Smith, international vice president of the International Brotherhood of Boilermakers union, which represents the La Vergne plant, said Whirlpool has indicated the plant may switch from assembly to stamping --- meaning workers will be making parts and components for other Whirlpool plants.

MARKETS: Prices for corn, energy increase

Corn prices climbed Thursday as traders fretted over dry weather in the eastern Corn Belt. Elsewhere in commodities, energy prices rallied, while the markets for industrial and precious metals softened. Corn fields in southern Indiana and southwestern Ohio have for weeks hungered for rain, and moisture remains a focal point in the corn market, said DTN analyst Gary Wilhelmi. The National Weather Service indicated scattered thunderstorms could sate parts of the region. July corn futures jumped 8 cents to $3.8275 a bushel on the Chicago Board of Trade. Wheat and soybean futures traded higher, as well. Meanwhile in New York, energy prices climbed as traders took recent refinery data and economic projections as bullish signs, according to Wachovia energy economist Jason Schenker. The Energy Information Administration on Wednesday reported a surprise drop in refinery usage for the week ended June 1. Although gasoline stockpiles increased at the same time --- boosted partly by imports and partly by weaker demand --- traders viewed the refining rollback as a worrisome element heading into the peak driving months of July and August.

RETAIL: Court fight ahead for Tower Records

Tower Records kept control of its bankruptcy case Thursday, but the defunct retailer is headed toward a court fight over how to distribute the $33 million left in its coffers. U.S. Bankruptcy Judge Kevin Shannon rejected a bid by the official committee of unsecured creditors in the case to upset Tower Records' exclusive right to propose a reorganization plan. His ruling heads off the prospect of dueling Chapter 11 plans. Shannon scheduled a July 31 hearing to consider confirmation of the Chapter 11 plan put forward by Tower Records. Unsecured creditors say they will use the hearing to continue challenging an outcome that offers them only pennies on the dollar. "We're going to have a contested plan-confirmation hearing, your honor, whether there's one plan or two plans," creditor attorney Lawrence Rifken of McGuire Woods told Shannon at a hearing in Wilmington, Del., on Wednesday, when the proceeding began.

TECHNOLOGY: Satellite company to expand uplinks

Crawford Communications, an Atlanta company that specializes in satellite transmission services, has expanded its fleet of uplink trucks by purchasing a Chattanooga company. Crawford's acquisition of Starlink includes a facility in Chattanooga. Terms were not disclosed.

Analysts oppose Siemens unit IPO

Siemens AG should scrap its plans for an initial public offering of its automotive unit and pursue the more lucrative strategy of an outright sale, which could reap the German engineering giant more than 10 billion euros ($13.5 billion), analysts say. Strategic synergies could push up the acquisition price for the unit compared with an IPO, which is planned for later this year. VDO has already attracted the attention of potential buyers. "It is very doubtful" whether Munich, Germany-based Siemens will go ahead with an IPO of the VDO unit, said Christopher Kummer, a director at the Vienna, Austria-based Institute for Mergers, Acquisition and Alliances. Kummer pointed to financial analysts' estimates, which show Siemens could generate significantly higher proceeds with a sale of VDO to a trade buyer. In the fiscal year ended Sept. 30, VDO reported 10 billion euros in sales and an operating profit of 669 million euros, compared with 9.6 billion euros in sales and 630 million euros in operating profit in fiscal 2005.

Vodafone investors lobby for spinoff

London --- A shareholder group in mobile-phone company Vodafone Group PLC has called on the company to spin off its stake in Verizon Wireless and return the almost 40 billion pounds ($79.4 billion) in cash to shareholders. Vodafone said Thursday it had received a letter from Efficient Capital Structures asking the company to put four motions up at its annual meeting on July 24. Some investors have long called for Vodafone to ditch its 44.4 percent stake in U.S.-based Verizon to focus on growth in Europe and Asia, but Efficient Capital's request for voting at the shareholder meeting is the first official move in that area. Efficient Capital said the sale would improve Vodafone's capital structure. The market reacted positively to the news, with Vodafone's shares rising 2.13 percent to 158.40 pence ($3.15). Vodafone said it is reviewing the contents of the letter and will make a further announcement "in due course." The company's partner in New Jersey-based Verizon Wireless is New York-based Verizon Communications Inc.

TRADE: Canada enters into five-way pact

Ottawa --- Canada and four European countries signed a free trade agreement on Thursday, the first such pact for Canada in six years. The agreement announced by Canadian Trade Minister David Emerson is with the European Free Trade Association, made up of Iceland, Liechtenstein, Norway and Switzerland. The deal is expected to expand opportunities for Canadian businesses in building materials, forest products, automobile parts and agriculture. The countries currently do about 11 billion Canadian dollars ($10.36 billion) in two-way trade with Canada. The announcements will be welcomed by Canada's business community generally, but shipbuilders will likely be angry that their sector will soon face greater competition from Norway, a maritime powerhouse. Anticipating the negative reaction, Emerson said the agreement provides a 15-year phase-out period on the 25 percent Canadian duty that protects domestic shipbuilding operations, with a three-year grace period before any tariff cuts begin.

TRANSPORTATION: Sea Containers granted extension

A bankruptcy judge gave marine-container operator Sea Containers Ltd. another four months to prepare a Chapter 11 plan that will outline how much creditors will get paid when the firm exits bankruptcy. Judge Kevin J. Carey of the U.S. Bankruptcy Court in Wilmington, Del., signed an order Tuesday that extends the company's sole right to propose a plan through Sept. 28. Sea Containers' exclusive right to propose a plan without the threat of competing plans had been set to expire next Tuesday. The order also extends the firm's exclusive right to solicit creditor votes for its plan to Nov. 27 from Aug. 11. Sea Containers said that it was too early in the bankruptcy case, under way since October 2006, to develop a plan because of an ongoing dispute with GE Capital Corp. The two parties have been at odds over GE SeaCo SRL, a container-leasing business owned jointly by Sea Containers and GE. The unit is Sea Container's main line of business and prior to the bankruptcy case GE Capital said it had the right to buy the firm's 50 percent ownership stake as a result of a change in control at Sea Containers.