

THURSDAY  
MARCH 3, 2005

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## Warriors come back to beat Wolves

Golden State erupts for 33 points in the fourth quarter to earn just their sixth road victory of the season. **See Page 53**

## Ten years later, Yahoo! still leads the Internet pack

Focus on profitability and frugality keeps portal mavens Jerry Yang and David Filo going strong one decade after launch. **See Page 13**



## Henry Rollins takes on independent films

In the Independent Film Channel's new show "Henry's Film Corner," the punk-rock hero shines a light on indie flicks. **See Page 17**



# Union shutdown stops cable cars

Mayor steps in to get famed icons rolling after labor dispute sparks three-hour strike and strands riders

*Transit agency chief calls surprise walkout illegal and vows "serious action" if operators take similar steps in future. See Page 3*



## Big waves arrive



Russell Smith rides a monster wave at the Mavericks Surf Contest in Half Moon Bay on Thursday. Santa Cruz's Anthony Tashnick, 20, won the annual event, which draws surfers and fans from all over the world. **See Page 4**

## Dems hostile to reform plans for state pensions

Lawmakers angrily denounce Gov. Schwarzenegger's public statements on controversial initiative in contentious hearing. **See Page 7**



## National firm eyes S.F. dogs

Colorado-based "Camp Bow Wow" looks to expand into thriving San Francisco dog-care market. **See Page 12**

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See pages 54 & 55 for our specials

# Business

Your 10-minute daily briefing 

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## 30-SECOND MARKET REPORT

### HOTTEST STOCKS

NYSE				
Name	Volume	Last	Chg.	
LucentTech	53,618,800	3.16	-0.1	
Elan	47,413,800	7.92	-0.5	
QwestComm	42,915,900	3.93	-1.2	
NortelNet If	33,468,800	2.93	+0.3	
ExxonMobil	24,809,000	62.68	+5.8	
AMEX				
SPDR	62,032,800	121.31	+0.8	
SemiconHTr	41,388,300	34.30	-0.49	
iShRus2000	10,264,100	127.16	-0.09	
iShareJapan	7,474,000	10.84	-0.5	
DJIA Diamnds	7,216,500	108.10	-1.1	
NASDAQ				
Nasd100Tr	105,415,419	37.61	-0.2	
SiriusS	87,514,892	5.92	+0.3	
Intel	78,238,143	24.52	-1.0	
Microsoft	67,142,803	25.26	-0.2	
Cisco	57,483,731	17.74	+2.4	

### MARKET MOVERS

Stocks that were moving substantially or trading heavily Wednesday:

#### NYSE

- Lear Corp.**  
▲ \$5.76 at \$47  
▼ Several brokerages cut ratings on the automotive interior systems supplier.
- AutoZone Inc.**  
▲ \$1 at \$98.33  
Nation's largest auto-parts chain said quarterly profits soared by over 30%.
- NASDAQ**
- Loudeye Corp.**  
▲ 18 cents at \$1.82  
Digital music service provider reported Q4 loss of 4 cents a share.
- Chiron Corp.**  
▲ \$2.27 at \$37.69  
British regulators lifted suspension on plant that makes Fluvirin flu vaccine.

### COMING TODAY

- Reports: Productivity and costs; jobless claims; mortgage rates; retailers announce sales figures.
- Earnings: Del Monte Foods Co.; The Pep Boys-Manny, Moe & Jack; Weight Watchers International Inc.

### WALL STREET

#### Greenspan, oil prices: a rollercoaster session

Stocks ended close to unchanged levels Wednesday after a rollercoaster session that saw shares climb on bullish testimony from Federal Reserve Chairman Alan Greenspan about the state of the economy, only to be knocked down by anxiety over pricey oil.

— Associated Press



CINDY CHEW/THE EXAMINER

Dogs at Ashley Ziegler's S.F.'s Hound Lounge Day Care wait patiently (some impatiently) for a doggie treat.

## Doggie day care: Serious business

BY TAMARA GRIPPI  
Staff writer

If there was a time when the concept of day care for dogs seemed laughable, it certainly isn't now — especially not in the Bay Area, where hundreds of residents drop off their pooches each morning for a day of frolicking, eating and resting, all under the sensitive care of canine professionals.

While numerous doggie day care venues exist in San Francisco, a national franchise is now poised to expand into the region.

Camp Bow Wow, which originated in Colorado five years ago, has 11 facilities in several states and recently awarded its 34th franchise agreement. Founder and president Heidi Flammang hopes to launch 25 new locations in northern California, including 10 in the San Francisco market and 10 in the East Bay. The Camp Bow Wow franchises will have plenty of company.

"It seems to be more of a growing thing," said Jason Shine, owner of Fog City Doggie Day Care on

Lombard Street. "When we first opened up, people said, 'What is day care for dogs?'"

These days, many professionals are working longer hours and don't feel comfortable leaving their dogs cooped up all day. Each facility offers its own specialty services.

In addition to its 1,500-square-foot play area, Fog City Doggie Day Care guarantees each dog will be walked twice a day. S.F. Hound Lounge Day Care has designed its 5,000-square-foot facility as a park with benches and real grass, said owner Ashley Ziegler.

Flammang's franchises combine day care with overnight boarding. Camp Bow Wow facilities, which offer indoor and outdoor play areas, range between 4,000- to 12,000-square-foot, Flammang said.

Another feature is a series of Web cameras that allow pet owners to keep an eye on their pooches from work. Other day cares, such as Fog City, also offer Web cams.

The cost to launch a Camp Bow Wow franchise runs between \$200,000 and \$350,000—an amount

that includes the \$30,000 franchise fee, equipment, operating capital and travel expenses, Flammang said.

Each franchise owner is expected to go through a four-week training session. By the second or third year of operation, a franchise could bring in \$400,000 to \$500,000 in annual sales, Flammang said.

Doggie day care rates in the city can range from \$26 to \$33 a day, with the lower rates available with some package deals. Flammang said her rates average \$25 a day, but acknowledged they would likely be higher in the San Francisco area because of the cost of real estate.

Tech industry veteran William Cassidy said he is close to signing a franchise agreement with Camp Bow Wow. He has been scouting out warehouse sites near San Francisco International Airport. Cassidy, 48, hopes the franchise will be a satisfying second career and believes the concept is a solid one.

"There are people whose pets are their children — and you don't want to leave your children home alone."

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## Court reverses part of Microsoft ruling

Associated Press

A federal appeals court in Washington, D.C., reversed parts of a \$521 million patent ruling against Microsoft Corp. (MSFT), giving the world's largest software maker another chance to prove that its widely used Web browser didn't illegally copy a key piece of technology.

Microsoft hailed the U.S. Court

of Appeals' 29-page decision ordering a new trial as "clear victory" for Internet users as well as the company. Wednesday's decision also upheld portions of the lower court decision.

Martin Lueck, a Minneapolis attorney representing patent holders Eolas Technologies Inc., Chicago, and the University of California, predicted Microsoft ultimately will

have to pay the damages previously awarded by jury, plus interest.

"We believe we will prevail on this issue as we have throughout this process," Lueck said.

The complicated case revolves around the computer coding that enables a variety of software applications to work seamlessly with Web browsers.

Eolas' founder, cellular biolo-

### LOCAL COMPANIES

#### Chiron can resume making flu drug

British regulators gave the go-ahead Wednesday for Chiron Corp. (CHIR), Emeryville, to resume production of flu vaccine, ending a five-month suspension that caused widespread shortages in the United States. Chiron's stock jumped more than 6 percent.

The company said it plans to begin production immediately in anticipation of getting clearance from the U.S. Food and Drug Administration so it can have vaccine available for the flu season starting this fall.

#### URS awarded contracts worth up to \$15M

Engineering giant URS Corp. (URS), San Francisco, was one of three companies awarded contracts by the Navy to provide air quality services in five Western states. The five-year contract could be for as much as \$15 million; work could include emission testing and health risk assessments.

#### Apartment REIT buys Oakland property

Essex Property Trust Inc. (ESS), Palo Alto, a real estate investment trust of West Coast apartment communities, said its Essex Apartment Value Fund II has acquired Regency Tower Apartment Homes, an 18-story, 178-unit apartment building near Lake Merritt in Oakland for \$21.2 million.

#### North Coast processor pleads guilty to charges

Fish processor North Coast Fisheries Inc., Santa Rosa, and its president have pleaded guilty to making false statements about how much groundfish they bought from fishermen, federal prosecutors said Wednesday.

The company pleaded guilty to one count of making false statements, and President Michael Lucas of Santa Rosa, pleaded guilty to aiding and abetting in the offense, according to the U.S. Attorney's Office in San Francisco.

To protect against overfishing of certain species, state and federal law require fish processors to report all landings of groundfish, such as rockfish, they purchase from fishermen.

The two men and the company are scheduled for sentencing before U.S. District Judge Charles R. Breyer in May.

— Staff and wire reports