

**Dow**  
-85.84  
(14,078.69)

**S&P 500**  
-2.68  
(1,562.47)

**NASDAQ**  
+7.70  
(2,811.61)

**EAST BAY 50**  
+0.09  
(131.72)

**THE TIMES**

**10-year-note**  
4.64%  
(no change)

**Gold**  
+2.90  
(\$746.00)

**Oil**  
+1.04  
(\$81.30)

**DOLLAR**  
\$1.00=  
¥ 117.14 € 0.706

# BUSINESS

ContraCostaTimes.com

THURSDAY, OCTOBER 11, 2007

C S V E

SECTION C

## BAY AREA BIZ BUZZ

### Valero warns that profit will fall short

**Valero Energy Corp.**, the nation's largest independent oil refiner, said Wednesday that it expects to report third-quarter earnings far short of Wall Street estimates because the cost of refined products has not kept up with rapidly rising crude costs.

Earnings from continuing operations, excluding special items, now are expected to be \$1.30 to \$1.40 per share.

Analysts polled by Thomson Financial had been expecting earnings of \$1.91 per share. Such forecasts typically exclude one-time items.

Valero, which operates a refinery in Benicia, said that its estimate does not include a \$91 million pre-tax gain related to a loan repayment by a foreign subsidiary, or a \$94.5 million payment for a stock repurchase program completed in July. Including those items, third-quarter earnings will be \$1.25 to \$1.35 per share, Valero said.

### Philanthropy

At least five new faculty positions will be created at **UC Berkeley's Haas School of Business** with a \$25 million gift from alumnus **Gerson Bakar**, a San Francisco real estate developer, the school's dean, Tom Campbell, announced Wednesday.

The gift is the largest individual donation in the Haas school's history.

It will enable the school to increase within a few years its full-time, permanent faculty roster to 86 members — adding five positions to bring those ranks to an all-time high. To honor Bakar, the Haas school will name its faculty wing the Gerson Bakar Faculty Building.

### Real estate

California Insurance Commissioner **Steve Poizner**, along with the **California Land Title Association**, announced the launch Tuesday of a Web site that lets consumers compare title insurance rates online when buying, selling or refinancing.

## Autoworkers, Chrysler come to terms

■ Automaker, UAW reach tentative agreement that would create a trust for health care, lower wage scale

By Tom Krisher  
and Dee-Ann Durbin  
ASSOCIATED PRESS

**DETROIT** — The United Auto Workers union reached a tentative four-year contract with Chrysler on Wednesday, hours after going on strike and the same day General Motors workers ratified a sep-

arate four-year pact.

Next up: Ford. A person with knowledge of the Chrysler LLC agreement said it includes some guarantees that vehicles will be produced at U.S. factories, a company-funded union-run trust that will pay much of Chrysler's \$18 billion in

long-term retiree health care costs, and a lower wage scale for some newly hired workers.

The person, who requested anonymity because the contract has not been ratified by union members, said the new vehicle guarantees are not as extensive as those given by General Motors Corp.

The guarantees, which translate into job security for union workers, are, in many cases, only

for the life of current products, the person said. GM made guarantees at many factories that include the next generation of cars, trucks and parts.

The new lower wage scale, the person said, covers new hires who would replace Chrysler Mopar parts transportation workers. Buyout and early retirement offers would be made to current workers in an effort to get them to leave, the person said.

The lower wage scale is similar to the one negotiated by GM, the person said.

UAW President Ron Gettelinger said the strike against Chrysler, which is 80.1 percent owned by private equity firm Cerberus Capital Management LP, would end immediately and workers should report for their next available shift.

See AUTOWORKERS, Page 2



AMI the talking robot waits for instructions from DeVry University students, from left, Eduardo Arreola, 22, Feras Khatib, 21, and Perseo Gonzalez, 22, all currently living in Fremont, during the school's Technology and Innovation Day on Wednesday at the Fremont campus.

## Projects help students vie for jobs

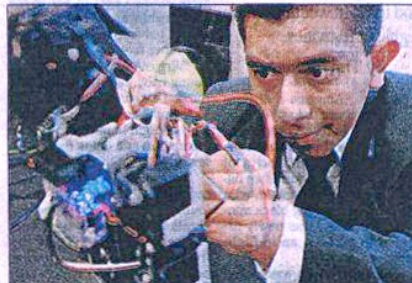
■ Seniors at DeVry impress representatives of high-tech companies with robots, beacons and magnetic imaging

By Janis Mara  
STAFF WRITER

Eduardo Arreola, a senior at the Fremont campus of DeVry University, presses a button on his laptop. "What can I do for you today?" asks the black and silver, 1½-foot-tall robot in a sultry female voice.

"Walk forward," he says, and the robot, perched on a table, complies and begins moving on feet the length and width of playing cards. When Arreola thanks AMI, which stands for "Artificial Machine Intelligence" and is pronounced "Amy," she answers, "you're welcome, Ed."

The scene does not take place at a technology convention but



PERSEO GONZALEZ, a student at DeVry, works on his group's project, a robot equipped with artificial intelligence.

during presentations Wednesday by 100 seniors at the 1,300-student Fremont campus of Illinois-based DeVry University.

The university, which has 88 campuses nationwide and 12 in

raising many spectators from the university, representatives of high-tech companies viewing the presentations and the media, since few if any of the onlookers could manage the same feat.

Creating AMI by marrying artificial intelligence, voice recognition software and Bluetooth technology was a yearlong project for Arreola and his teammates Perseo Gonzalez and Feras Khatib.

"The senior presentations are the culmination of all the work they've done on their projects over the year," said Kandy Simmons, president of DeVry University in Northern California.

"They demonstrate the students' technology knowledge, their communication skills and their ability to work with a team." "You understand artificial intelligence, voice recognition, text-to-speech," David Isaac, a pro-

See DEVRY, Page 2

## Housing downturn to persist, group says

■ California Association of Realtors predicts sales, prices will keep falling through 2008

By Alex Veiga  
ASSOCIATED PRESS

**LOS ANGELES** — Housing sales and prices will fall further next year in California, as unsold homes keep piling up and many buyers hold out for lower prices, a trade group said Wednesday.

In its 2008 forecast, the California Association of Realtors said it expected statewide sales of existing homes to fall an additional 9 percent to 334,500 units.

Still, the association said that would be an improvement over the projected drop of 23 percent this year, compared with 2006.

"It's a moderation in the pace of decline, so from that perspective, I guess it is positive, but we're certainly getting to a relatively low level of sales," said Leslie Appleton-Young, the association's chief economist.

The forecast also calls for the median price of a California home to decline 4 percent to

See HOUSING, Page 2

## Report blisters lenders

By Barbara E. Hernandez  
TIMES STAFF WRITER

Despite lenders announcing plans to help homeowners avoid foreclosure by increasing education or outreach, one local group says most lenders are not doing nearly enough.

Counselors at federally sponsored housing agencies reported