

Konica Minolta, a storied part of the Glen Cove economy, is about to close shop and leave LI

A factory fades to black

BY KRISTINA FIORE
AND KEIKO MORRIS
STAFF WRITERS

Stephen Schuster has witnessed the usual twists and turns of a company's storyline, surviving through takeovers and downsizing at the Glen Cove plant where he's worked for 40 years. But the Hicksville native is particularly unhappy about the most recent news that the company, Konica Minolta Graphic Imaging USA, will close its doors in Glen Cove in the fall and move to a more technologically advanced home in Michigan.

Schuster, who has served the past five years as president, said he doesn't want to see 145 workers, many of whom are Glen Cove residents, jobless.

"I've personally been through a lot of downsizing at this company," Schuster said. "It's not fun. For me, this is the end of an era. It's sad."

Many in the city, including government officials, shared Schuster's sadness, saying they were worried about the workers who would bear the immediate consequences and sorry to see a piece of the city's history — the plant was founded in 1899 — disappear. But most were unsure if the economic effects would be significant and lasting in a city whose business landscape, some experts say, reflects the larger trend of manufacturers leaving Long Island.

For most in Glen Cove, the closure was not unexpected.

"People may be surprised, but I don't think it's a shock," said Glenn Howard, who is on the board of directors of Glen Cove's Chamber of Commerce. "Konica has been questionable in many people's minds for many years."

Konica Minolta, which manufactures and distributes conventional and digital graphic arts supplies, has been attempt-

ing to adapt to a market moving away from film and film processing. Graphic arts companies now send images directly from digital format to printing plates, eliminating the need for film. Consequently, what was once a 2-billion-square-foot factory for film supplies has shrunk to 225 million square feet — only 10 percent of what it once was, Schuster said.

Konica Minolta, which purchased the former Chemco plant from the Powers family in 1987, recently bought a plate-manufacturing company in Michigan to offer the digital services in demand.

According to Pearl Kamer, chief economist for the Long Island Association, the Island has not been a place that has fostered industry. "What's happening in Glen Cove is a microcosm for what's happening in the Long Island economy," she said. "It's lost its industrial base."

She blames the loss on high labor costs and high taxes. Schuster says restrictive environmental laws also have played a role.

Schuster said the plant had repeatedly downsized over his tenure. Anticipating more cuts, some workers left the business, he said.

The company will offer 35 employees in the administrative arm — including accounting and marketing — positions in Michigan. Workers who dealt with film will not be transferred, he said.

Pedro Países, who has worked in shipping and chemical mixing at Konica for 11 years, survived most of the downsizing. Although he said the city will feel the loss of the plant economically, he's optimistic about the personal opportuni-

ty afforded him.

"I see it as a good opportunity to go for something better," he said. He plans to go back to technical school and spend more time with his family.

Willis Vaughan, 22, and Brandon McFaddin, 18, don't mind losing their jobs, either. Both, who have been with the company for just a short time, said they'll look for something else.

Glen Cove Mayor Ralph Suozzi, as well as members of the city's Chamber of Commerce, are hoping their contacts will help place the workers in new jobs. Suozzi said he has received e-mails from companies asking for resumes.

'What's happening in Glen Cove is a microcosm for what's happening in the Long Island economy.'

— Economist Pearl Kamer

Beth Dressler, president of the chamber and administrator at the Regency, an assisted-living facility, said some part-time Regency staff also work at Konica Minolta and rely on work at the plant for a significant part of their income. She has hired two workers from the plant so far. Others have come seeking

part-time work, she said. "We'll network with each other and find out what types of positions people are looking for," she said. "So in that respect it's a good tight community."

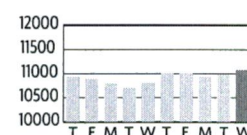
William Powell, who has been at the plant for nine years, said he's disappointed about the announced closing. But he's more concerned for local businesses, however, than he is for himself. "People go on breaks," Powell said. "[Local businesses] aren't going to get that clientele anymore."

Doug Goldstein, owner of Charles Hardware on Glen Street, said the plant's

See KONICA on A56

The markets

10-DAY DOW TREND



| | |
|-------------|------------------|
| ▲ DOW | ▲ NASDAQ |
| 11,079.46 | 2,141.20 |
| Up 104.62 | Up 34.14 |
| ▲ S&P 500 | BOND YIELDS |
| 1,252.19 | 10-year Treasury |
| Up 12.07 | 5.15%, unchanged |
| ▲ SPOT GOLD | ▲ OIL |
| \$587.50 | \$70.33 |
| Up \$10.60 | Up \$0.99 |

Stock watch

Teva Pharmaceutical Industries

TEVA: \$32.27

Down \$3.40 (9.5%)

Shares of the world's biggest generic-drug maker fell after Sen. Charles Schumer (D-N.Y.) said Merck is working to undercut copies of its cholesterol drug Zocor. Schumer alleged that Merck is offering rebates to insurers that set higher patient co-payments on generic versions of Zocor.

Overheard

"A game like Clue or Monopoly or Scrabble or Life taken to a cell phone, taken to a Game Boy, taken to an online game — that for us, that's the future of what casual gaming is about."

— Hasbro Inc. chief operating officer Brian Goldner

Data point

72M The number of Americans aged 65 and older by 2030, according to the U.S. Census Bureau, providing a potentially huge market for drugs Pfizer and Merck are developing to combat strength loss from aging.

Coming up

The House of Representatives may vote today to permanently exempt as much as \$10 million of a couple's estate from federal taxes, Speaker Dennis Hastert said. Estates of more than \$25 million would pay a top rate of 40 percent by 2011.

Compiled from wire reports

The Konica Minolta plant in Glen Cove is due to close this fall.

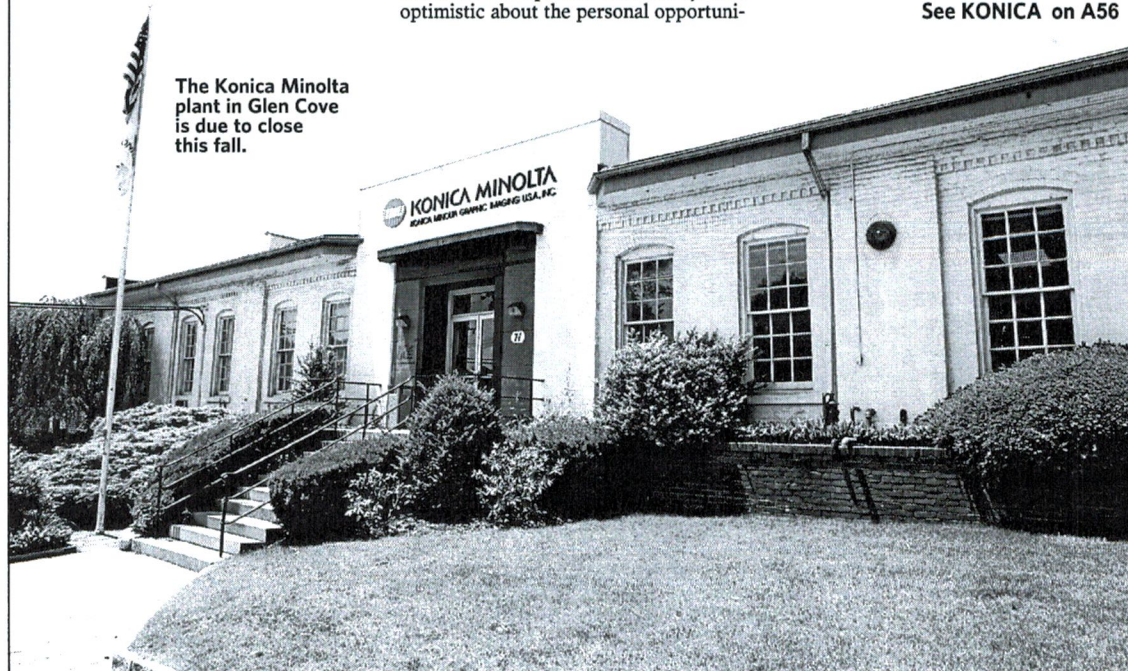


PHOTO BY HOWARD SCHNAPP

Optimizing Optimum Voice

■ **Cablevision plans technology using its Internet phone service to merge wired and wireless telephones**

BY KRISTINA FIORE
STAFF WRITER

Cablevision Systems Corp. announced plans yesterday at the Standard & Poor's Telecommunications Conference in Manhattan to integrate home and wireless calling.

The Bethpage-based company hopes to offer customers a way to transfer wireless calls to home phones, but it has not yet set a time frame for the project,

company officials said.

Max Engel, satellite and broadband analyst for Frost & Sullivan, a corporate growth analyst company, likened the technology to the way the Internet is brought to the home via cable. Instead of sending a mobile phone signal to a cellular tower, he said, the call would be re-routed through Optimum Voice, Cablevision's digital phone service.

According to a Reuters report Tuesday, Cablevision's digital network is compatible with the networks of U.S.-based cell phone carriers.

"We think there are enormous opportunities for our Optimum Voice product to converge with wireless services

from all major providers," Patricia Gottesman, executive vice president of product management and marketing, said in a statement.

The technology isn't new, Engel said. For instance, a Sprint-Nextel consortium in November prompted discussion about merging television, Internet, home phone and cell phone services. However, Cablevision's developing technology could have broader implications and interest, he said, especially if picked up by major businesses.

Companies could eliminate the need for individual desk phone numbers if cell phones could tap into an office's main switchboard, he added.

"It wouldn't be, 'Call me at work; if I'm not there my cell phone is . . .'" Engel said. "[Clients] could just dial a number, and if you're at work, you could answer on the office phone."

Engel says the advantage for individuals is that they can have one contact number so "people don't have to hunt for you."

Because the technology will overlap with cell phone service, Engel said it may or may not hurt cellular providers.

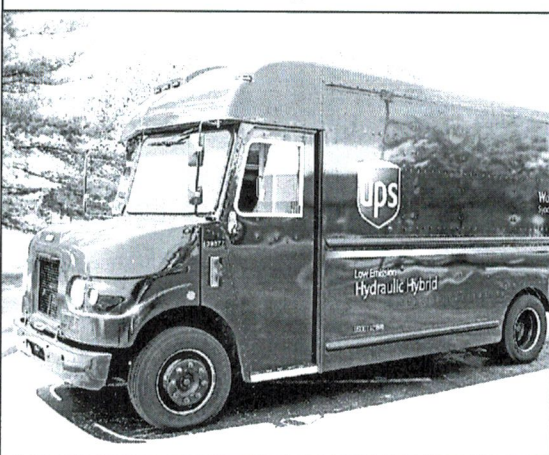
"Clearly [Cablevision's technology] has potential to reduce revenue per customer, but it can also increase the number of customers," he said. Cellular customers who do not use their

cell phones at home may now have an incentive to use them more.

Verizon Communications, which recently has begun offering competing television services in the metropolitan area, said it also plans to consolidate services, creating a "quadruple play" of phone, Internet and TV services with Verizon Wireless, said spokeswoman Heather Wilner, though the company does not have a timeline.

Also yesterday, Cablevision said it upgraded its Optimum Online speed to 15 megabits per second from 10 megabits per second for all high-speed Internet customers and has created a premium tier offering 30 megabits per second.

Team hybrid



AP PHOTO

The Environmental Protection Agency and UPS have partnered on a truck that uses EPA-patented hydraulic hybrid technology that can increase fuel efficiency by about 70 percent in urban driving and lower greenhouse gas emissions by 40 percent compared to UPS' conventional diesel delivery trucks.

Henry Schein to buy 3 Darby businesses

BY JAMES BERNSTEIN
STAFF WRITER

Henry Schein Inc., the giant medical and dental equipment supplier known for its appetite in buying competitors, said yesterday it has agreed to acquire three businesses from the privately held Darby Group Cos. of Jericho.

Melville-based Henry Schein said it will pay approximately \$51.5 million for Island Dental Co., Darby Medical Supply Co. and Darby Dental Laboratory Supply Co. Like Henry Schein, Darby Group is a medical, dental and veterinary equipment supplier.

Henry Schein said in an announcement before markets opened that the three businesses had sales last year of about \$219

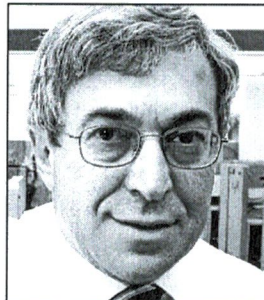


PHOTO BY HOWARD SCHNAPP

Stanley M. Bergman

million. Henry Schein, Long Island's third-largest company in terms of sales and the world's largest supplier of medical and dental equipment, last year posted revenue of \$4.6 billion.

The acquisition is expected to add about 1 cent to 3 cents a share to Henry Schein's earnings.

"The acquisition of these three businesses is an excellent match with Henry Schein's U.S. operations, and affords deeper penetration in our dental and medical divisions," Henry Schein's chief executive, Stanley M. Bergman, said in a statement.

Island Dental is a distributor of dental merchandise with particular strength in the Northeast, Southeast and Western United States.

Darby Medical Supply provides medical and pharmaceutical products, including generic and branded drugs and vaccines, to small medical practices nationwide.

Konica shuttering LI site

KONICA from A55

closing will translate to a loss of local business because many workers eat and shop locally. Goldstein will personally be affected because he has an industrial account — steady business — with Konica.

Gregory Corozzo, owner of Snokey's Tavern, which has been in business in Glen Cove since 1947, also said his business is going to be hurt.

"People come down to my place for lunch, and now I won't have them," he said. "It hurts everybody any time you lose employees in a town."

A number of other Glen Street businesses — which include hardware, appliance, res-

taurants and home decorating supplies — said, however, that though the closing of the plant is sad, they're not sure how it will affect their businesses.

"I feel sad because Konica and Powers Chemco have been around as long as I can remember," said Carol Nelson, owner of Glen Floors, which has been in business since 1932 and on Glen Street since 1984. Nelson isn't concerned for her business because she has a strong base of regular customers.

Since the news of the upcoming closure, a critical question on the minds of many is what will take the place of the plant.

Schuster said Konica Minolta plans to tear down the facility and clean the property to

comply with environmental regulations; eventually it may be used for another purpose, probably real estate or residential.

"It's definitely not going to be industry," he said.

City officials are hoping that any development will complement or even become part of the much-debated waterfront revitalization. This development project includes plans for restaurants, retail shops, a hotel and possibly housing.

Or perhaps, as Councilman Tony Jimenez hopes, Konica Minolta could be convinced to stay. "It seems far-fetched," he said. "But there's always that last-minute hope."



PHOTO BY HOWARD SCHNAPP

Pedro Paises, who survived previous job cuts at Konica Minolta in his 11 years there, plans to return to technical school.