## Exhibit 4



Alan Murray On Lawyers As CEOs BUSINESS | A11



Why Plastics Are in the Past At GE MARKETPLACE | B1



Hello, iPhone: The Bold Call From Apple PERSONAL JOURNAL | D1

## THE WALL STREET JOURNAL

DIIA 12416.60 V 6.59 - 0.1\* NASDAQ 2443.83 a 0.2\* NIXXEI 17237.77 A 0.9\* DJ STOXX 50 (Europe) 3717.31 a 0.1\* 10-YR TREAS unchanged, yield 4.656; OIL 555.61 V 50.45 GOLD 5013.10 & 55.60 EURO \$1.2998 YEN 119.40

What's News-

World-Wide

A pple introduced a media-playing cellphone, dubbed the iPhone, that lets users down-load and play music, browse the Web, send emails and make calls. The June release of the phone could be a boon for AT&T, whose Cingular unit has an ex-clusive deal to provide cellphone service in the U.S. But the de-vices uries and un to \$559 is a vice's price tag of up to \$599 is a potential stumbling block. A3, DI

- Alcoa kicked off the earnings season with a 60% jump in profit. The company cited higher metal prices and strong demand for aluminum. Revenue rose 20%, A2 ■ D.R. Horton's orders fell 23%
- B.R. Horton's orders fell 23% and cancellations remained high as the home builder continued to struggles with a deteriorating housing market. C6
  Germany's Commerz bank said it will stop handling dollar transactions for Iran at its New York branch, a boost for U.S. efforts to isolate Iran's economy. A3
- \* United won a four-way con-test to provide new service to China. The airline plans to launch the route between Wash ington and Beijing March 25, A2
- The Dow industrials eased ■ The Dow Industrials eased 6.89 points to 1241.6.0 despite big gains for IBM. Apple's prod-ter news boosted the Nasdaq, cu ■ Oil ended down 45 cents at \$55.64 after dipping below \$54 for the first time in 18 months, ca
- Schwarzenegger ordered a cut in the carbon content of vehicle fuels, while 37 governors prepared to push for a rule requiring greater use of ethanol. A2
- Some Cuban economists are laying plans for a more market-oriented approach, including pro-posals to decentralize control and extend private ownership. At
- The Supreme Court reversed a rule that companies forfeit the right to challenge a patent if they pay royalties, in a victory for drug maker Med!mmune. A8
- Vodafone's CEO plans talks with Indian officials on a deal for Hutchison Essar, as the country's cellphone sector lures foreign bidders. BII, C3
- The White House is raising royally payments it charges producers of oil and gas in the Gulf of Mexico, apparently to appease critics in Congress. A2
- Russia's main oil pipeline to Europe remained shut for a sec-ond day as a trade war with Be-larus worsened. EU officials sdid refineries dipped into stocks. A4
- Thailand's government ap-proved plans to force some for-eign investors to reduce share-holdings in businesses considered vital to national security. A14
- Mills plans to write off some \$350 million in shareholder eq-uity after an accounting probe found "possible misconduct." B4
- Hedge funds are proliferating in London, sending rents skyrocketing and vacancy rates plunging in the city's Mayfair district. Cl

World-Wide

U.S. troops had a flerce Baghdad clash, a possible "surge" preview. Airstrikes were called in to battle surgents after fraqi police check-points came under attack in a Sunni section not far from the Green Zone. As many as 50 militants died, some officiagners, large befores Ministry said. A Pentagon official said initial muits of the 2000 reinforcements units of the 2000 reinforcement dress may go into action this month redid and Plosis piedge votes on the escalation, despite apprehension by Democrats. The president also is expected to lay out a shift from big aid projects by U.S. firms to small ones that put Iraqis to work. Meanwhile, a plane crash in Iraq's north left 34 Turkish contract workers dend. At an aid of the contract workers dend. At an area if it and killing he area ther family lost year had been dinguased to threat months carifier but returned to duty, the Associated Press reports.

- to duty, the Associated Press reports.

  \*\*U.S.\*, officials said AC-130 strikes willed 10 al Qaeda suspects among Islamic militiamen trapped by Bihlopian soldiers in Somalia, but locat officials said the toll was far higher and included civilians. U.N. chief Ban also raised concerns on billing civilians and expanding the conflict. AB
- The House, 299-128, passed an

- The House, 299-128, passed antierror measures urged by the Sept. 11 panel, a Democratic priority that Republicans dismissed as posturing.

  Bush sidestepped a fight with the new Democratic Senate, withdrawing four judge nominees whose communities of the contract of the deep locked in 2006.

  The CBO sald the fercal 2007 budget of the contract of the
- Israel's Olmert arrived in China to push for firmer nuclear sanctions on Iron. The U.S. asked Beijing to re-consider a big gas deal with Tehran.
- Jordan said it folded a terror plot when police killed an al Qaeda man and arrested another said to be lied to a 2004 gas plot against Amman.
- to a 2004 gas plot against Amman.

  North Korea is likely to test another nuclear weapon, the U.S. commander for Korea said, but the timing of it is known only to Pyongyang.

  The U.S. is sending a squadron of over 15 Stealth fighters to the South.
- Basque separatist group ETA admitted bombing Madrid airport and killing two Dec. 30, erasing doubts sown by its political arm, Batasuna.
- A Nigerian newspaper said security police detained its editor over an article on alleged Obasanjo med-dling in the selection of a successor.
- dling in the selection of a successor.

  Bush may issue an executive order endorsing nonembryonic steincell work to deflate a mave by Cohgress to boost research funding. A6

  Meddicald enrollment plunged in
  Virginia since a 2006 federal law retriginia since a 2006 federal day

  Blood banks are worried that ecacting new screening protocols, like
  one that could affect up to 20% of
  females, might reduce supplies, D1

- temates, might reduce supplies, DI
  Insurers say they won't be pressured by any deal State Farm strikes
  on Mississippi Kartina damage, said
  to be close but still out of reach. c2

  Steroid suspicions appear to be
  behind the tlwarting of McGwird's
  first bild for baseball's Hall of Fame;
  Gwynn and Ripken will be admitted.

FASHION VICTIM

#### To Refurbish Its Image, Tiffany Risks Profits

Lost Luster

Yesterday: 539.62

Tiffany's weekly stock pilce since the late 1990s, when it got a boost from sales of its silver jewelry (above):

After Silver Took Off. Jeweler Raises Prices To Discourage Teens By ELLEN BYRON



Siberians Love Their Billionaire And His Largess

Popular Gov. Abramovich Enriched Chukotka Region; Now He Wants to Leave

By GÜY CHAZAN

ANADYR, Russia—When Lyubov Vereshchakova heard that her lusal governor was resigning, she thought about collecting signatures to make "God sent us Roman Arkadievich and we word! tel him go." the kinder-garten principal-says, defiantly. "He must stay here for the rest of his like."







for the 40-year-oil yeon, who is despending the yeon, who is desperate to quit.

Abromovid when Mr. Abramovisian, in 2005, President Putin asked him to stay on another year. I state month, hetried again. So far, the Krent hashr given him an answer.

"I believe my mission is accomplished," Mr. Abramovich told a group of journalists lare last month. "Life in Chusola is a nove no worse than in any other part of Russia." In the seasy to see the Arctic cide. Chukotha is a Texas-size expanse of treeless permaforst, this time zones Please turn to page AM

#### Newspapers Set To Jointly Sell Ads on Web Sites Gannett, McClatchy

And Tribune to Form Nationwide Network Yahoo's Competing Effort

By JULIA ANGWIN

By JULIA ANGWIN

The nation's three largest newspare prohibithers are searing up to self-advertising folinity on their newspapers' Web sites, believing their survival depends on seizing new online revenue. Gannett Co., McClatchy Co. and Tribune Co. are planning to offer advertised on the self-advertising for single year depends on the self-advertising of self-advertised on the self-advertised se

line-advertising space to the network, according to people familiar with the sit-uation. They hope to announce some-Please turn to page AIS

#### Cuban Economists Envision Role For Markets in Post-Castro Era By BOR DAVIS

With Fidel Castro ailing and absent from the public stage, some influential Cuban intellectuals are laying plans for a more market-priented approach to fortify the island's alling commu-

cided to kill its golden paose. In 2002, the firm begoth liking prices on its fact growing, highly profitable line of cheaper silver jewelry. It simultaneously introduced priceir jewelry collections, renovated stores and showed of list craftsmanship by highlighting speciacular gens like a \$2.55 million pink diamond ring, mumber of publicly. Like a growing number of publicly. Like a growing number of publicly. Like a growing number of publicly actempting to walk a rature-line broadening offerings to the upper-nidee to the truly rich. The dilleman is particularly common these days, as investors clamar for sales growth on one side and lickle laurary buyers demanti exclusivity on the other.

Other purp "Rosse turn to passe 145" for both prices for the colors.

vity on the other. Other purveyors of designer wares Picase turn to page A15

for a more market-oriented apphasch for infor the Island's alling communist economy.

The debate over economic experimentation, squiched a decade ago by the Gastro'egine, offers a glimpse of what a post-Gastro Guba could look when Castro distinct evidence of the control of the country of th

ernment is permitting—and perhaps even encouraging—the debate suggests regime offices and the suggests regime offices with the debate of changes acceptable, though it may take Mr. Castro's death to put them into netion.

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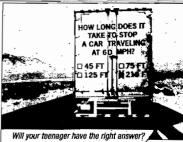
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"We are in the field costromidated and better for Research on the International Economy in Hawana. "It's an bistoric moment," says Julia Sweig, a Cula ban regime feels confident enough to have volces it once purged be a three center of the economic debate on reform.

The proposals are prompted by

The proposals are prompted by the continuing economic privation in Cuba, where state stalaries don't came close to covering living costs. But the planning is made more immediate by the 30-year-old Mr. Castro's continuing health problems. The Cuba government hasar disclosed the Please turn to page Alf



Knowing what to do behind the wheel can help them avoid a serious accident. For answers on how to start a conversation with your teen about safer driving habits, visit ToyotaTeenDriver.com



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◆ At 90, Jerry Wexler has CDs left to burn LEISURE & ARTS ......09 ◆ A three-issue triangle

over the minimum wage POLITICS & ECONOMICS ....

#### LEADING THE NEWS

## Apple Storms Cellphone Field

Cinaular to Offer Service For High-End iPhone; Obstacles: Price, Rivals

The long-avaited announcement that Apple Inc. would offer a media-playing cyliphone—dubbed the Phone—sent ripples through the telecom industry and possible Apple's stock to a high, but it also raised questions about the empany's strategy to parlay its successful Prof. music player as another to the cuthwrat hundest market.

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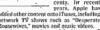
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and Asia, where carriers don't subsidize bandort as much as in the U.S., many consumers pay upand or SGOI for the latest survey pay upand or SGOI for the latest size and strong head name hive allowed the complany to charge more Jan its rivals for items from laptons to music players. And Clingular is expected to promote the pitone organizesteedy. "If anybody could be up the proper size of the pitone organizesteed, and the pitone organizesteed by Verrore, handset analyst of the research Timus Gartner flow Apple," says fittingues de by Verrore, handset analyst of the research must het successes of the Brod remained to be even. One potential stumbling black even the properties of the properties of the Brod remained to be even. One potential stumbling black even the properties of the Brod remained to be even. One potential stumbling black even the properties of the Brod remained to be even. One potential stumbling black even the properties of the Brod remained to be even. One potential stumbling black even the properties of the Brod remained to be even. One potential stumbling black even the properties of the Brod remained to be even. One potential stumbling black even the properties of the Brod remained to be even. One potential stumbling black even the properties of the Brod remained to be even to be a support to the properties of the Brod remained to the properties of the Brod remained to the Br

tioners through its stores and its Web site, access to consumors for he collphone market latangely controlled by wireless carriers. Apple's Mistorial model—relying an sales of hardware—would also be tought in replicate in the cellphone industry, where carriers typically lare customers by discounting handsets and earn most of their profit from the service, if also will be dealing with influence competition. Many and constitution, and will be considered to the control of their profit from these competition. Many and constitution, and the control of their profit from the service, in also will be dealing with influence competition. Many and constitution, and the control of the

Motorola's Q, ReAls Blackler's Pearl
and Palm Inc.'s
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during his - 50% - Control of Apple CEO Steve Jobs holds up the cryvi Plishe i keynote address yesterday at MacWorld Confere

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### U.S. Effort to Isolate Iran Gains Ground As European Bank Restriction's Take Hold

The U.S. government's attempt to issa-late Iran's economy will get a significant boost'this month when the last European bank known to be clearing large rolumes of that country's dollar transactions in the U.S. halts the practice. Commerchank AG, Germany's second-largest bank, sold for the post of the Bound of the Commerchant of the Commerchant of the brunch by Jan. 3 of the Iran's it is New York brunch by Jan. 3

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Cracking Down
The Issue: As the U.S. alms to isolate Iran,
Commerzbank will join other European banks
in halting its dollar transactions.

The Bottom Line: Few big banks continue cooperating with Iran, forcing it to do business in euros, not dollars, and increasing the cost of international transactions.

governor of the country's central bank, add that which the US, ban-'pura I of of pressure on I ran' and some foreign banks have scaled back dealings, with the cuntry, perations of the country's banks haven been affected. Choking off Iran's financial lites to Europek Iskey in Washington's effort to isolate the country. The Buropean Union is fran's largest Iradius partier by Iar. Trade behavior of the Country of the Iran's Chancillon in Starks largest Iradius partier by Iar. Trade behavior of U.S. pressure. Because many his European banks have stopped dealing with Tebran in recent manths, the fundamental ist Islamic regime of President Mahmond Abandainejad has relied banks to handle its shillar backed transactions. The result in that belongared contamy is banks, a largest time-incrung land currency through the period of the period o

of sactions.

Actions of the main companies and the government, which are being forced into more expensive, alternative financial markets.

U.S. pressure is art likely to dring farming the main companies of the likely and the main companies of the likely and the likely and the main companies of the likely and the likely and the product of those funds to indport refined fuels much of those funds to indport refined fuels much of those funds to indport refined fuels much becomes more restricted, and costly, the country condition are are duction in its ability to pay for heavy machinery and other tensor securities to keeping its oil industry and other key parts of its econjour going, and other baskets with osever farmin firms, Iran has and it wants to switch most of its business to tensor, the currency of the Ell. But oil is fant's higgest export, and many of the country's transfer partners in the Middle East will dobustices only in dollurs—the currency of the international pertors in the Middle East will dobustices only in dollurs—the currency of the international pertors in the Middle East will dobustices only in dollurs—the currency of the international pertors in the Middle East will dobustices only in dollurs—the currency of the international pertors in the Middle East will dobustices only in dollurs—the currency of the international pertors.

will do his lines only in dollars—the current; of the international perfoleum industry. At present, Gomaiczbank handles bud dollar and erro transactions for Iran's state owned bonks. Like several other Europea banks, it will cease handling only dolla transactions. That is likely to limit the een

Sept. 8, 2006: U.S. Treasury designates Bank Saderat for support of terrorism and buns financial cooperation with the bank

October-November: Iranian banks increase correspondent activities with Commerz-

Dec. 5: Commerzbank board orders end of U.S. dollar clearing for Iranian partners effective Jan. 31; will service euro trans-actions for Iranian clients.

Pec. 22: Security Council imposes sanctions on elements of the fran regime involved in proliferation.

April 7, 1980: U.S. Steldes diplomatic ties after hostinges serve her februar

Oct. 29, 1987; U.S. government accuses Tehrah of supporting tetroris and prohibits most imports from from

May 6, 1995: Washington ungoses more comprehensive sanctions

Barly 2003: International Atomic Energy Agency declares that from his account program to make higher fine. It is could be used for weapons, U.S. Justies for broad international conditions.

March 17, 2000: Sanctions haved to allow 11.5, persons to purchase and import carpets and find products.

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Tombie datainee fo Iran, enabling the compay's banks to centilize parity suppliers
who will accept euros or other currencies.
But it is likely to subject Commerzhank,
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Chippendale maliogany ribbon backed chair: purchased by King George II for £18. Present market value: £250,000.

Like King George H, Greenbaum Interiors selects the finest home furnishings for your appreciation Our Interior Designers and Custom-Craftspeople understand your individual preferences for the extraordinary, livest in today's quality assets to enjoy In your home everyday. Live with fine design

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# Apple Storms Cellphone Field

Cingular to Offer Service For High-End iPhone; Obstacles: Price, Rivals

By LI YUAN And Pui-Wing Tam

The long-awaited announcement that Apple Inc. would offer a media-playing cellphone—dubbed the iPhone—sent ripples through the telecom industry and pushed Apple's stock to a high, but it also raised questions about the company's strategy to parlay its successful iPod music player as an'entry in the cutthroat handset market.

The device, priced up to \$599 in addition to a two-year cellular service contract, allows users to download and play iTunes mu-

sic, browse the Web, send email and make calls. Equipped with a wide screen and a two-megapixel camera it can also link wirelessly to music headsets, stereo systems and Wi-Fi networks. (See related article on page D1.)

The iPhone, scheduled for release in June, could be a boost for AT&T Inc., the world's largest telecom operator, and its Cingular Wireless unit, which has an exclusive multivear deal for the U.S.

market to provide cellphone service for the device. The phone will be sold at Apple and Cingular stores, as well as on each company's Web site. Cingular hopes the phone will attract high-end customers and give it an advantage over rival Verizon Communications Inc., which also is trying to reposition itself as multimedia service provider.

The iPhone is the latest example of how lines between the entertainment and telecom industries are blurring. Verizon Wireless recently began offering YouTube videos on cellphones, while Sprint Nextel Corp. produces its own TV shows for cellphone screens. Comcast Corp. and other cable companies, are offering Internet calling services and have partnered with Sprint to offer wireless service and television for cellphones.

The market for high-priced multimedia wireless devices has been growing fast. For example, BlackBerry wireless email devices have been selling for several years for as much as \$400 without such features as cameras or music players. Consumers have also been willing to pay a premium for welldesigned handsets, such as Motorola Inc.'s RAZR, as a fashion statement. In Europe

and Asia, where carriers don't subsidize handsets as much as in the U.S., many consumers pay upward of \$500 for the latest handsets. What's more is that Apple's design and strong brand name have allowed the company to charge more than its rivals for items from laptops to music players. And Cingular is expected to promote the phone aggressively.

At this price point, "if anybody could ♦pull it off, it will be Apple," says Hugues de la Vergne, handset analyst of the research firm Gartner Inc.

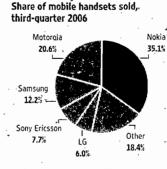
However, whether the iPhone can match the success of the iPod remains to be seen. One potential stumbling block: The price tag is high for the U.S. market, . where as much as 80% of handsets sell for \$99 or less. Mr. de la Vergne said. Analysts say Apple is unlikely to lower the phone's price because it doesn't want to cannibalApple is used to connecting directly with customers through its stores and its Web site, access to consumers in the cellphone market is largely controlled by wireless carriers.

Apple's historical model-relying on sales of hardware—would also be tough to replicate in the cellphone industry, where carriers typically lure customers by discounting handsets and earn most of their profit from the service. It also will be dealing with intense competition: Many sub-\$100 phones already offer music-playing capabilities. "Wireless is hard," says Mike Abramsky, an analyst at RBC Capital Markets. "Success in this industry has confounded other companies like Microsoft and even Motorola at times,"

Apple's iPhone will compete in an increasingly crowded field of high-end smartphones that include Motorola's Q, Research in Motion Ltd.'s BlackBerry Pearl

and Palm Inc.'s Treo 750, all released in the past year and are targeted: at the consumer market.

Of course, Apple has a trump card: a loyal following in the downloadable. music world. Apple introduced its iPod player five years ago, and bolstered the device by creating an iTunes music store where consumers can download songs for 99 cents. In recent years, Apple has



Total handsets sold: 251.3 million

Source: Gartner Dataquest

ize its iPod business.

Apple CEO Steve Jobs holds up the new iPhone during his

keynote address yesterday at MacWorld Conference & Expo.

And while the iPhone appears unparalleled in its design, many equipment makers have pushed in the same direction: SonyEricsson's Walkman phone, which sold more than 15.5 million units by the end of September, has a camera, video and music player and a phone, for example, and one model is available free with some cellphone service subscriptions. Motorola last week warned investors its 2007 revenue and profit would fall short of its own forecasts, even after the company sold more than 50 million RAZR units. The price of the RAZR fell from \$500 to being offered free with service contracts. Apple could face a similar price pressure over time, some analysts suggest.

Entering the cellphone market also carries risks that have left other large tech companies bloodied. Microsoft Corp., for instance, had a tough time breaking into the market with its cellphone software platform and still hasn't made significant in ter the news. Apple's stock rose \$7.10, or roads into the market.

Apple also is wading into a market with very different dynamics from the consumerelectronics market in which it plays. While added other content onto iTunes, including network TV shows such as "Desperate Housewives," movies and music videos.

Adding to the drama of the iPhone's un? veiling, which was shrouded in secrecy through the course of two and a half years of development, the debut took place at the same time that the giant Consumer Electronics Show—where Apple rivals such as Microsoft typically put on a big show—was unfolding in Las Vegas, dividing the attention of the tech world. And to reflect its new role in the tech world. Apple changed its corporate name from Apple Computer Inc. to Apple Inc.

As the iPhone announcement sparked fears that Apple, Cuperuno, Calif., would steal market share, the stocks of competitors dropped. Shares of RIM dropped 7.9% while those of Palm dropped 5.7%. Share's of some larger telecom equipment makers dropped as well, though not drastically. Af-8.3%, to \$92.57 in 4 p.m. composite Nasdaq Stock Market trading.

 Sara Silver and Nick Wingfield contributed to this article. A Guide to Investing In Real Estate PERSONAL FINANCE D3



The Man Who Made Hits With Aretha CULTURAL CONVERSATION D9

IRS REPORT: The 20 most serious problems facing

THE MOSSBERG SOLUTION: Programming your TiVo when you goes 't in the soon



By Nick Wingfield And Li Yuan

And Li Yoan

PRLE INC's fevenshly anticipated if hone
combines the muse and video features of
an iPod with the communications functions of a smartphore. The questions show many
consumers will be welling to pay the hefty price
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the mass-market eciphones—what a communent to
a two-year-wireless plan. Although it has been on
a hot streak, Apple doesn't advays hit it big when
it enters new markets. The company collaborated
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It's unclear if and when the prices for the IP-home might come down, as prices for electronics gear such as flat-screen television sets and video cannorders tend to do. Witel prices for the IPod have generally stayed in the same range over the years, consumers have been getting more features on new generations of IPods, essentially petiting more for their minery each time. With reclahence, the bissociation for his been for prices of a wither trees to come down guidly, with wiveleys carrier sometimes taking a lines on the products in order to get consumer subscription receivate.

In defense of the price of the iPhone, Apple Chief Secretive Steve Jobs and in a speech at the start of the Macroolf conference in San Francisco that consumers normally have to pay \$189 for a comparable 1900 and and \$299 for a smarthone, which would lock many of the white bang features of the iPhone ar roughly the same price. With Grigular, Apple developed a feature the comparised secretion as a major innovation calling it "us all voice mail." Instead of having to wade throughwore enail messages in the order in which they were left, iPhone users will see a list with the names and phone that the present in the property of the prope

## The Tax Hit You May Not See Phaseouts, Which Limit Tax Breaks Based on Income,

Come Under Renewed Fire; What to Watch Out For

By Tom Herman

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Stealth Taxes

Many people stand to lose part or all of key tax benefits because their income is too high

- no Numerous tax bonefits include income-based "phaseout" provisions.
- r Among the preaks affected: the phaseout of personal exemptions and limits on many itemized deductions.
- A new report by IRS National Taxpayer Advocate Nina Olson urges Congress to repeal, or at least simplify, phaseouts.

State 25 Secret Descriptions

Treasury Department billions of dollars each year at a time when a lawmakers are focusing more on cutting budget deficits than on simplifying the nations notoriously complex tas system. Yet the report throws a new system, yet the report throws a new sporlight on a dumly lit corner of the tax world that many taxpares need to understand more thoroughly in order to make intelligent tax and investment-planning decisions.

Phaseouts are also referred to as stealth tracks because they're

ning decisions.

Phaseouts are also referred to by IRS Island
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#### New Rules May Shrink Ranks of Blood Donors

HIV Risk Eases, but Concern Over Other Threats Grows; A Problem With Pregnancies

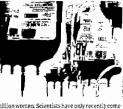
By LAURA LANDRO

By LADRA LANDRO

R AST-EMERGING threats to the blood supply-including infections diseases from abroad and newly accognized risks of transfission—are raising safety, concerns and threatening to shrink the supply of eligible blood donors. The characters of extra RPIV or legatific Cfrom donated blood have been all, but eliminated thanks to sophisticated screaming. But regulators and blood banks are adding new protections in an effort to pixel the latest threats. Among the most sweptime are changes that call differt the ease of certain blood components from 10—to 20—of female denors—as many as a

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Eddy for beaten-down funds that are starting fore, we



to understand that certain antibodies in the blood of women who have ever been pregnant can cause areaction known as transfusion-related acuteling injury, or TRALL While rare, TRALI has emerged as

the restang caused rithmustan-readed cours, as-scerated with 50-100 (taskites annually, In addition, the Food and Drug Administration recently approved a new standard donor-screen-ing form to better former out risk factors that could be recently approved a new standard donor-screen-ing torm to better former out risk factors that could be recently as the standard of the standard of the and detailed questions show to rough relationships and lifestyle, such as intraverous drug use. Last month, the FDA, which continues to seek new donor-screening tests for infectious dis-sease, approved the stor for language disease, appeten-tially static lifests of the standard disease, appeten-tially static lifests as many as It million people in Latin America, Chagas is of increasing concern in the U.S. because of the rise in immigration from those courtries.

Amid these concerns, there is growing debate about lifting bans on gay men, which could in-crease the pool of donors. Last year, transfusion-medicine experts, researchers and blood centers. Please turn to page D8

# To Find Hotter Funds, Go With the worst performers typically strugged the worst performers typically strugged to the worst performers that the worst performer

If you may last year's top-performing stock funds and laste a good stock at earning marker-bear or results over the next 12 mints. What if you have year as and performens? That not studie earn 3% a Sperior returns.

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arives that continued outperfor-mance, ' he says.

By contrast, Mr Carhar, found

With Mr. Possel's strategy, "you're get-ting 'mean reversion' of individual stocks," suspects Jeremy Se-gel, a finance professor at the University of Pennsylvania's Wharton School, "Somethicz negative drives stocks below their true value, and then you get the

then you get the the source back. It has a course, resky to bark. It has a course, resky to bark. It has a course, resky to bark. It has a course ment from the course of the warment, instead, you much take of the course of the

## **U.S.TRUST**

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children and grandchildren.

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#### By Nick Wingfield And Li Yuan

PPLE INC.'s feverishly anticipated iPhone combines the music and video features of an iPod with the communications functions of a smartphone. The question is how many consumers will be willing to pay the hefty price for the combo.

The iPhone has a sleek design and is only 11.6 millimeters thick. A 3.5-inch screen, bigger than on most iPods, extends for almost the entire length of the nearly button-free device. Instead of the iPod's iconic scroll wheel, users will navigate through their song collections, make phone calls and perform other tasks by tapping their fingers on the iPhone's touch-sensitive screen. Users of the iPhone will make calls or type emails on a virtual keyboard that pops up onscreen as needed.

Apple, of Cupertino, Calif., has an exclusive agreement with AT&T Inc.'s Cingular, the nation's largest cellular carrier by subscriber, to sell the iPhone in the U.S. for \$499 and \$599—well above mass-market cellphones—with a commitment to a two-year wireless plan. Although it has been on a hot streak, Apple doesn't always hit it big when it enters new markets. The company collaborated with Motorola Corp. on a phone called ROKR that plays songs from users' iTunes music collections, but it was seen by many as a disappointment because of limited storage capacity.

It's unclear if and when the prices for the iPhone might come down, as prices for electronics gear such as flat-screen television sets and video camcorders tend to do. While prices for the iPod have generally stayed in the same range over the years, consumers have been getting more features on new generations of iPods, essentially getting more for their money each time. With cellphones, the historical model has been for prices of such devices to come down quickly, with wireless carriers sometimes taking a loss on the products in order to get consumer subscription revenue.

In defense of the price of the iPhone, Apple Chief Executive Steve Jobs said in a speech at the start of the Macworld conference in San Francisco that consumers normally have to pay \$199 for a comparable iPod nano and \$299 for a smartphone, which would lack many of the whiz bang features of the iPhone at roughly the same price.

With Cingular, Apple developed a feature the companies described as a major innovation, calling it "visual voice mail." Instead of having to wade through voice mail messages in the order in which they were left, iPhone users will see a list with the names and phone numbers of people Please turn to page D8

# New Rules May

HIV Risk Eases, but Concern Over Other Threats Grows; A Problem With Pregnancies

By Laura Landro

RAST-EMERGING threats to the blood supply—including infectious diseases from abroad and newly recognized risks of transfusion—are raising safety concerns and threatening to shrink the supply of eligible blood donors.

The chances of getting HIV or hepatitis C from donated blood have been all but eliminated thanks to sophisticated screening. But regulators and blood banks are adding new protections in an effort to quell the latest threats.

Among the most sweeping are changes that could affect the use of certain blood components from 10% to 20% of female donors—as many as a

#### **GADGETS**

THE MOSSBERG SOLUTION | Edited By Walter S. Mossberg

## Using Your DVR From Afar

Two Methods Allow Remote Recordina: Checking the Grid

The whole point of using a digital video recorder is convenience. Rather than arranging your schedule around television shows, you watch what you want when it be worth the convenience of the convenience



ful, and same Player brought the TiVo's fea-tures onto my compuler screen, as well as a live feed from the remote television. Remote access from TiVo, com is included with the

com is included with the monthly or annual service fee TiVo owners already pay, but many of them\_don't know

about it or use it.

Tivo Central Galine works
best with a Proadband-comrecord of the Committee of the Com

the Slingbox lets you remotely control your TiVo's scheduled recordings and settings

settings, or watch its con-tent as if you were sitting in your living



room. An on-screen image of the TiVo remote control adds familiarity to Silngelayer.

The Silnabos costs between spin and \$250 stond \$250 stond

Belt off.
Next time you're away from your TiVo but want it to record something, think about setting up a free TVO Central Online account, allowing you the flexibility of remote recording—should you want to use it. The Slingbox nod SingPlayer work well for users who miss their TV programs enough to want to see them right away.



---THE IM -P. Pal. ----------Dam to record -

#### HEALTH

#### Rules May Deter Blood Donors

Continued from page DI including the American Red Cross, recommended that the FDA ease restrictions on gay men, who are primary carriers of HIV, to reflect improvements in HIV testing. With more than 15 million units of blood donated annually in the U.S., the STATE OF THE CONTROL OF THE CON

patient ingto the Department of Health between blood supply and demand has never been similar. Use the supply and the supply and the supply supply and the supply supply and the supply supply



-800-367-BOND Founded 1978

Increasingly, researchers believer TRALI can occur when certain antibodies, produced by 
pregnant woment to prevent rejection of the foreign male blood 
cells in their (eds.) read with 
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commending that blood centers have 
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of anated blood, bringing the rotal cost to should \$54 tiss year.

The total cost of testing the blood supply for seven known high-risk infectious agents each year in the U.S. is approximately \$500 million, with a blood supply year in the U.S. is approximately \$500 million, with a blood to \$000 million, with a blood supply safe," Dr. Autluction asys. The FDA says it must err on the safe side, even if it reduces the supply of donors. For every deferral we put into patice, we will be a supply of donors. For every deferral we put into patice, we offer the division of blood applications at FDA's biologies center. The FDA is under growing the supply of donors by a blood donations from new who have had see with other men even once since 1977. Last March, Audit, the American Red Gross and America's Blood centers to did the 700 million who had see with other men even once since 1970.

Last March, AABB, the American Red Cross and America's Blood Centers told the FDA that because of new tests that can quickly de-tect HIV; the policy is "medically and scientifically unwarranted" and recommended that it be changed to allow men who have abstained from sex with another man for a neriod of mounter

ready beginning the shift to 68% malie plasma domors from 50% in some parts of the country for transfasion. "Powe and female domors from 50% in some parts of the country for transfasion." Dr. Bedjamin asys, 50 the beginning says, 50 the some from the som abstained from see with another man for a period of one year. But the FDA says data show that men who have see with men account for 25% of donors found positive for HIV, even though only a fraction of those admit to homosexual contact. The FDA says the policy is based on "the well-documented association of

#### Tech's New Trend: Multitasking

Phones Play Music, Cameras Make Calls At Las Vegas CES

By JESSICA E. VASCELLARO And DON CLARK

And DON CLARK

I N 2007, techies cantake multitasking to whole new level, which was to be consumer Electronics Show in Landevices that do double, triple or quadruple duty, earrying out tasks as calling, getting weother reports and wisting Web sites. Cellphone makers such as Nokla Corp., and Motorola Inc. Nokla Corp., and Motorola Inc. and Motorola Inc. and high-end digital eamers into tiny phones. Verizon Wireless's suppliers, including Samsung Electronics Co., are developing phones that can receive mand, while still making cells or sending text messages. Here are some of the products being showused at this year's CES:

### MediaSmart Server.

# HP MediaSmart Server.

Price: Undetermined. Availabil-ity: Third quarter 2007. What it is: A server for multiple home

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Ity: Time quarts

Its: A server for multiple home
computers.

Vital chores at companies—
such as sharing and muking copless of dana—are becoming just

Rewiet Prekard Go, is interducing w device for the home
that has been commonplate in
businesses for years: the server.

It-P's new MediaSmart
Server nets as a repository for
photos, music, movies and
other digital content. It was
built around new software from
Microsoft Corp., called Wildows Home Server, which helps
automatically manage tasks
such as making hackup copies of
con machines companied do
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sion B. Price: \$21,900. Availability: On sale now. What it its: A monster media center.

Weil-heeled couch potatoes may be drawn to this latest fame as the same before the sa

Matsushita Electric Industrial
Co.'s new Pansonic cordiess
phone addresses both Issues.
Globarrage users can easily
make Internet, calls to each
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go, running along the back of a person's head. Weighing: barely an ounce, the Motoroia S9 is designed to be easy to use and worm. It elst phone call by simply pressing the buttons on the headphones. The product streams music from compatible Bluetooth-en-abled stereon music phones and B

video camera for surfers and other extreme sports fans. GoPro, a Pescadero, Callf., start-up founded by surfer Nicholas Woodman, has already produced still, cameras. The and is housed in a case that straps to a user's wrist, ower heir ski gloves, or on their bike handlebars. All Christophed Lawring and the company of th

## Is Apple's iP<u>ho</u>ne Worth It?

who left them voice messages and tap to listen the messages in whichever order they like.

There are also sophisticated sensors within the product that, for instance, adjust that, for instance, and the product that, for instance, and the product that, for instance, and the properties and the product that, for instance, and the product that the product t



The Apple TV has a 40 glgabyte hard drive and will be able to play video and photos from PCs.

Jysts to question how big Apple's opportunity is to tap the mass narket, as il has with the iPod. Mr. Jobs said Apple was elicilities to sell from the individual of the iPod. Mr. Jobs said Apple was elicilities to sell and the iPod. Mr. Jobs said Apple was elicilities to sell the iPod. Mr. Jobs said Apple was the iPod. Mr. Jobs said Apple was the iPod. Mr. Jobs said Apple will be going after a fraction of the market. To indisconsipil, an analyst at Sanford C. Bernstein, asideliphones price above S200 account for only about 5% of the grant of the market. To indisconsipil, and analyst at Sanford C. Bernstein, asideliphones price above S200 account for only about 5% of the grant of the market. To indisconsipil, and analyst at Sanford C. Bernstein, asideliphones price above S200 account for only about 100 and 100 and 100 are in the individual of the market. To indicate the individual of the individual o

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Question of the Dare Will the IPhon be a hit like the IPod or a flap like the Newton? Vote at WSLcom/Question. Plus, writch highlights of Steve Jobs's presentation, at WSLcom/Video.

## Is Apple's iPhone Worth It?

Continued from page DI who left them voice messages and tap to listen the messages in whichever order they like.

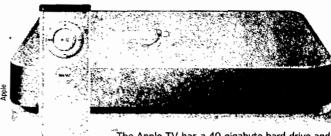
There are also sophisticated sensors within the product that, for instance, adjust the brightness level of the screen to make it more legible based on ambient lighting conditions. Another sensor automatically shifts the screen-orientation of the iPhone to landscape from portrait mode when a user holds the device between two thands, which will allow users to view movies and television shows in wide-screen mode.

Initially, users will load music, video and other content onto the iPhone from their computers, not wirelessly over the Cingular network. Executives in the music industry say Apple will need to negotiate new licensing agreements with music labels to obtain rights to sell songs wirelessly on the iPhone.

In a nod to how drastically products like the iPod, iPhone and a new television set-top box coming out in February called Apple TV are reshaping the company, Apple yesterday said it has changed its corporate name to Apple Inc. after decades as Apple Computer Inc. In his speech, Mr. Jobs said the iPhone was the result of more than 2½ years of development work at Apple and positioned its importance on par with the two other biggest innovations in Apple's history, the Macintosh computer and iPod.

Mr. Jobs also said the company had worked with Yahoo Inc. and Google Inc. to bring popular Internet features like Yahoo Mail and Google Maps to the product. He said the iPhone is powered by Apple's Mac OS X operating system, which runs the company's line of computers.

All of the product's features come at a steep cost for consumers, though, leading some ana-



The Apple TV has a 40 gigabyte hard drive and will be able to play **yideo and photos** from PCs.

lysts to question how big Apple's opportunity is to tap the mass market, as it has with the iPod. Mr. Jobs said Apple was aiming to sell about 10 million iPhones through the end of 2008, which would account for about 1% of annual global shipments of cellphones.

But at \$499 and \$599, prices for versions of the iPhone with four gigabytes and eight gigabytes of storage capacity, respectively, Apple will be going after a fraction of the market. Toni Sacconaghi, an analyst at Sanford C. Bernstein, said cellphones priced above \$300 account for only about 5% of the global market.

For its part, Cingular said it expects to attract high-end customers who are willing to pay the price of the device and for the data services the phone could offer, prices for which the companies didn't disclose. Cingular wouldn't say whether it was subsidizing the cost of the iPhone, as carriers typically do for most handsets. On average, North American carriers subsidize \$70 to \$90 per phone, according to research firm Gartner Inc.

Cingular CEO Stan Sigman said he was so convinced that Apple would come up with a breakthrough phone that Cingular signed a deal with Apple in New York two years ago without even seeing a product. The deal is a multiyear agreement, in which Cingular will handle customer support, billing and

other chores. Through the deal, Apple is not becoming a mobile virtual network operator—in effect, a reseller of airtime on another carrier's network.

Apple also said its new Apple TV product, formerly called iTV, will go on sale in February for \$299. The Apple TV, originally announced in September, will feature a 40 gigabyte hard drive and will be able to play video and photos from computers throughout the home.

Mr. Jobs said Viacom Inc.'s Paramount Pictures will join Walt Disney Co. in selling movie downloads that can be played on the Apple TV through the iTunes Store, providing more than 100 movies from its back catalog for download on iTunes.

To allay concerns of DVD retailers about competition from iTunes, Paramount is not including its new releases. Paramount studio head Brad Grey noted that the bulk of iTunes movie downloads so far have been library titles. Paramount's library includes movies such as "Breakfast at Tiffany's" as well as concert titles from artists like Bob Dylan and U2.

-Merissa Marr and Ethan Smith contributed to this article.

Question of the Dav: Will the iPhone be a hit like the iPod or a flop like the Newton? Vote at WSJ.com/Question. Plus, watch highlights of Steve Jobs's presentation, at WSJ.com/Video.