



TODAY'S THEME
BIOTECH & HEALTH

GAS PAINS
Weight gain and lower gas mileage may be linked, study shows. **Page 4**

EYE CARE
A UCI eye surgeon unveils a new way to implant corneas. **Page 4**



99,000
NUMBER OF ORANGE COUNTY ADULTS WHO USED SOME FORM OF MEDICAL EQUIPMENT IN THE PAST 12 MONTHS. SOURCE: CALIFORNIA HEALTH INTERVIEW SURVEY

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FEDERAL RESERVE HOLDS RATES STEADY AT 5.25 PERCENT

The Federal Reserve kept interest rates unchanged Wednesday for a third consecutive meeting, hoping that a slowing economy will dampen a worrisome rise in inflation. The Fed left its federal funds rate at 5.25 percent. It has been at that level since late June when the central bank raised rates for a 17th consecutive time in a two-year effort to combat rising inflation. The decision to keep the funds rate unchanged means that the prime lending rate, the benchmark for millions of consumer and business loans, will remain at 8.25 percent.

The statement from the policymaking panel explaining Wednesday's action was little changed from the comments the Fed made at the August and September meetings. Fed policymakers felt most of a slowdown stemming from a weak housing sector was past and that the economic expansion was on a solid footing. They said "some inflation risks remain."

S&P 500 IS ON A ROLL

Stocks advanced, sending the Standard & Poor's 500 Index to its longest winning streak since March, after the Federal Reserve said the economy is expanding and inflation generally is under control. The S&P 500 gained for a sixth day, advancing 4.84, or 0.4 percent, to 1,382.22. The close was the highest since 2000. The Dow and Nasdaq also gained.

Bonds rallied as the Fed appeared less concerned about inflation risks. Bond investors -

- ▲ **Down 30 Industrials**
Close: 12,134.68
Change: +6.80
- ▲ **Nasdaq composite index**
Close: 2,356.59
Change: +11.75
- ▲ **S&P 500 index**
Close: 1,382.22
Change: +4.84
- ▲ **10-year Treasury yield**
Close: 4.76%
Change: -0.05
- ▲ **Oil Wmex per barrel**
Close: \$61.40
Change: +\$2.05

bolstered by the view that the Fed was not inclined to raise rates any time soon - relaxed and bought some debt.

"It went in smooth. It looks really, really natural."

SUSAN DOMINO
WHO RECEIVED JUVEDERM INJECTIONS



HAPPY WITH THE RESULTS: Mary Ann Hammer, 62, reacts after seeing the immediate effects of Juvederm injections.

Allergan irons out the wrinkles

Juvederm maker hopes to test product - and create a buzz - with small trial run.

BY COURTNEY PERKES
THE ORANGE COUNTY REGISTER

NEWPORT BEACH • The latest anti-aging treatment from the makers of Botox won't hit the national market for a couple of months, but Susan Domino catches a sneak preview every time she looks in the mirror.

Last week, Domino received a free injection of Juvederm, a facial filler that plumps out laugh lines, from her Newport Beach ophthalmologist, Richard Weiss. Domino and her doctor are among a select group trying out Allergan's filler before the official launch in January. The limited rollout centers on a survey to test Juvederm's results and how long they last, company officials say. "Dr. Weiss called me and said, 'We have something new. Do you want to try it?'" recalls Domino, 68. "I couldn't get in my car fast enough."

When Weiss recruited Domino to join



PAINLESS PROCEDURE: Newport Beach doctor Richard Weiss injects Hammer with Juvederm, a facial filler, to help minimize her laugh lines.

the trial, she'd never heard of Juvederm. But she certainly trusted the reputation of the Irvine maker of the Botox wrinkle relaxer, a big player in the \$30 billion global beauty industry.

"It went in smooth. It looks really, really natural," Domino says of the Juvederm.

Marketing experts call the trial release a smart way to create buzz. An Atlanta doctor, for example, is promoting himself by touting that he was selected for the Juvederm trial.

"Word of mouth among the affluent is a very effective promotional method," says Ron Kurtz, who runs the American Affluence Research Center in Miami. "The affluent really like to know what their peers are doing."

Allergan spokeswoman Caroline Van Hove won't say how many doctors were chosen to participate in the study. Eligi-

SEE JUVEDERM • PAGE 8

U.S. housing prices sink 2.5%

September marks biggest percentage drop in 4 decades. Median is down in O.C., up statewide.

BY JEFF COLLINS
THE ORANGE COUNTY REGISTER

Single-family home prices fell 2.5 percent across the nation in September from a year earlier, the largest annual percentage drop in nearly 40 years, the National Association of Realtors reported Wednesday.

News of the decrease comes as the California counterpart of the Realtors group reports that Orange County's single-family home prices fell from the year before for a second



FOR SALE: The state Realtors association estimated it would take 10.3 months to sell all the county's current home listings.

straight month.

The median price of an existing single-family home dropped to \$219,800 in the U.S. last month, down from \$225,400 in September 2005, the association said. That was the big-

gest year-over-year percentage decline in records going back to 1968.

National association officials insist the decline will be short-

SEE HOMES • PAGE 8

Boeing profits fall 31%; GM beats forecasts

FROM REGISTER NEWS SERVICES

Boeing, the world's second-largest maker of commercial airplanes, said Wednesday that third-quarter profit fell 31 percent on costs associated with closing its Irvine-based in-flight Internet service, Connexion. Sales rose the most in five years.

General Motors, the world's largest automaker, posted third-quarter operating profit Wednesday that nearly doubled Wall Street's earnings expectations as its turnaround efforts continued to show results. GM narrowed its overall loss to \$115 million on savings from closing factories, buying out union workers and trimming health-care expenses. **Page 3**

FREE ADVICE ON YOUR FINANCES



Are you confused about finances, taxes or investments? The Register is offering free advice from financial experts by phone from 5 to 9 p.m. Thursday. For English, call 714-796-6000. For Spanish, call 714-796-2400. For Vietnamese, call 714-796-3600. You can e-mail a question to yourmoney@oregister.com. Experts will answer as many e-mails as they can during the call-in period.

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TRASH PICKUP RESUMES

Therma Industries Inc. said it resumed some residential trash pickup Wednesday in six of the seven north Orange County cities it serves, as out-of-town employees replaced Teamsters drivers who have been on strike for three days. **PAGE 3**

CLEAR CHANNEL MAY SELL

Clear Channel Communications, the largest U.S. radio broadcaster, is considering a possible sale of the company and hired Goldman, Sachs & Co. as an adviser. The board, controlled by the Mays family, is evaluating alternatives to increase the share price and can't assure that a transaction will occur; San Antonio-based Clear Channel said Wednesday.

ICAHN WINS IMCLONE BATTLE

Financier Carl Icahn won the nasty battle to take control of biotech company ImClone Systems on Wednesday. The company named him chairman and said the four board members he was trying to oust are leaving, including the interim CEO, who resigned immediately. **PAGE 3**





LEONARD ORTIZ, THE REGISTER

GRATEFUL PATIENT: Mary Ann Hammer gives Dr. Richard Weiss a hug after seeing the results of Juvederm injections. Juvederm is from Allergan, the same company that makes Botox.

JUVEDERM TEST BEGINS

FROM PAGE 1

ble patients must have previously tried Juvederm's chief competitor, Restylane, which has been sold in United States since 2004. They will be asked to return to the doctor's office at three, six and nine months to evaluate results.

The company also is encouraging excitement among employees. Recently, Allergan sales reps were given iPods engraved with the Juvederm logo.

Allergan acquired Juvederm earlier this year as part of its purchase of Inamed, a Santa Barbara company that also makes breast implants and a weight-loss surgery device called the Lap Band.

Not everyone buys into the company's survey strategy for launching a new medical product.

Connie Pechmann, a professor of marketing at UC Irvine, says if Allergan really wants to know how Juvederm compares with Restylane, it should conduct a scientific trial where participants don't know which product they receive and doctors evaluate the results.

"Personally, I'm disappointed to see Allergan doing this because it's not scientific and it's not legitimate," Pechmann says.

"If they ask people to try this product for free that has the Allergan name on it, that's going to create a halo effect. People are going to be predisposed to like the product and think it works really well because Allergan makes Botox."

Van Hove says the trial lets doctors experience how the product works in the market rather than in a clinical environment. Blind studies also are



DROP OF YOUTH: A limited number of doctors, including Newport Beach's Richard Weiss, offer Juvederm.

planned.

"That doesn't replace a head-to-head comparative study that we will be initiating," she says.

Pechmann says the trial gives Allergan the chance to quickly and affordably conduct the kind of self-reported market research used in the cosmetic industry while limited availability fuels demand.

"You see the lines of people waiting for an Elmo and then everyone wants an Elmo," she says.

"The doctors are going to feel special, the patients are going to feel special. That's going to create buzz."

The U.S. market for facial fillers is about \$175 million, and it grew by 25 percent this year, according to Allergan's research.

Prices vary by doctor. Weiss charges \$600 for one syringe of Restylane.

"I think you're going to see Allergan grow this market substantially," Weiss says.

"They have the distribution



FOREVER YOUNG: Jeanette Alford, 56, has Juvederm injections. Patients will be asked to return to the doctor's office at three, six and nine months to evaluate results.



HOT PRODUCT: Juvederm is being tested on a limited number of patients who have had Restylane injections in the past.

network and relationship with doctors. I think you're going to hear a lot more about facial fillers because of the large company that's involved."

Mary Ann Hammer, 62, of Newport Coast wanted to try Juvederm because of the folds

in her face from "always smiling, laughing and having a good time."

On a Friday afternoon, Weiss numbs her face with a shot to the gums, a trick he learned from a dentist. He puts on magnifying goggles so he

can see every fine line.

He begins injecting a clear, thick liquid into Hammer's skin.

From one syringe, he injects 10 times on her left side before moving the needle to the right side. She doesn't feel a thing.

In a matter of minutes, he blots away specks of blood and hands her a mirror.

"Oh my God!" Hammer gasps. "They're gone. Oh my God. I can't believe it!"

Domino likes the results so much she asked Dr. Weiss if she can come back for another injection around her mouth.

Not until January.

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FACE FIXERS

Last year, Botox was the top-selling minimally invasive cosmetic procedure, with 3.8 million treatments. Facial fillers, similar to the soon-to-arrive Juvederm, were fourth most popular, with 490,000 treatments.

Here's a look at some products that treat facial wrinkles and folds:

Collagen: First used in the 1980s, collagen is made from purified cow skin to fill wrinkles and lines. The effect can be lumpy and cause an allergic reaction. Collagen fillers made from human tissue also are available.

Fat injections: A long-time treatment, a doctor takes fat from a patient's abdomen, thighs or buttocks and injects it in the face. The results can be permanent.

Botulinum toxins: First used to treat eye disorders, the bacteria blocks nerve impulses to temporarily paralyze muscles and smooth wrinkles. Currently, Botox is the only treatment the Food and Drug Administration has approved for cosmetic use, but two others are under FDA review. Side effects include bruising and droopy eyelids.

Hyaluronic acid: The acid occurs naturally in humans and animals, reducing the risk of allergic reaction. Hyaluronic acid is a natural component of skin that adds volume. Market leader Restylane has been sold since 2004. Side effects include temporary pain and bruising. Source: American Society of Plastic Surgeons

HOMES: O.C. prices, sales fall from last year

FROM PAGE 1

lived, noting that the price decline comes on the heels of one of the biggest housing booms on record.

Single-family home sales fell to a seasonally adjusted 5.4 million homes, down 13.8 percent from 6.3 million homes in September 2005.

Meanwhile, the median price of an existing single-family home in Orange County fell to \$706,490 in September,

National association officials insist the decline will be short-lived, noting that the price decline comes on the heels of one of the biggest housing booms on record.

which was 0.3 percent below the median price in September 2005.

The median price a year ago was \$708,840.

The number of Orange County houses sold also fell 22.2 percent, the state Realtors association said.

The county's supply of un-

sold homes was 10.3 months, the state association estimated, meaning that it would take that long for all the current home listings to find a buyer at the current sales pace.

That's down slightly from 10.8 months in July, which was the highest in nine years.

In September 2006, Orange

County's supply of unsold homes was 6.1 months.

Statewide, home sales decreased 31.7 percent in September, the association reported, but the median price increased.

The California median house price was \$553,050 last month, up 1.8 percent from \$543,510 in September 2005.

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RICHARD DREW, THE ASSOCIATED PRESS

STABLE RATES: The Fed on Wednesday kept its key interest rate unchanged at 5.25 percent for a third straight meeting.