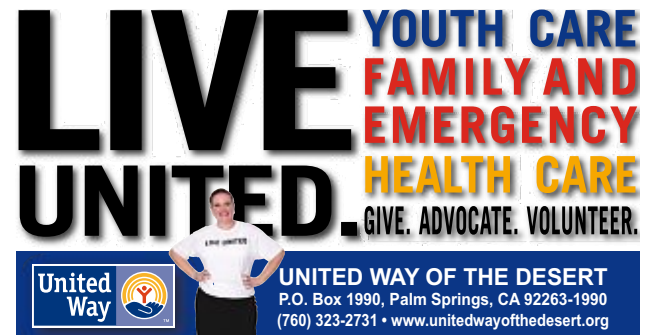


# Business

Senior Editor/Business: James Meier • (760) 778-4623 • business@thedesertsun.com



■ DOW 11,825.29 | ■ S&P 500 1,281.92 | ■ NASDAQ 2,725.36 | ■ AMEX 2,164.35 | ■ NYSE 8,104.92

## Summit examines green tech

Officials, experts discuss jobs and economic benefits

BY K KAUFMANN  
The Desert Sun

Coachella Valley economic and energy representatives hit the seventh annual Clean-Tech Investor Summit in Indian Wells on Wednesday intent on making connections and looking at ways to translate national trends in the market into new green business and jobs for the region.

"What does clean tech mean for the (Coachella) Valley?" mused Carolyn

Stark, former director of the UC Riverside Palm Desert campus, who is continuing to work on economic development issues in the valley.

"There are small companies we can nurture, companies engaged in assembly."

The Coachella Valley Economic Partnership is a sponsor of the summit, which draws several hundred energy investors and executives to the Renaissance Esmeralda Resort & Spa for two days of high-level discussions on trends in the clean-tech field.

Renewable energy and clean tech are key parts of CVEP's economic blueprint for diversifying the region's economy.

### What's happening today?

Visit mydesert.com throughout the day today to learn what's happening during the second day of the Clean-Tech Investor Summit in Indian Wells.

Speakers Wednesday included:

■ Cathy Zoi, U.S. assistant secretary for energy efficiency and renewable energy.

■ Carl Pope, chairman of the Sierra Club.

■ Jon Lauckner, a vice president at General Motors.

The general message from speaker after speaker: Clean tech is set to

transform all sectors of the American and world economies, driven in part by the public's increasingly insatiable demand for clean, green products. It can only happen, though, if the industry can overcome the lack of a strong political consensus on creating a national energy policy.

"Clean tech has the potential to transform every major industry in coming years," said Ira Ehrenpreis, summit chair. "Green and clean have saturated our public consciousness. Interest in being green transcends politics. We all want clean, secure, affordable energy solutions."

But, Zoi said, "The debate is going to swing on what the business com-

munity does. There are a whole lot of people (in Washington, D.C.) who want tomorrow to be like yesterday."

Despite the national focus, Vincent Battaglia of Renova Energy in Palm Desert found strong interest in the valley's emerging energy sector.

"I'm finding the guys sitting around me are interested in how Renova is operating; they're very impressed," he said.

Battaglia also was picking up advance word on emerging technologies in the solar field such as new carbon-based technology for solar panels coming in the next few months.

"This is going to be great for us; carbon is much less resistant to heat."



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Wells Fargo & Co. reported a strong surge in banking profits Wednesday as fewer loans are going bad and late payments are dropping.

## Banks see surge in profits

Fewer Americans are behind on mortgage and credit card payments

BY EILEEN AJ CONNELLY AND PALLAVI GOGOI  
The Associated Press

NEW YORK — Americans are starting to get their household finances in order.

In an encouraging round of earnings reports, major banks say fewer mortgages are going bad, credit card defaults are down and more people are paying the bills on time.

One of the nation's largest consumer lenders, Wells Fargo, said Wednesday that 29 percent fewer loans went bad in the last three months of 2010 than the year before. And late payments on loans considered likely to default declined for the first time since 2008.

Late payments on credit cards issued by Bank of America, JPMorgan Chase and Citigroup also improved at a record pace at the end of last year, according to an analysis by Barclays Capital.

The reports are a sign that Americans are feeling more comfortable about their finances. Personal spending powers about 70 percent of the U.S.

economy, and most economists say a fiscally fit consumer is critical to a strong economic recovery.

"There are signs of stability and growth," said J.P. Morgan CEO Jamie Dimon.

The bank news comes after a holiday shopping season in which spending was the strongest since 2006, and auto sales grew 11 percent last year, the first gains since 2005.

Taken together, the spending indicators are the "strongest showing for consumers since the peak years of the last expansion," and signal that the economy is "near a threshold of self-sustaining growth," analysts at Citi Investment Research & Analysis said in a report earlier this month.

### Optimism growing

Economists and policymakers are waiting for signs that the economic recovery can power itself rather than rely on outside supports, like the Fed's decision to buy hundreds of billions of dollars in government bonds to drive down interest rates.

The recent bank results are fueling that optimism.

Citigroup said loan losses fell 11 percent from the previous quarter as more of its customers kept up with payments.

It was the sixth straight quarter of declining losses, allowing the bank to release \$2.3 billion from the reserves it sets aside for bad loans and helping it to report a profit. J.P. Morgan and Wells have also reported bigger profits because they could release loan reserves.

Fewer customers were late on their monthly mortgage payments. The portion of Citi's home loans that were 90 days overdue fell to 2.1 percent from 2.7 percent. And the bank set aside \$4.8 billion for future losses, the lowest since the spring of 2007 and a sign it is more hopeful about the recovery.

Despite the encouraging trends, banks are still reluctant to loosen lending. Credit reporting agency Transunion estimates that 8 million Americans who had credit cards a year ago don't have them now, either by choice or because they were cut off. Banks slashed credit lines and closed millions of credit card accounts in response to regulations passed after the financial crisis.

Individuals, too, are hesitant to borrow even when they have access to credit. Federal Reserve data show that total revolving debt held by U.S. consumers — mainly credit cards — fell to just below \$800 billion in November, the lowest since September 2004.

## Fearful investors flee muni market

\$25 billion pulled from bonds over default worries

BY DAVE CARPENTER  
The Associated Press

CHICAGO — Investors have been flooding out of municipal bonds amid fear of defaults by troubled state and local governments. They've pulled \$25 billion out of muni-bond funds in just over two months.

Many bond market experts think investors have overreacted.

At the very least, municipal bonds haven't lost their tax appeal.

Muni bonds are issued to help pay for projects such as schools, hospitals, roads and bridges. They're also called tax-free or tax-exempt bonds because they're exempt from federal taxes and most state and local taxes, which usually makes them popular for taxpayers in high-income brackets.

Not lately. Concerns about the fiscal health of state and local governments in the wake of a punishing recession are valid. States face \$114 billion in budget shortfalls, and investors are wary of the potential for a rash of municipal bankruptcies and defaults. One warning already came from Harrisburg, Pa., which announced it was heading toward default on \$3.3 billion in bond obligations last fall, before it was bailed out by its bond insurer.

An even bigger alarm bell sounded in the \$2.8 trillion market when Meredith Whitney, an influential financial analyst who heads her own firm, last month forecast the possibility of 50 to 100 sizable defaults in 2011 worth hundreds of billions of dollars.

Other concerns also have roiled the market. Most notable was Congress allowing the expiration of a program — Build America Bonds — that lowered borrowing costs for local governments.

All of these events spurred investors to withdraw a net \$25.1 billion from muni-bond funds in the 10 weeks ended Jan. 12, according to the Investment Company Institute.

The result was the worst quarter for tax-exempt munis in nearly 17 years. The value of general muni debt funds declined 4.6 percent from October through December, the biggest drop since the first quarter of 1994.

### BUSINESS BRIEFS

palm desert

#### Energy upgrades focus of workshop

Coachella Valley contractors can find out how to participate in the Energy Upgrade California program at a free workshop to be held from 6 to 9 p.m. Tuesday at College of the Desert's Public Safety Academy in Palm Desert.

The Energy Upgrade program, a statewide effort aimed at retrofitting about 40,000 homes in the next few years,

will offer homeowners rebates of \$1,250-\$4,000 for certain energy-efficient home upgrades.

Southern California Edison will administer the program in its service territory in the valley and, to qualify for rebates, homeowners will have to work with licensed contractors certified by the utility.

Sponsored by the California Building Performance Contractors Association, the workshop is free and will provide an overview of the program and the requirements for contractors.

COD's Public Safety Academy is in the northeast corner of the campus, 43-500 Monterey Ave., Palm Desert.

Online registration is available at [www.cbpcapublicutilities.org](http://www.cbpcapublicutilities.org).

Information: (510) 788-0523

— K KAUFMANN

washington

#### China to purchase 200 Boeing aircraft

Seeking to build ties with an economic rival, the White House said Wednesday that China would purchase \$45 billion in U.S. exports, including a highly sought-after \$19 billion deal for 200 Boeing airplanes.

The announcement came as Chinese President Hu Jintao arrived at the White House for a

state visit with President Barack Obama. The deals could soothe some concerns from the U.S. government and corporate America, both of which contend that China keeps its currency artificially low in order to make Chinese products cheaper in the U.S. and U.S. goods costlier in China.

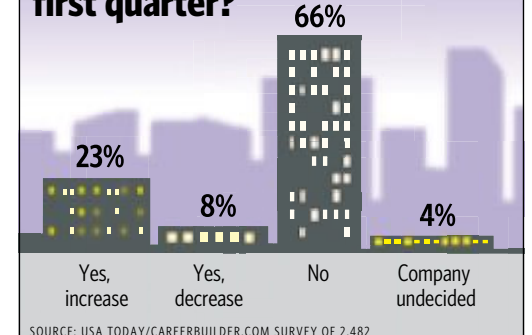
Obama and Hu met Wednesday with U.S. and Chinese business leaders, including some involved in the new export deals.

Hu told the executives that he welcomed U.S. companies to do business in China, and said his country is trying to increase domestic consumption.

— THE ASSOCIATED PRESS

### BUSINESSFACT

Does your company plan to change the number of permanent employees in the first quarter?



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