

Headline **In brief**  
 Date **06 Aug 2010**  
 MediaTitle **Business Week**  
 Section **NEWS**  
 Journalist **N/A**  
 Frequency **Weekly**  
 Circ / Read **83,746 / 167,492**

Language **English**  
 Page No **25**  
 Article Size **236 cm<sup>2</sup>**  
 Color **Full Color**  
 ADValue **23,753**  
 PRValue **71,260**



# In brief



by Cristina Lindblad

Consumer finance helped rev up Harley Davidson's second-quarter performance

**Harley-Davidson**  
**The Finance Unit Turbocharges Profits**  
 Shares in the Milwaukee-based motorcycle maker jumped 6 percent on July 20 after it reported a \$139.3 million profit for the second quarter, a four-fold increase from the same period last year. The improvement owed much to a dramatic turnaround at the consumer-loan unit, which helps finance the sales of Harleys and had operating income of \$61 million, compared with a \$91 million loss a year earlier. Harley is set to begin negotiating labor deals expiring in 2012. The company is on a drive to cut costs and make its production schedule more flexible. To that end it has pared back its union workforce in the Northeast and wants some employees in

**Gilead Sciences**  
**A Breakthrough In AIDS**  
 A vaginal gel containing Gilead



Sciences' AIDS drug Viread cut HIV infections by as much as 54 percent in a trial in South Africa, the first time such a product

has protected women after six previous gels failed. The gel was developed by Conrad, a U.S. nonprofit, under royalty-free license from Foster City (Calif.)-based Gilead, the world's biggest maker of AIDS medicines. The notion that drugs can be used before exposure to prevent HIV infection could revolutionize the fight against AIDS, particularly in Africa where the epidemic rages on.

**Unilever**  
**The Strategy:**

**Sell Local, Buy Global**  
 Unilever is selling its Italian frozen-foods unit, Findus, as part of its strategy of unloading local labels in order to focus on international brands. Birds Eye Iglo, which is owned by buyout firm Permira, will pay \$1.04 billion for the business. Unilever now plans to buy Sara Lee's shower gel and European detergents business for \$1.7 billion, its first major deal in nine years. Paul Polman (pictured below), CEO at the world's No. 2 consumer-

Wisconsin to become part-timers.

**Jive Software**  
**An Infusion for a Social Networking Startup**  
 Kleiner Perkins Caufield & Byers and Sequoia Capital, the venture firms that made billions of dollars backing Google, are investing \$30 million in Jive Software, a maker of social-networking technology for businesses. More than 3,000 companies, including Intel, Nike, and VMware, use Jive's software to help employees communicate with one another and with customers. Businesses pay annual fees of about \$100 per user, which includes the costs of hosting the service. Revenues at Palo Alto (Calif.)-based Jive jumped 85 percent last year and its workforce has more than doubled, to 275 employees. The startup may file for an initial public offering as early as next year.



**Coinstar**  
**Thinking Outside The Red Box**  
 Redbox became the fastest-growing U.S. video retailer with its DVD kiosks and \$1-a-day rental price, which video store chains couldn't match. Now the company, a division of Coinstar, is drafting a Web strategy, President Mitch Lowe tells Bloomberg. Redbox, which saw sales from

products company, has earmarked as much as \$2.6 billion a year for so-called bolt-on acquisitions.

its 24,000 or so DVD dispensers soar 70 percent in the first quarter, is looking to narrow the gap with rival Netflix, which boasts a much bigger selection of movie titles. While Lowe declined to give specifics, analysts speculate that rather than develop an online service in-house, Redbox may choose to team up with

another company to deliver movies on demand over the Internet. Ralph Schackart, an analyst at William Blair & Co., believes one potential partner could be Sonic Solutions, an outfit that provides technology and a library of about 20,000 titles to clients including Best Buy and Sears. Both Coinstar and Sonic declined to say whether they are in talks.

**British Airways**  
**A Pact with Unions Eludes Walsh**  
 The cabin crew union of British Airways rejected a pay offer aimed at resolving an 18-month dispute over compensation and working conditions. The carrier now faces the prospect of renewed strikes. Walkouts have cost BA \$235 million this year. Yet the main union may find it more difficult to wring concessions from Chief Executive Officer Willie Walsh as less than half its members turned out to cast a vote. Walsh scored a victory on another front when U.S. antitrust authorities granted final approval for BA and American Airlines to jointly set prices, sell tickets, and schedule flights through their Oneworld Alliance.