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Greenville business owners seeing green in purple and red weekend

ECU-N.C. State game expected to keep businesses busy this weekend.

By T. Scott Batchelor  
The Daily Reflector

Ah, the sounds of a big-time college football game. Rousing music played by marching bands, the ear-splitting roar from a packed stadium, the resounding crack of helmet on helmet.

Add to that the rings and beeps of cash registers tallying sales as fans pour into Greenville to witness the spectacle.

People shopping for regalia and memorabilia, buying gas, lodging and food, will pump about $2.8 million into the Greenville-area economy for Saturday’s 4:30 p.m. football match-up between East Carolina University and N.C. State, said Debbie Vargas, head of the Greenville-Pitt County Convention and Visitors Bureau.

She expects receipts to be similar to what the Carolina game was,” back on Sept. 8, when the University of North Carolina at Chapel Hill team came to Greenville for only the second time and lost.

Vargas’ figure includes ticket sales, gasoline, “people buying purple shirts,” hotel stays, and restaurant meals.

She estimates visitors for sports-related events spend $65 a day excluding lodging. There are a “scattering of rooms left for Friday,” but Saturday is virtually full when it comes to the city’s roughly 2,000 hotel and motel rooms, she said.

“There’s some advantages and some disadvantages from our standpoint with it being such a close team,” she said of N.C. State’s team, which hails from Raleigh. “Some (fans) are more apt to drive in and drive out.”

“But the nature of the rivalry makes it a festive weekend people want to be a part of,” Vargas said. “Tickets are sold out, and it’s the game they

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don’t want to miss.”

Restaurants such as Chico’s downtown expect a boon from the highly anticipated game Saturday.

“We expect it to be our busiest weekend of the year ....,” manager Michael Horton said.

The next closest weekend in terms of receipts is the combination of Cinco de Mayo and ECU graduation, he said.

“We should keep a lot of people in town for the whole weekend,” given the rivalry between the ECU Pirates and Wolfpack, he said.

With a 4:30 p.m. kickoff, “We’ll have a very good lunch crowd,” he said.

The local chamber of commerce’s Freeboot Friday festival downtown (“freeboot” is another name for “pirate”) will attract people and keep them patronizing businesses downtown prior to game day, Horton said.

“We are certainly hoping to celebrate the victory after the game here in the cantina,” he said. “We’ll have a full staff wearing purple.”

Boli’s restaurant expected the same swell of customers for the game weekend.

“Anytime you have an (Atlantic Coast Conference) game, especially State or UNC, it’s always going to be a sellout,” said owner John Tesoriero. “We sold out Carolina, and I’m sure we’ll sell out this one.”

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Survey: Drug company ties pervasive at U.S. med schools

By Lindsey Tanner
The Associated Press

CHICAGO — Nearly two-thirds of academic leaders surveyed at U.S. medical schools and teaching hospitals have financial ties to industry, illustrating how pervasive these relationships have become, researchers say.

Serving as paid consultants or accepting industry money for free meals and drinks were among the most common practices reported by the heads of academic departments.

Drug companies and makers of medical devices often use these connections to influence doctors to use products that aren’t necessarily in the patient’s best interest, said Eric Campbell, the study’s lead author. He is a researcher at Massachusetts General Hospital and Harvard Medical School.

Since academic department heads set the tone for appropriate conduct at their institutions, their actions signal to medical students and others that this is appropriate behavior, Campbell said.

The survey went to all 125 accredited medical schools and the nation’s 15 largest teaching hospitals. About two-thirds of the department heads responded. The study gave no specific examples, nor did it name any institutions.

Many studies have examined doctor ties to drug companies. Campbell co-authored research last year that found company ties were common among hospital review boards that oversee experiments on patients.

The new study shows that drug companies “are involved in every aspect of medical care,” Campbell said.

Overall, 60 percent of department heads reported some type of personal financial relationship with industry. More than one-quarter — 27 percent — said they had recently served as a paid consultant. The same percentage reported serving on a company scientific advisory board; and 21 percent who headed departments of medical specialties closely related to patient care said they had served on speakers’ bureaus for industry.

The results appear in today’s Journal of the American Medical Association.

Alan Goldhammer of the industry group, Pharmaceutical Research and Manufacturers of America, said the study results don’t mean these relationships are a problem. He said it makes sense to reach out to academic heads because they have the most expertise.

But Dr. Jerome Kassirer, a former New England Journal of Medicine editor and frequent critic of industry influence over doctors, called the study eye-opening.

“I was appalled by the results,” Kassirer said. “No one knew that so many chairs of medicine and psychiatry were paid speakers. We’ve never had that data before.”

He noted that financial ties can benefit patients when
they are related to research or other scientific purposes that increase doctors' education or lead to the development of better drugs or medical products.

But they are dangerous when doctors are so beholden to the company that they withhold safety concerns or push the newest or most expensive products when they aren't necessarily best for the patient, Kassirer said.

The researchers sent surveys last year to 688 department heads at all 125 accredited U.S. medical schools and the 15 largest teaching hospitals.

A total of 469 people responded, or 67 percent. Included were departments closely related to patient care, such as surgery or anesthesiology, and "nonclinical" departments more closely related to basic science.

Among those in charge of departments related to patient care, 65 percent said their departments had recently accepted industry money for continuing medical education; half reported recently getting industry money for food or drinks; 30 percent reported getting money for travel and meetings.

Overall, 67 percent said their departments had received some type industry money.

Fewer than 10 percent of chairs with personal financial relationships said those ties had any negative effects.

Dr. David Korn, a senior vice president at the Association of American Medical Colleges, which helped conduct the study, said the results aren't surprising or necessarily cause for concern.

Medical schools generally have policies governing relationships with industry to "make sure that they remained principled," Korn said.
Biotech is good business, industry leaders say at forum

By Brock Letchworth
The Daily Reflector

ECU biotechnology education director says education is vital to taking advantage of the expanding field.

By Brock Letchworth
The Daily Reflector

Biotechnology is a rapidly evolving field and some officials want to be sure educators are preparing students for it.

Strategies for how to do so were discussed during the first Eastern North Carolina Biotechnology Forum held Tuesday morning at the Hilton Greenville. The forum was sponsored by the N.C. Biotechnology Center and the N.C. Community College System BioNetwork.

Teachers and students from community colleges throughout eastern North Carolina learned the educational opportunities and the job possibilities available in biotechnology, pharmaceuticals and life sciences from a group of professionals from the various industries.

Ed Stellwag, director of the East Carolina University Biotechnology Education Program, said the responsibility of preparing students for the expanding field of biotechnology - the use of living organisms to solve problems or make products - falls on educators in community colleges, high schools and middle schools.

"The new biotechnology is going to be based on understanding, knowledge and thinking and we've got to get students to start to embrace that way of thinking," he said.

"Life sciences are going to change the way we live and I think that is an important message to get across to our students."

Stellwag reviewed university programs and articulation agreements available to stu...
Students interested in biotechnology and stressed the need for vertical integration of learning across all academic levels.

Representatives from the BioNetwork Bioprocessing Center discussed programs offered by the BioNetwork — a statewide initiative that provides training, curricula and equipment to community colleges. Bill Cooper, bioprocessing center manager, said the center's key initiatives are curriculum development, student recruitment, gaining industry and community college support and developing

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JOHN CHAFFEE speaks during the first Biotechnology Education Forum on Tuesday at the Hilton Greenville.
and retaining faculty.

"Everyone thinks biotechnology is new but in reality it has been around for thousands and thousands of years," Cooper said. "What is new are some of the products being made and the ways biotechnology is being used in different fields."

John Chaffee, director of the eastern office of the Biotechnology Center in Greenville, went over some of the areas biotechnology is benefiting. Chaffee said living organisms are being used to solve problems and make products in agriculture, industry, pharmaceuticals and law enforcement, while also helping with environmental issues.

Chaffee also discussed some of the grant programs offered by the biotechnology center for education and training of potential biotechnology professionals.

"The bottom line is we are trying to provide job opportunities for individuals interested in working in the life sciences industry," Chaffee said.

To further discuss jobs related to biotechnology, representatives from three eastern North Carolina companies in the biotechnology industry attended the forum. They included James Johnson, director of process chemistry at Edenton's Avoca Inc., Francois Menard, vice president of research and development at Wilson's Sandoz-Novartis and Mark Heilman, aquatic technology leader at Whitaker's SePRO.
Study links schools, industry

Many medical school leaders acknowledge financial ties to drug or medical instrument makers.

BY LINDSEY TANNER
THE ASSOCIATED PRESS

CHICAGO — Nearly two-thirds of academic leaders surveyed at U.S. medical schools and teaching hospitals have financial ties to industry, illustrating how pervasive these relationships have become, researchers say.

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The new study shows that drug companies “are involved in every aspect of medical care,” Campbell said.

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21 percent who headed departments of medical specialties closely related to patient care said they had served on speakers' bureaus for industry.


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But they are dangerous when doctors are so beholden to the company that they withhold safety concerns or push the newest or most expensive products when they aren't necessarily best for the patient, Kassirer said.
College sports is amok

It’s said that intercollegiate sports started in 1852, with the first meeting of the Harvard and Yale rowing teams. By the 1860s, faculty pressured the universities to move the rowing match to the summer so it wouldn’t distract students from the term.

In the early 1900s, faculty at other schools tried organizing academic contests on the same days as sporting events to remind students of the true purpose of the university. Of course, sports eclipsed all comers.

In some ways, things have only gone downhill since.

On Monday, at the most recent meeting of the vaunted Knight Commission, organized nearly 20 years ago to clean up intercollegiate sports, a survey of modern-day professors showed that the relationship between academia and sports remains tenuous at best. The word “nonexistent” comes to mind.

The survey showed that professors view college athletics as having been taken over by the entertainment industry. And who could dispute it?

As Duke University's Paul Haagen, a professor of sport and law, noted, “Is there a feeling that we’re riding some sort of tiger? Absolutely.”

Nobody understands that more clearly than William Friday, UNC president emeritus, one of the original co-chairmen of the Knight Commission.

When he and Notre Dame President Theodore Hesburgh took on the commission in 1989, the world of college athletics had been rocked with scandal. The commission made front-page news regulating recruiting, enforcing standards and monitoring the academic progress of student-athletes.

But all the while, Friday said, an insidious and powerful master began to assume control of college sports: money. He said he shares the blame.

As the commission’s work faded from the front page, coaches’ salaries skyrocketed and sporting venues were lit up with Jumbotrons and filled with artificial smoke.

It all began with two major developments, Friday said. The first was shoe contracts for coaches. The second was television.

“That’s the reason the ACC plays basketball games on Sunday nights and football games on some Thursdays,” he said.

Yet, while the money spirals, 109 out of 119 NCAA Division I-A athletics programs are operating in the red. At some point, Friday predicted, the federal government will reframe collegiate sports as separate from their institutions of higher education.

Soon enough, the fancy box seats lining most stadiums will no longer be deductible. “Their connection to the university is remote indeed,” Friday drawled.

Haagen said he wasn’t surprised by the Knight Commission report, which found that many professors know little about athletics programs. That’s why Haagen pushed a program at Duke to encourage professors to spend time with coaches and learn about athletic programs. So far, 58 professors have participated.

Friday wasn’t surprised by the report, either.

“What’s so sad is that faculty should have a voice in this,” he said. “But they see that their chancellors haven’t done anything to stop the commercialization of collegiate sports, so they wonder. ‘Why should I?’”

Friday said he thinks it will take a group of brave chancellors to step up and regain control.

Do any of them live in the Triangle?
Firm picked to help find chancellor

BY JANE STANCILL
STAFF WRITER

CHAPEL HILL — The committee looking for the next chancellor at UNC-Chapel Hill will have some high-powered help.

After interviewing three consultants Tuesday, the 21-member panel voted to seek a contract with Dallas-based R. William Funk & Associates, an executive search firm that specializes in higher education.

Bill Funk, a well-known headhunter in higher education, has conducted more than 250 searches, including those for 70 sitting presidents, he said. Two years ago, he was featured in a Chronicle of Higher Education cover story entitled “The Matchmaker.” He ran the education practice for the recruiting giant Korn/Ferry International for 14 years and then started his own firm.

Funk will charge a flat rate that has yet to be negotiated, said Nelson Schwab, a UNC-CH trustee and search committee chairman.

Committee members were impressed with Funk’s long track record and widespread contacts.

“ ‘He knows every player out there in the academic world’ ” said Roger Perry, chairman of the board of trustees.

Bill Harrison, a UNC-CH alumnus on the panel, took notes during the presentations and said Funk was “a little arrogant” and long-winded but had experience, a strategic vision and a great reputation.

Funk said his forte was finding leaders for public research universities. He has conducted searches for Cornell, Syracuse, Vanderbilt, Tulane, Purdue, Miami, Minnesota, Washington, Illinois, Maryland and Wisconsin. He is currently helping the University of California system find a new president.
Airlines may never fly right on customer service, experts warn

By Dan Reed, USA TODAY

Maybe all the hubbub about flight delays and shoddy service is beginning to register with the USA's big airlines.

After cutting costs in Chapter 11 bankruptcy, Northwest Airlines (NWA) CEO Doug Steenland now says low operating costs are just "the opening ante" for air carriers to compete successfully. "Customer focus is going to define the winners in the years ahead," he says.

No. 1 American Airlines (AMR) said recently it will pass up potential revenue by not selling in advance many of its middle seats during the peak Thanksgiving travel season. That allows American to more easily accommodate travelers knocked off their travel plans by bad weather. And, in the last two years, most big U.S. carriers have created executive-level positions to address the problem of widespread customer dissatisfaction.

So, are good times for travelers just around the corner? Don't bet on it, say skeptical travelers, industry insiders and customer-service experts who say the peculiarities of the airline business will forever leave the industry below average in satisfying travelers. It's just not a business that's wired for pleasing customers in the way that, for example, retailer Nordstrom is.

The vagaries of weather are just part of it. Among other factors: a business culture in which the costs of fuel and labor are viewed as more important than happy customers in determining profitability, recent cuts that may go too deep to ever deliver exceptional service, and customer attitudes that discount the value of good service from airlines even when they get it.

"It is unlikely that airlines will ever rank at the average, and certainly not above the average, in customer satisfaction because of some of the intrinsic factors ... that will never change," says David Grizzle, a longtime executive at Continental Airlines. (CAL) Since December 2005, Grizzle has been senior vice president of customer experience.

University of Michigan research shows that airline passengers consistently have been among the least-satisfied consumers in the USA for the past 13 years. Even the U.S. Postal Service, once the poster child for bad customer service, now swamps most airlines with a respectable 73 on the 100-point American Customer Satisfaction index. The airlines scored an abysmal 63 in the annual ratings issued earlier this year.

The ratings included one airline industry bright spot: Discount giant Southwest (LUV) scored 76, 1 point above the average for all companies whose customers were surveyed.
The airline industry score is low enough, says Michigan business professor Claes Fornell, the ACSI’s creator, that most carriers would be in danger of failing if their customers had travel options.

"The company that provides lousy service performance is normally punished by consumers, who will go elsewhere," says Fornell. "But airlines are different. In most cases, the consumers really don't have anywhere else to go."

Skeptics abound

Given the airlines’ long history of poor customer service, and past failures to live up to promises to improve, skeptics about the industry’s new push to improve service abound. Among them is Ron Stagner, a regional sales manager for a dancewear company from Kansas City, who travels about 40 weeks a year.

Airline executives from “the CEO on down, should fly their planes like any other customer,” Stagner says, figuring that if the bosses had to endure what the masses do, changes would happen faster.

Michigan businessman David Ollila, too, is skeptical. “They’re all bad,” he says. He let the rest of the nation get a taste of what it was like to be caught in one of those extra-long flight delays. He videotaped much of an extended delay on a June 21 flight from New York John F. Kennedy, and parts of the tape were aired by at least one TV network.

Ollila documented his fellow fliers awaiting takeoff for Detroit in sweltering heat without food for four hours. A vomiting young traveler had to be removed from the plane by paramedics, and a crying infant added to the misery.

The flight, operated by Delta’s (DAL) Comair unit, was canceled, but only after all the customer-service workers had gone home. Most of the passengers went hungry and slept in the empty terminal.

Delta spokeswoman Betsy Talton said bad weather that day caused the delay. After the customer-care system broke down for the fliers aboard Ollila’s Flight 5637, Talton says, Delta’s customer-care team tried to reach passengers to offer compensation and apologies.

As transport companies, airlines are subject to unpredictable weather, heightened security measures, tight monitoring of their safety and mechanical operations, and the limitations of moving millions of travelers a year through the USA’s aging air traffic control system.

Even accounting for airlines’ unique challenges as transport companies, a variety of factors limit their ability to produce service that inspires customer affection and loyalty.

Among them:

• **Deep cuts made to stay in business.** Tony Polito, an associate professor of marketing and supply chain management at East Carolina University, says carriers have focused so much on cutting costs that they no longer seem to have the human or technical resources necessary to improve customer service.

  "I’m not just talking about delays," he says. "The seating isn’t comfortable. The food, if available, isn’t good. Employees aren’t happy, and that filters through to the customer."

industry consultant Ira Gershkoff frets that carriers’ focus on financial survival has made them blind to today’s higher standards for satisfying customers. They don’t seem to understand, he says, that U.S. consumers have been trained by customer-oriented retailers to expect prompt — sometimes even over-the-top — efforts to make them happy. Airlines “typically don’t do that,” he says. "Something goes wrong, (and) it’s your problem."

• **The questionable link between happy customers and profits.** Shannon Anderson, a management professor at Rice University whose research focuses on customer satisfaction, says airlines aren’t convinced that money spent improving customer service will lead to bigger profits.

  There’s “little hard evidence” that spending more to improve customer service will have a significant positive impact on profits, she says.

Ollila, the traveler who videotaped the JFK delay, approaches it from a less-academic angle: “Their attitude is, ‘Fine, go try another airline.”
You'll be back because they're just as bad as we are.

But the airlines' view may be changing, says Roland Rust, executive director of the Center for Excellence in Service at the University of Maryland. Airlines have been losing high-end customers to corporate jets steadily over the past 30 years, he says, because airlines' schedules don't meet their needs, and because many such travelers judge airline service, even in first and business class, to be a poor bargain relative to flying by corporate jet.

Now, Rust adds, the advent of "very light jets" providing on-demand air-taxi service at prices close to unrestricted coach fares represents another threat to airline revenue because those new services are aimed at business travelers who can't or won't pay for corporate-jet travel. "There's a lot of revenue that airlines have left on the table because they haven't invested properly in ... great customer service," he says.

**Passengers' no-win allocation of credit and blame.** Rice's Anderson says that lots of factors figure into airlines' customer-satisfaction scores, but nothing drags those scores down more than flight delays. She says passengers typically give the airlines little or no credit for arriving on time. That's a basic expectation. But when a plane is late, timeliness becomes a big deal, she says.

On-time passengers typically list their interaction with gate agents and flight attendants, seating comfort and the in-flight experience as the key factors in their level of satisfaction with an airline's performance, she says. But when their plane is late, timeliness jumps to or near the top of the list.

And heaven help the carrier that is perceived to have caused the delay, or even to have dealt poorly with a situation beyond its control. "If I perceive that it's your fault, or that you didn't do all you could have done to help me ... I'm far more likely to be angry, to file a complaint and to tell others about my bad experience," Anderson says.

Many in government seem unwilling to wait for the airlines to improve customer service. Congress, the Department of Transportation, the Federal Aviation Administration and even President Bush are pushing the airlines to act. One proposal that seems to have strong support in Washington is forcing — or at least jawboning — the carriers to cut back their schedules, especially at peak times at the nation's most-congested airports. Their reasoning: Fewer flights equal reduced delays. Bush has given the DOT, FAA and airlines until the end of the year to come up with a plan.

**Maybe it's not so bad after all?**

If the medicine for flight delays is a reduction in flights, many travelers might prefer to have the disease, airlines warn. Cutting back schedules at a time of record demand and full flights could lead to even more crowded planes and higher fares because demand from travelers would be likely to exceed flying capacity in some markets.

"If airlines were to cut back to a level where we could assure that we wouldn't have many of the problems we have today, there would be so few seats relative to demand that you'd never be able to get a seat to go see Grandma," says Continental's Grizzle. "There would be a huge uproar."

Still, Gershkoff, the consultant, says the airlines should be doing more to reduce the number, length and severity of delays. His consulting firm develops software to help airlines better manage their way through massively complicated operational problems that crop up, for example, when storms force a carrier to shut down a major hub.

Carriers spare no expense in developing software that will allow them to better manipulate the price of their seats to squeeze out more revenue, he says, but they've been reluctant to spend much on systems that could help reduce delays and other customer-service problems. "No airline I know of is doing anywhere near enough to fix the operational control problems in a way that ultimately will benefit the customers."

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