



## The week in business

Stocks	Low	Last	Change
Dow Jones Industrials:			
3463.48	3439.98	3439.98	-31.60
Standard & Poor's 500:			
450.88	447.78	447.78	-2.40
NYSE index:			
248.73	246.91	247.07	-1.11
NASDAQ composite:			
681.54	674.36	681.54	-1.18
See regional stock listings, E4.			
Key rates			
	Thur.	Wed.	Yr. ago
Prime rate	6.00	6.00	6.50
Discount rate	3.00	3.00	3.50
Federal funds	3.00	3.05	3.75
3-mo. T-bills	2.92	2.89	4.01
6-mo. T-bills	3.03	2.99	4.14
7-yr. T-notes	5.76	5.65	7.22
30-yr. T-bonds	6.94	6.85	7.94
Source: Associated Press, Salomon Brothers			

**NUCLEAR RESPONSE.** William R. Marriott, the city of Newport News' emergency preparedness director, has asked the shipyard to take part for the first time in a joint exercise to practice responding to nuclear accidents. Marriott also asked the yard for a contact person familiar with nuclear matters. Presently, the yard's security director, has no special knowledge of nuclear problems, is the contact, Marriott said.

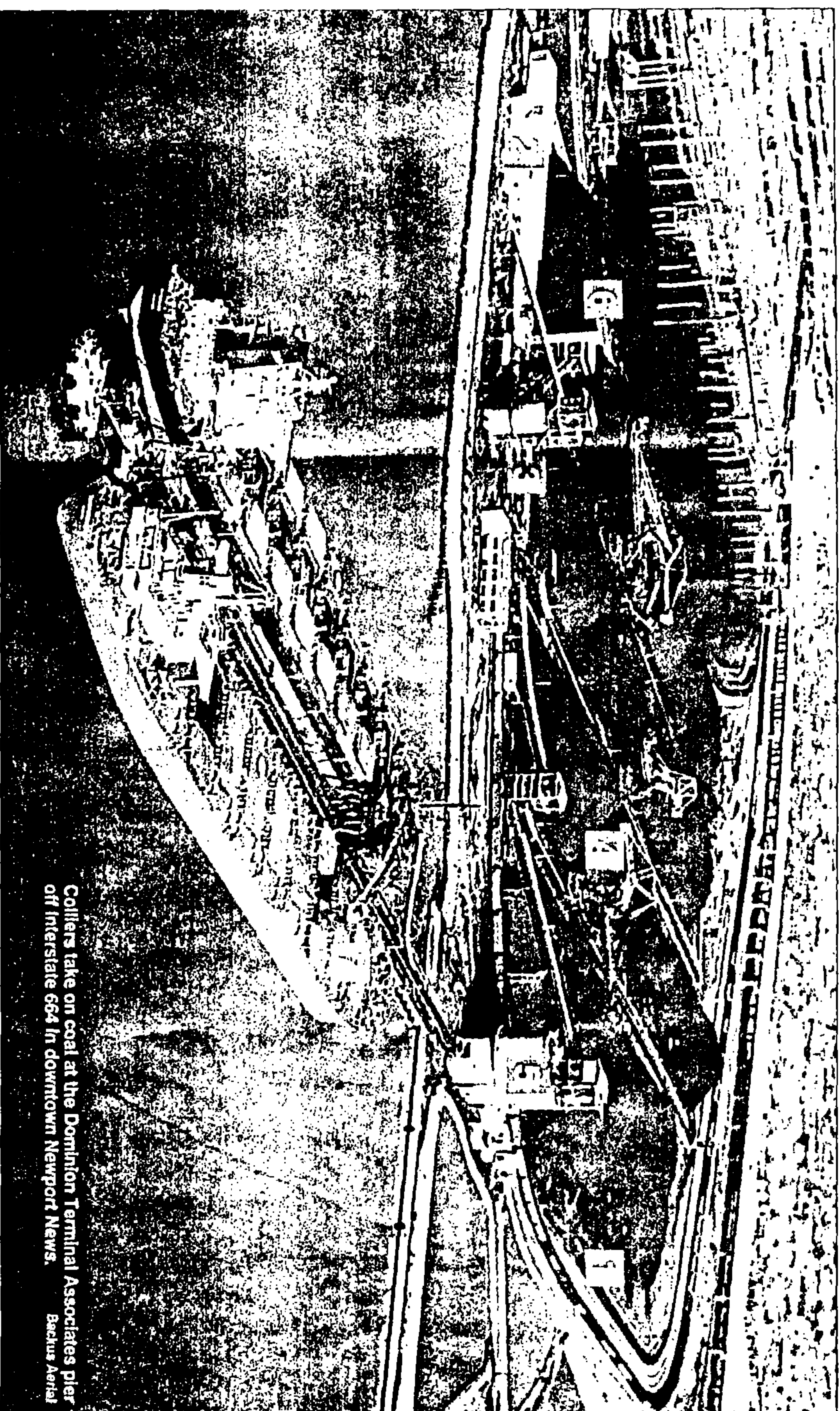
**PAIN BEFORE GAIN.** Tenneco Inc., the parent company of Newport News Shipbuilding, took a \$920 million charge against last year's earnings to restructure its J.I. Case farm equipment division. The charge, coupled with \$699 million in charges for accounting changes, transformed the Houston-based conglomerate's 1992 profit to a \$1.3 billion loss.

**SLOW AHEAD.** Hampton Roads' economy will be sluggish for several years, despite weathering the latest military base closings relatively unscathed, said John Knapp, director of U.Va.'s Center for Public Service. He told a group of Virginia economists that the area would be depressed by a lack of new Navy shipbuilding contracts.

**BEACH BOUND.** The Navy Exchange Service Command, which announced in January that it would move from Staten Island, N.Y., to Hampton Roads, has chosen the Peninsula Entertainment building.

# Business E

## The Peninsula's king of coal



Colliers take on coal at the Dominion Terminal Associates pier off Interstate 664 in downtown Newport News. Backus Aerial

CSX rail cars deliver coal from mines in Virginia, West Virginia and Kentucky to the downtown facility on five tracks, each of which can hold 90 100-ton cars.

Inside the dumping shed, a machine separates two rail cars from the rest of the train and

pushes them onto the rotary dumper, which overturns the cars and dumps the coal at up to 5,200 tons an hour.

The coal rides an inclined conveyor to a 1,000-ton surge silo. It is weighed and sampled to test quality.

From the silo, conveyors carry coal to two "stacker/reclaimers" — machines with 200-foot booms used to stack coal for storage, or to retrieve coal from stockpiles for shipping.

Before the coal is loaded onto a ship, it is sent to the yard's

two 4,000-ton silos. Vibrating feeders dispense different grades of coal at different rates to establish a coal blend. A three-stage mechanical sampler tests blends for quality.

From the yard's control tower, workers direct the stack-

er/reclaimer operators and coordinate train and vessel schedules.

The mobile ship loader uses a 143-foot boom, telescoping chute and rotating spoon to load up to 6,500 tons of coal an hour onto ships bound for ports around the world.



**BIZ BITES.** Aggressive expansion and increased consumer spending pushed yearly profits up 29 percent to \$3.6 million for Richmond-based S&K Famous Brands. ... Ford Motor's Norfolk plant will start making the Flareside version of the popular F-series truck in November. (See Marketwatch, E4)

## Marketwatch

**BIG BLUE'S LIFESAVER.** IBM tapped RJR Nabisco's Louis V. Gerstner to replace John Akers as chief executive. Gerstner, the first outsider ever picked to head IBM, knows little about computers, but he is considered a quick learner who's so tenacious that he once severed two fingers in a weekend lawnmower accident and insisted a surgeon reattach them so he could work on Monday.

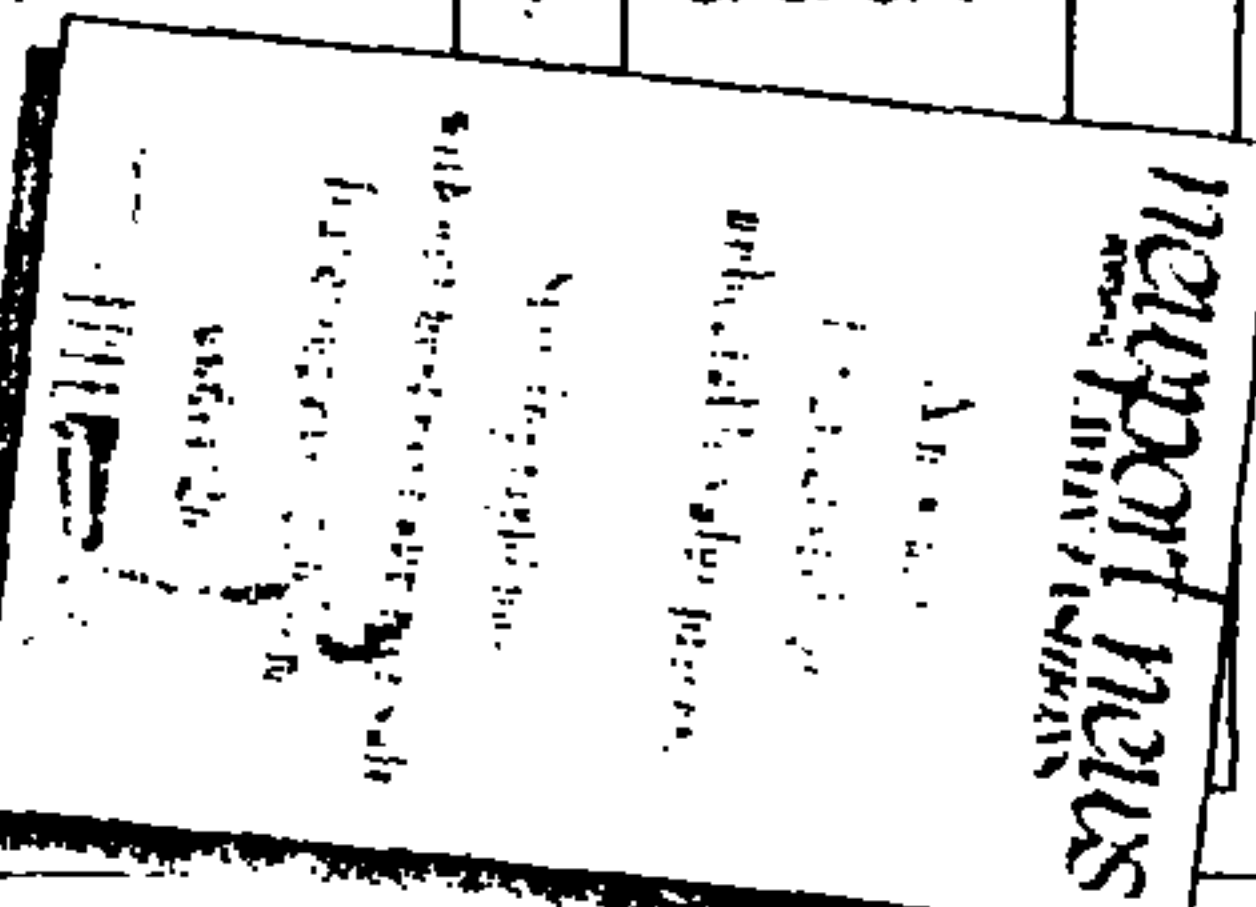
**MEA CULPA.** USAir acknowledged it had falsified aircraft repair records at two facilities. ... The Denny's restaurant chain agreed to settle federal charges that it discriminated against black customers. ... Baxter International agreed to plead guilty to charges it illegally sought to do business with Arab governments hostile to Israel. ... Leading zipper maker YKK agreed to settle price-fixing charges with rival Talon.

**BIZ BITES II.** Merck predicted lower profits and said it would cut 1,000 jobs. ... McDonald's tinkered with a bigger burger. ... Merrill Lynch announced a management shakeup and opened a office in Beijing. ... Anheuser-Busch will buy a chunk of Mexico's biggest brewer.

## Marketwatch

**MONDAY.** New home sales.  
**TUESDAY.** Consumer confidence index.  
**WEDNESDAY.** Leading indicators.  
**THURSDAY.** Purchasing index.  
**FRIDAY.** March unemployment.

Mutual funds	E4
Tax report	E5
Money notes	E6
Books	E6



Digby Solomon, Business Editor 247-4766

## UV-ACIE NN FACILITY is a pier without peer

Mary Helen Frederick  
Daily Press

### Newport News

At the Dominion Terminal Associates coal yard, four 80-foot-tall mountains of Appalachia's finest await shipment to ports around the world. A mobile ship loader deposits coal into the hull of a ship, while across the yard, a bright-blue machine scoops up coal in its bucket-like hand.

Coal is king at Hampton Roads' ports, the largest export in terms of sheer tonnage. And on this side of the water, Dominion Terminal is the king of coal. Dominion, a coal terminal located on the bank of the James River in Newport News, handles



"The job of the terminal is getting the coal out quickly," says Charlie Brinley, president of DTA. Kenneth Silver/Daily Press

about a third of the 60 million tons of coal shipped out of Hampton Roads each year. By comparison, the second-largest category of shipments — food and live animals — totaled 2 million tons in 1991, according to the Hampton Roads Maritime Association.

Two other coal terminals — Norfolk Southern's large terminal on the Elizabeth River, and the smaller Pier IX, nestled beside Dominion on the James — handle the rest of the area's coal shipments.

A 60-acre, above-the-ground storage system maximizes Dominion Terminal's 1.7 million-ton capacity, said Charlie Brinley, president and chief operating officer. "Theoretically, the more storage space you have, the more coal you can ship."

Like other distribution centers, Dominion Terminal relies on the speed and efficiency of its equipment to move coal fast. Its machines can move thousands of tons of coal an hour.

Brinley says the coal inventory turns over every two weeks. DTA says its highly automated process moves, stores, tests, blends and loads coal with a minimum of waste and pollution. Spilled coal is collected and saved for reuse, and a high-powered sprinkler system keeps coal dust from wafting over neighboring residential areas.

A private partnership, Dominion Terminal Associates is owned by four coal companies: Ashland Coal, Peabody Holding Co., The Pittston Co. and Westmoreland Coal. Each company has a different ownership interest, and a corresponding share of the outdoor storage pad.

Coal bound for DTA begins its journey to the sea from mines in Virginia, West Virginia and Kentucky.

Riding the CSX rails into Newport News, it is carried on five load tracks to a dumping facility. In cold weather, a propane-powered heater thaws the coal in the shed. Then the cars are picked up, rotated and dumped, two at a time.

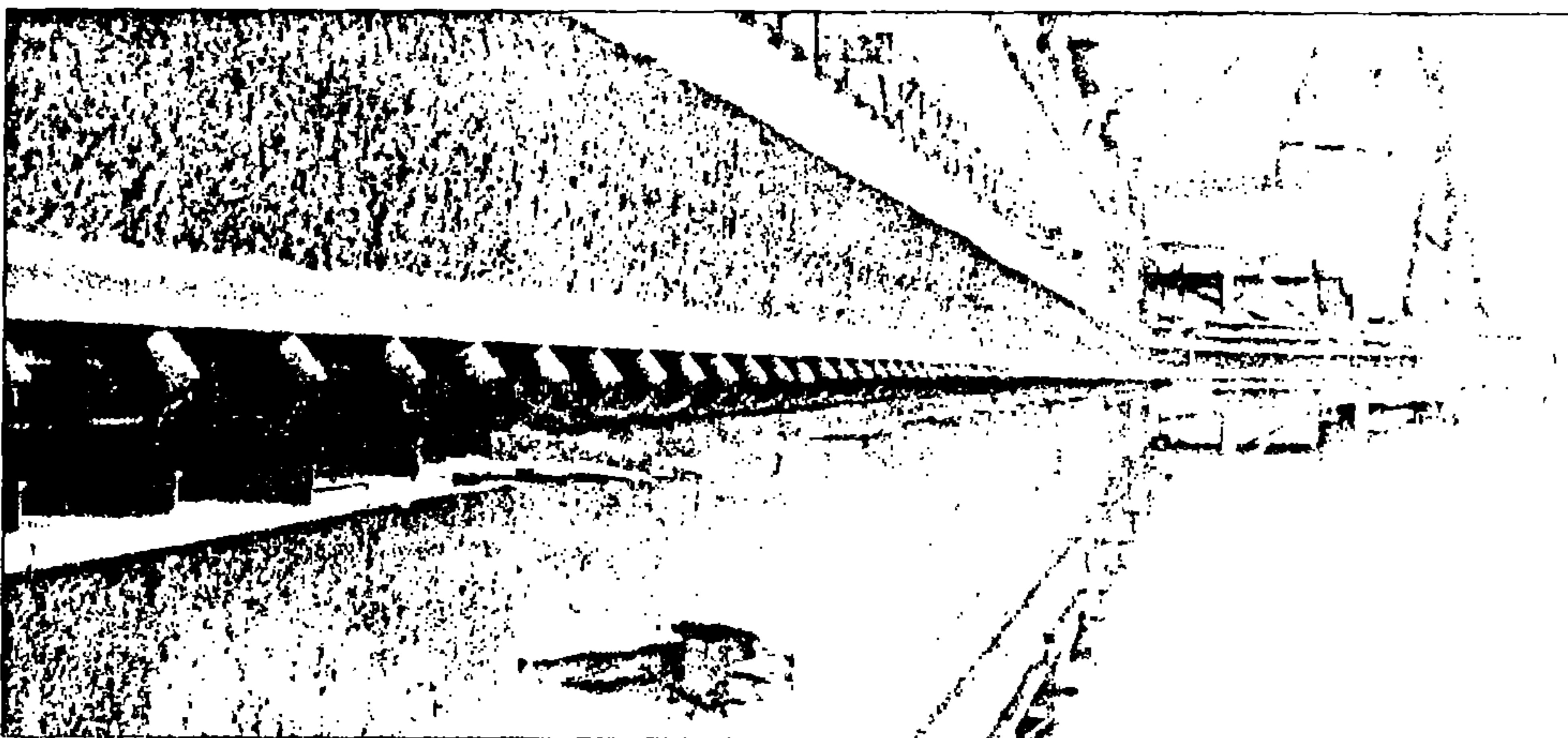
The loose coal rides a conveyor belt to a 1,000-ton storage silo, where it is weighed and sampled for quality control. Then it rides another conveyor to giant dinosaur-like stackers that pile the coal in the proper stack, depending on its owner.

Seventy-nine sprinklers surround the coal storage area like sentries, ready to start their spray when the wind picks up or changes direction. A weather station in the control tower keeps track of the wind, humidity and precipitation levels.

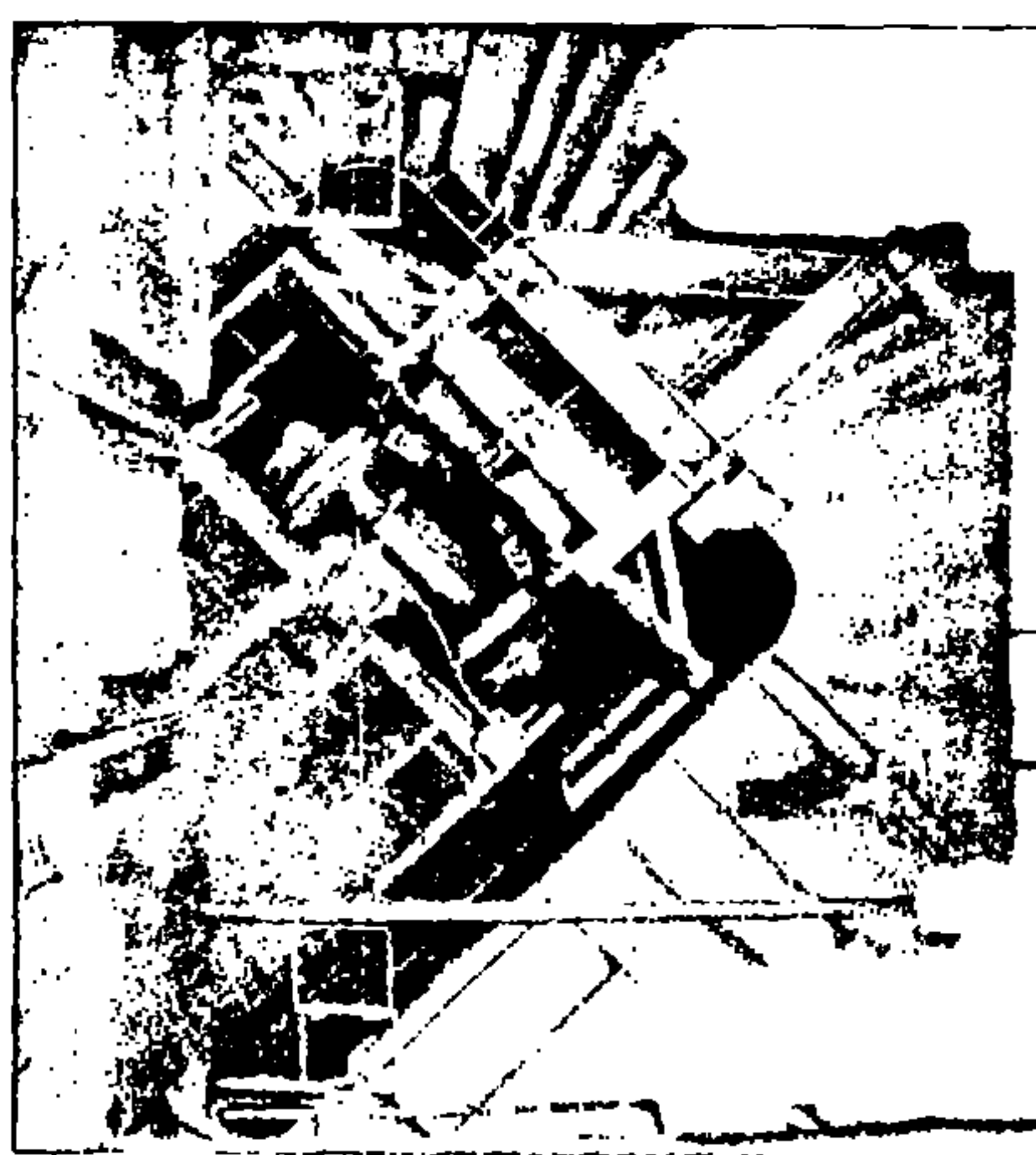
Each year, DTA uses 90 million gallons of water a year to keep coal dust down, Brinley said. The water drains into spillage ponds, where it is recycled back into the spray system.

The waste coal collected from the ponds is also reused. After being dried, the waste coal is screened and analyzed for quality, then replaced in the coal piles. "We don't have a waste disposal problem," said Brinley.

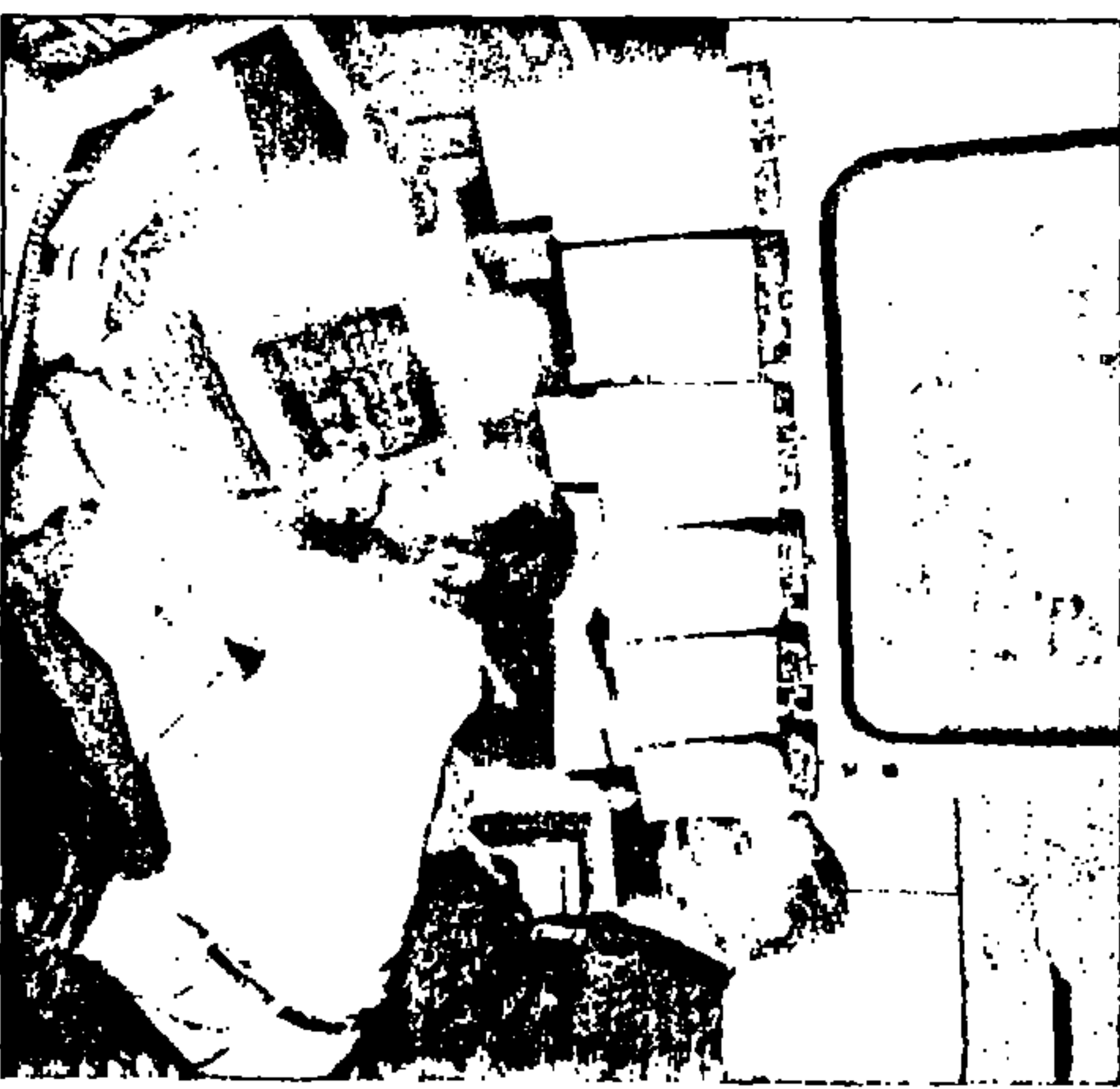
When a ship arrives to pick up coal, a stacker, running in reverse, retrieves the coal from the stockpile.



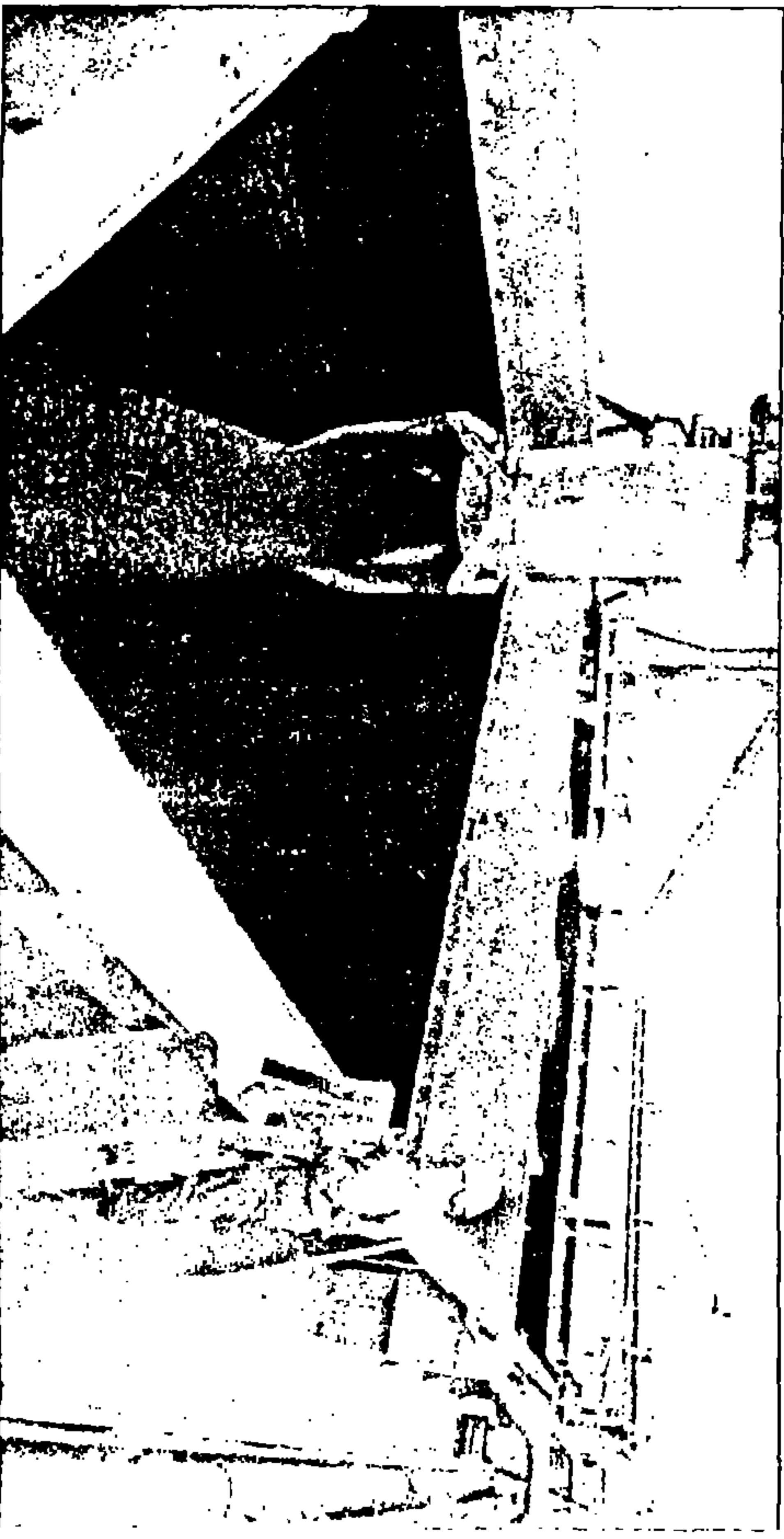
Walking along a conveyor carrying coal to a waiting ship, DTA general superintendent John Davis returns from an inspection trip down the pier. Dennis Tennant/Daily Press



A rotary dumper turns a railcar upside down to unload its cargo of Appalachian coal so that it can be weighed, sampled for quality and stockpiled. Kenneth Silver/Daily Press



Davis, right, and tower operator Zach Howard coordinate ship schedules and monitor the facility's other operations from the main control room. Kenneth Silver/Daily Press



Davis watches as coal is loaded into the hold of a waiting ship for transport to Europe. Dennis Tennant/Daily Press

Please see Coal/E2



# Coal

Continued from E1

It is sent on conveyors to two 4,000-ton silos, where it is blended to the specific requirements of the buyer by vibrating feeders.

A mobile ship loader with a 143-foot boom deposits the coal into the hull of the ship at 6,500 tons per hour.

The trend is toward bigger and bigger vessels, said Brinley. A year ago, DTA set the coal cargo record — 163,765 tons on a single ship, he said. But as ships get bigger, they often need to load at more than one terminal to fill up.

Like the conveyors, which rise and descend on the path to the dock, the price of coal has had its ups and downs in recent years.

"In the '70s, coal prices skyrocketed," said Brinley, a 20-year veteran of the coal business. Since then, the overall trend has been toward lower prices as supply has outstripped demand.

The coal market is affected by factors as diverse as the weather, world political events and the economic health across the globe, he said. Mild winters and summer have cut the need for electricity, much of which is generated by coal, said Brinley. The recession in Europe and the United States has depressed the steel industry, another major user of metallurgical coal.

And competition is heating up. South Africa, eager to rejoin world trade after apartheid, has cut the price of its high-quality coal. Eastern Europe and Russia are developing their vast stores of coal, he said.

But Brinley has more pressing worries than the price of coal. Dominion's coal company owners market and sell the coal, he said.

His concern is efficiency, and the aging of the world's shipping fleet has the potential to cause problems. "We're seeing loading times going up," he said. "It's a trend worth watching."

## COMPUTER SHOW

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# SALE

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The following pages contain the Optical Character Recognition text of the preceding scanned images.

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