

BUSINESS

Bernanke says it may take four or five years to get employment back to normal. **Page 3C**

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Hunters urged to set sights on Namibia

Envoy in S.A. to promote African country's tourism.

BY DAVID HENDRICKS
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Andjaba

take aim from trucks or track their game through mountains and desert that also are home to leopards, crocodiles and hippopotamus.

Hunting in Namibia has a few similarities to hunting in Texas Hill Country. It's hugely popular and happens mostly in the winter on large ranches with cattle.

But instead of a 200-pound whitetail deer, Namibia's prized trophy is a 500-pound kudu, a kind of antelope. And instead of sitting in a blind, hunters

take aim from trucks or track their game through mountains and desert that also are home to leopards, crocodiles and hippopotamus.

Namibian Ambassador Martin Andjaba was in San Antonio on Friday as part of a tour of Texas to promote his country's main industry, hunting, and its upcoming tourism expo in the nation's capi-

See ENVOY/3C



COURTESY PHOTO

San Antonio lawyer Bob Braubach killed this kudu during a 2008 hunting trip to Namibia. He organized the San Antonio visit by Ambassador Martin Andjaba.

FORECLOSURE HALTED

Tapatio groups file bankruptcy

Acres tests friendship

BY PATRICK DANNER
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Golf course developer Jack Parker and retail pioneer Clyde Smith have been pals for about a quarter century, but their friendship is being put to the test.

Smith moved to foreclose on land surrounding the Tapatio Springs Golf Resort and Conference Center off Johns Road in Boerne, about 655 acres owned by companies that Parker has a stake in. A foreclosure sale had been set for Tuesday but was halted when the companies filed for bankruptcy protection on Monday.

Parker, who occasionally attended Sunday morning services at Smith and Smith Ministries, a Boerne nondenominational church started by Smith and his



Jack Parker: He calls Clyde Smith "brother" despite foreclosure.

wife, isn't holding any grudges despite the foreclosure action.

"Clyde Smith is a brother to me, a Christian brother, but he's almost like a real brother to me," said Parker, who is president of Tapatio Springs Development Co. Inc., one of the companies that filed Chapter 11.

Still, Parker conceded, "I find it very awkward."

The two don't see each other much anymore. He added he would sometimes make the 11 o'clock service at Smith and Smith Ministries after attending service at Cornerstone Church, where he is a member.

Parker introduced Smith and his wife, Peggy, to the EvangeCube, a puzzle that depicts events in the life of Jesus Christ that became the cornerstone of their

See TAPATIO/2C



COURTESY PHOTOS

According to a Las Vegas bankruptcy filing, Beso LLC — in which actress Eva Longoria is a 32.33 percent investor — has \$2.5 million in assets but \$5.68 million in liabilities.

Desperate situation?

Actress Longoria's Vegas eatery and nightclub have filed for bankruptcy.

BY JENNIFER HILLER AND MICHAEL QUINTANILLA
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Eva Longoria's Las Vegas restaurant Beso and Eve Nightclub have filed for bankruptcy.

Beso LLC, in which Longoria is a 32.33 percent investor, has \$2.5 million in assets, but \$5.68 million in liabilities, according to bankruptcy papers filed Thursday.

Longoria is one of the biggest creditors — none of them secured — listed in the Chapter 11 bankruptcy filing.

She made a cash loan of \$1,074,247 to Beso LLC, which operates the restaurant and nightclub at the Crystals plaza in MGM's CityCenter, and also paid \$375,000

See BESO/3C



Longoria is seen in the kitchen at Beso, which serves a Latin-flavored menu. The name is Spanish for kiss.

Payroll tax cutback isn't free money

The most puzzling component of the tax cut extension package signed into law last month is the one reducing the payroll tax for 2011.

Who asked for this? Did not voters shout loudly in November that the most pressing economic problem is government spending and the rising federal debt? Are taxpayers going to subsidize their own paychecks forever with additional federal debt?

Did any of the other economic stimulus programs since 2008 alleviate the worst economic downturn since the Great Depression? Why will this payroll tax reduction help?

Of the tax cut extensions' total cost of \$858 billion, the payroll tax deduction portion is \$112 billion.

Workers paying into Social Security will see the effects in their first 2011 paychecks. Their So-



DAVID HENDRICKS

cial Security paycheck tax rate will be 4.2 percent instead of 6.2 percent. Employers will continue to pay their 6.2 percent share.

The self-employed will pay a combined 10.4 percent instead of the 12.4 percent they paid in previous years. The reduction for everyone will occur only in 2011. The payroll tax reduction replaces the two-year withholding reduction program that expired last month, called the Making Work Pay tax credit.

Everyone will think the payroll tax reduction

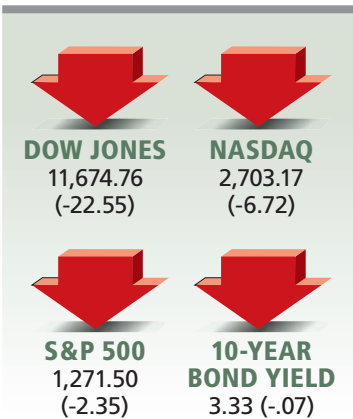
See HENDRICKS/3C

THE SHORT VIEW

Apple's Jobs gets \$1; his COO, \$59.1 million

Apple Inc. CEO Steve Jobs' compensation package remained the usual \$1 in fiscal 2010. But Chief Operating Officer Timothy Cook's total compensation went from \$1.64 million in 2009 to \$59.1 million in fiscal 2010 because of bonuses for running day-to-day operations during Jobs' medical leave. Cook was given a \$5 million bonus and \$52.3 million in stock awards for the year ended September 2010, Apple said Friday in a regulatory filing. But the value of the shares Jobs owns has skyrocketed: His 5.5 million shares gained about 60 percent in value during the fiscal year.

MARKET CLOSINGS



The average price for a gallon of regular gas in S.A. was \$2.881 Friday, up 0.1 cent from Thursday. The average U.S. price was \$3.083, AAA says.

Biz Bits

PIVOTAL MORTGAGE RULING: The highest court in Massachusetts has ruled against U.S. Bancorp and Wells Fargo & Co. in a widely watched mortgage foreclosure case. The Supreme Judicial Court affirmed a lower court judge's ruling invalidating two mortgage foreclosure sales because the banks did not prove that they actually owned the mortgages at the time of foreclosure.

CONSUMER BORROWING: Americans increased the amount of money they borrowed in November, mostly to buy cars and attend college, with consumer debt rising to \$1.3 billion in November.

UNIVERSITY SUED: The Univer-

sity of Miami was sued for almost \$6.4 million by Ralph Janvey, the court-appointed receiver for the businesses of R. Allen Stanford, over claims the funds are proceeds from an alleged \$7 billion investment fraud scheme.

CHRYSLER LOANS: Fiat SpA and Chrysler LLC CEO Sergio Marchionne said he wants to pay back the loans Chrysler received from the U.S. and Canadian governments this year if he can.

WAMU PLAN REJECTED: A Delaware bankruptcy judge has rejected Washington Mutual Inc.'s reorganization plan. The judge says the protection from future liabilities that it gives to the bank holding company's former executives is too broad.

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Unemployment drops slightly to 9.4 percent

But Fed chief says normal rates could be five years away.

BY JEANNINE AVERSA
Associated Press

WASHINGTON — Federal Reserve Chairman Ben Bernanke sketched a more optimistic view of the economy Friday but said the Fed's \$600 billion bond-buying program is needed because unemployment likely will stay elevated for up to five more years.

Bernanke told the Senate Budget Committee there's rising evidence that a "self-sustaining" recovery is taking hold. He said he expects stronger growth because consumers and businesses will boost spending this year.

Bernanke spoke an hour after the government released a disappointing



ALEX BRANDON/ASSOCIATED PRESS

Federal Reserve Chairman Ben Bernanke takes his seat on Capitol Hill in Washington prior to testifying before the Senate Budget Committee.

employment report. Employers added only 103,000 jobs in December. The unemployment rate fell to 9.4 percent — partly because people gave up looking for jobs.

Many economists had forecast much bigger job gains and were looking for a signal that businesses were stepping up hiring.

Asked about Decem-

ber's 103,000 job gains, Bernanke said if the pace of hiring doesn't increase, "we're not going to see sustained declines in the unemployment rate."

Over the past three

months, the economy has added an average of 128,000 jobs a month. That's just enough to keep up with population growth. Nearly twice as many are generally needed to significantly reduce the unemployment rate.

All told, employers added 1.1 million jobs in 2010, or about 94,000 a month. The nation still has 7.2 million fewer jobs today than it did in December 2007, when the recession began.

Some economists predict the nation will create twice as many jobs this year as it did last year. They note that people who still have jobs are not as worried about losing them as they might have been a year ago and that people are spending more. A rebound in retail sales probably means businesses will hire more people.

Economists also expect

a tax cut that takes effect this month — a reduction in the amount taken out of workers' paychecks to pay for Social Security — will lead Americans to spend more this year.

"The conditions are in place to get pretty good job growth this year," said John Canally, an economist at LPL Financial. "The payroll tax cut is in place, exports are booming and banks are lending again."

But even if hiring picks up, the damage from the recession, which has been over for a year and a half, will take years to undo.

Bernanke told a Senate panel Friday it could take five more years for the unemployment rate to return to a more normal level of 6 percent. Most economists think unemployment will still be near 9 percent at the end of 2011.



COURTESY PHOTO

A view of the Eve nightclub, which is upstairs from the Beso eatery. Actress Eva Longoria plans to be in Las Vegas next week "to take charge of the new plans going forward."

BESO

CONTINUED FROM 1C

in legal fees for the business, according to court records.

According to her publicist Liza Anderson, Longoria had been "dealing with the fallout stemming from two former allegedly fraudulent ex-partners" tied to Beso and Eve, which led to the bankruptcy filing, handled by Hollywood attorney Robert Shapiro.

As a result, Longoria and her new restaurant management team are immediately "taking affirmative action in cooperation with MGM to become hands-on in the development and promotion" of the restaurant and nightclub.

"I look forward to a more proactive hands-on approach in the coming years with my Las Vegas businesses," Longoria said. "It's a new year and we're making a new start."

I look forward to a more proactive . . . approach."

EVA LONGORIA
about Vegas situation

Anderson says that insiders tell them "that MGM's corporate executives at CityCenter have given Eva's plans their support."

Longoria plans to be in Vegas next week "to take charge of the new plans going forward."

A creditors' meeting is scheduled for Feb. 10 in Las Vegas.

Beso is losing an estimated \$76,000 a month, according to the bankruptcy filing. It is behind nearly \$1.8 million on its lease and owes \$260,451 in sales tax to the state of Nevada. It also owes Clear Channel Outdoor, the billboard subsidiary of San Antonio-based CC Media Holdings, \$80,950 for digital billboard

advertising.

Longoria also is an investor in a Los Angeles restaurant called Beso, which is not part of the bankruptcy filing.

Other Las Vegas Beso investors with Longoria include Anthony Vicidomine, with a 2 percent interest; John Torregiani, with a 1.01 percent interest; Jonas Lowrance, with a 32.33 percent interest; and Ronen and Mali Nachum, with a 32.33 percent interest, according to the bankruptcy filing.

According to the Las Vegas Sun, Beso is in a legal fight with the Nachums. The paper reported that a June lawsuit filed in Nevada's Clark County District Court by the couple alleged they provided the company a \$280,000 loan to help fund construction of the restaurant, but were pushed out of the company without payment.

Clark County District Court Judge Mark Denton in October denied a motion by Longoria and co-defendants that the case be dismissed, and Longo-

ria, Beso and the co-defendants have filed a counterclaim against the Nachums, according to the Sun. The newspaper said the countersuit alleged mismanagement of restaurant construction and Beso funds.

Beso, Spanish for "kiss," is a 6,000-square-foot restaurant that serves a Latin-flavored menu and has design features such as custom crystal chandeliers made from the Swarovski crystal curtain featured at the 2009 Academy Awards. The nightclub Eve is upstairs.

"Desperate Housewives" star Longoria filed for divorce from Spurs point guard Tony Parker in Los Angeles County Superior Court in November, citing "irreconcilable differences."

In San Antonio, the couple own a home in the gated luxury neighborhood Anaqua Springs Ranch, which has not been listed for sale publicly. Longoria also owns a home in the Stone Oak area.

ENVOY

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of Windhoek in late May and early June.

The large nation on Africa's southwestern coast has an economy that's based on energy, agriculture and mining, but tourism/hunting may be the biggest sector, San Antonio lawyer Robert Braubach said.

"It's a big part of their economy and an important link between America and Africa," he said.

Braubach organized Andjaba's San Antonio visit and himself has hunted in Namibia four or five times since the mid-1990s.

"The import of rifles (for hunting) is easier in Namibia than in other African nations. The prices in Namibia are considerably less than in other African nations," Braubach said, noting there are good airline connections from Texas through Europe, especially Frankfurt, Germany.

Andjaba came to San Antonio after speaking Thursday at the Dallas Safari Club convention being attended by more than 20,000 people. His Washington embassy office is coordinating a U.S. trade mission to Namibia's tourism expo. The expo's exact dates still are being finalized. Further information will be available online soon at namibianembassysa.org.

The ambassador's itinerary in San Antonio won't be all work. Over the weekend, he'll hunt deer in South Texas with Braubach, attend a Spurs game Sunday, visit with Texas Secretary of State Hope Andrade next week and possibly attend safari club meetings in San Antonio and Austin.

He is planning on attending the awards dinner of the Alamo chapter of the Safari Club International at 7 p.m. Tuesday at the Holiday Inn Airport. The chapter has

320 members, club secretary Janice Magninat said. The dinner is open to the public.

"We are marketing ourselves as a country. We have a lot to offer," Andjaba said.

Mining, especially diamonds, uranium, copper and gold, are opportunities for foreign investors, he said.

"We are the only country that mines diamonds from the sea. We have the technology and know-how to do that," Andjaba said.

"We invite foreigners to partner with Namibia. We want technology transfer to make sure Namibians also benefit from the natural resources," he said.

Namibia's game includes various types of antelope, including the kudu, eland and oryx. Leopard, cape buffalo, crocodile and hippopotamus also are hunted. Of those, the kudu is the most prized.

"The kudu has the large, spiraling horns. There's no greater trophy in Africa than a majestic, mature kudu," Braubach said.

The peak hunting season is Namibia's winter, June through August, when temperatures range between 40 and 70 degrees during the day, with little rain. The foliage is gone in winter, making it easier to spot the game, Braubach said. Animals are more active then because it's their mating season.

Hunters can position themselves around waterholes and wait for game and birds to come to the water. "You can see a large variety of birds and wildlife, like warthogs" around the waterholes, Braubach said. "The leopards are more active at night" around the waterholes, he added.

If game is spotted from a pickup, hunters can track the animals in Namibia's soft red soil. "You can see the tracks well," Braubach said.

HENDRICKS

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will be free money.

But it's not free because the Social Security system will not receive \$112 billion this year.

Social Security is an insurance program. Workers pool their contributions, and the program pays current retirees. In years when a surplus materialized, Congress spent the excess and issued IOUs to the Social Security system.

Last year, the surplus vanished, the first time since 1983. The 2010 lack of a surplus was attributed to the recession. Lower numbers of workers were paying into the Social Security system.

Social Security trustees expect the surplus to return in 2012-14 as the economy improves. But deficits will return after

that as more baby boomers retire. Reserves are expected to be exhausted by 2037.

At that point, absent any funding or benefit reforms, retirees likely will receive only about 75 percent of their promised benefits because that is what the incoming contributions will support.

In other words, workers are receiving money now they were supposed to receive later. It's not free. The \$112 billion in payroll tax deduction this year will be paid later by higher rates of Social Security contributions or lower benefits, including possible higher retirement ages.

I would feel better not receiving the 2 percent this year if it meant putting Social Security in a better position to deliver on its promises during my retirement.

Congress "hopes no one notices the extra money in their pay-

checks and will spend it. They are trying to goose the economy," said San Antonio accountant Steven Bankler. "But there has to be a better way than taking away from a system already going bankrupt," Bankler added.

Congress ought to be flabbergasted over the advice personal finance experts give the public about what to do with the extra money this year. Save it, start a retirement account or pay down debt, they say.

That's the best advice, but it won't help the economy. The public already has done that with the other tax breaks since 2008. The U.S. savings rate soared as a result. The jobless rate remains high.

Enjoy the \$112 billion being diverted from Social Security. We'll all pay later.

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