

Patents | Sabra Chartrand

A data base that knows exactly when to call, and a new incentive for buckling up in the car.

THE phone rings just as you are putting down your mail inside the front door. It is someone from the bank, informing you that as a valued customer, you are eligible for a brand new account service. Do you talk to that person or hang up? Is there any good time for a telephone marketing pitch? Would you be more open to a salesman, a survey-taker or even a bill collector if they knew that you prefer to be called at the office during your morning coffee break, or at home in the late afternoon but only on weekends?

Aleksander Szlam and James Owen think you would. They have patented a system for customizing cold calls to fit individual preferences and habits so that when the phone rings, it does so at the moment when you are most likely to have the time and be in the frame of mind to listen to the pitch.

The patent calls for computer software that creates, maintains and refers to a "customer sensitivity profile." But it does not restrict the marketers to the phone alone. The profile first reveals to telemarketers which approach their potential customers or regular clients prefer — mail, E-mail, fax or phone. It then specifies the date, time and location most convenient for each customer. Finally it makes specific recommendations, like the language the customer is most comfortable speaking.

But how would it know? Why would anyone tell a sales agent, "By the way, if you need to reach me..."

No one has to. Data bases full of personal information compiled by mail-order companies, credit agencies and research firms are for sale.

"When you do call a customer at random, the first time sometimes you can buy lists from another source that has survey or sensory information behind them," said Mr. Szlam, an electrical engineer. "As-

suming you have nothing — zero — then you ought always call within a reasonable time frame. The system alerts the agent that this is a first-time call and the template for the customer sensitivity profile is empty. If the person gives you permission, you can ask some basic questions, like, in the future, when is it most convenient to call?"

The software is designed for more than just cold calls. Many customer profiles will be in the system because customers themselves put them there. Later the same company might use the software to follow up on orders or offer other services, Mr. Szlam said.

The software program directs customer names into categories of approach — those who prefer to receive phone calls, for example, are transferred to a program that chooses the most appropriate phone number, whether at home or work, places the customer name and number in the telephone queue, and automatically makes the call. The call is made according to a random pacing schedule if the customer has no preference, or at the specified calling time if he does. Those who want only mail are transferred to a program that chooses an address and readies the mailing for a predetermined day.

The system also maintains profiles of the telephone operators making the calls. It keeps track of which operators speak certain languages, or have a particular telephone manner or voice quality. It manipulates that information to best match operators to potential customers.

Mr. Szlam, chief executive of the Melita International Corporation in Norcross, Ga., said his company was trying to sell the invention to banks, financial services businesses and the retail and communications industries. He and Mr. Owen received patent 5,594,791.

Creating Incentives To Wear Seat Belts

Lap and shoulder restraints can cut a front-seat passenger's risk of death in an accident by 45 percent, and chances of moderate-to-critical injuries by 50 percent. But they are no good unless they are worn. Believing that most people need a reminder to buckle up, either from a bell or

light, or an incentive, like the increased risk of a traffic ticket, Thomas Conigliaro has spent several years working to have his patented seat-belt warning system declared a requirement in all cars.

Seat-belt statistics are compelling: restraints are the best protection against being thrown from a car during a crash. In 1994, only 2 percent of people wearing their seat belts were thrown from their cars. But 24 percent of those who skipped the restraints were ejected. Three-quarters of those people were killed.

Still, the National Traffic Highway Safety Administration reports that in 1994, only 67 percent of car passengers buckled up. This is true even though the law requires all cars to have manual lap and shoulder belts, and beginning this month, all new cars to have driver and passenger air bags. Understanding that the presence of belts doesn't mean people use them, 49 states also require drivers and passengers to use them.

Still, people forget, or refuse to wear seat belts, or do not repair ones. So Mr. Conigliaro, an 86-year-old inventor in Huntington, Conn., and his son, Samuel Conigliaro, designed an electrical system that connects seat belts to an indicator light or alarm on a car dash board, and to an indicator light that shines from the rear exterior of a car. A display on the dash board has a light that corresponds to each of the seat belts in the car.

The light and alarm inside the car serve to remind driver and passengers to buckle up. The light outside the car tells others — namely, police — that a belt is not in use. The only way to silence the alarm or quash the lights is to buckle up.

Knowing that some people might snap on a safety belt only after they are stopped not wearing one, the Conigliaros designed the dashboard lights to blink for 90 seconds, so that when police pull over a beltless driver, the officer will see whether a belt has been hurriedly buckled. A 30-second memory buffer also keeps a record of which belt was buckled in case the engine is turned off.

The elder Mr. Conigliaro installed the invention in his own car and for several years has lobbied in Congress to pass a law requiring a seat belt indicator system. He has also approached auto makers, thus far without success. He and his son received patent 4,849,733.

Patents are available by number for \$1 from the Patent and Trademark Office, Washington, D.C. 20231.

Ted Turner's Really Big Pledge Problem

How to Give U.N. \$1 Billion Without Selling Time Warner Stock

By GERALDINE FABRIKANT

Ted Turner wants to have his cake and eat it, too. The ebullient billionaire, who pledged on Thursday to give United Nations agencies as much as \$1 billion over 10 years, said on Friday that he wanted to find a way to dispense the gifts without selling his Time Warner stock. His 58 million Time Warner shares — representing about 10 percent of Time Warner's outstanding shares — are the source of his \$3.2 billion fortune.

To meet the stunningly large pledge, the 58-year-old executive would have to give away roughly 2.7 percent of his stake annually during the next 10 years, assuming that Time Warner's share price stays the same.

The stock market, aware that even if Mr. Turner actually sells that stock over the extended period the sale would have little impact, sent Time Warner shares down just 12.5 cents Friday, to \$55.25.

But Mr. Turner, who clearly knows that his influence at Time Warner depends heavily on his stock ownership, has his investment team reviewing alternatives to an actual stock sale, at least in the near term. "I might pledge the stock to the foundation," he said, "and then borrow the money and give it away."

Even F. Taylor Glover, Mr. Turner's personal financial adviser, acknowledged in a telephone interview yesterday that devising a strategy to accomplish that goal would be difficult. He said that he, a team of law firms and executives at Price Waterhouse, Mr. Turner's accounting firm, would be working over the next weeks to reach a solution.

"If you want to know the whole story," Mr. Glover said, "stay tuned. We are discussing with United Nations officials their needs and ideas on the structure too."

Mr. Turner could, of course, hold onto his stock and borrow against it, eventually selling the stock to repay the loans. But if he has not put the stock into a charitable foundation before selling it, he will have to pay capital gains taxes on the sale. The cost basis for Mr. Turner's stock "is practically zero," Mr. Glover said, since Mr. Turner had been building the company he inherited from his father for decades before he sold it to Time Warner in 1996.

Another reason to keep the roughly \$1.1 billion shares — now worth about \$1 billion — out of a foundation

and postpone a sale for as long as possible is Mr. Turner's belief that Time Warner stock is going to rise. "Time Warner has been reformed," he said on Friday. "I feel a lot better about it."

If the stock price keeps rising over the long term, the longer Mr. Turner can hold onto his stock personally, the fewer the shares he must give away to meet his \$1 billion commitment. If Time Warner stock is in a foundation and starts, the foundation — not Mr. Turner — reaps the extra value, said Terry Christensen 3d, a trust and estates lawyer at Sullivan & Cromwell, the New York law firm.

Mr. Turner could theoretically put some stock into a foundation and have that entity borrow money against it. But Mr. Glover and several tax experts including Carlyn McCaffrey, a tax lawyer at Weil Gotshal & Manges, said yesterday that such a transaction might generate "unrelated debt-financed income" issues with the Internal Revenue Service.

If the I.R.S. chose to treat the new foundation as a business and not a charitable entity, tax experts said, Mr. Turner's foundation might have to pay income tax on the Time Warner dividends — which are now 36 cents a share — as well as capital gains tax on the proceeds of the eventual sale of the Time Warner stock.

But Mr. Glover said that he and Mr. Turner's tax advisers feel that if the foundation borrows money against the value of the shares with the express purpose of donating the money to the U.N., it might well avoid such severe tax consequences. Mr. Turner's team was meeting yesterday to review that issue.

Certainly the gifts would generate tax write-offs against Mr. Turner's income from Time Warner dividends, which is roughly \$20 million a year. But if a donor's charitable contributions exceed a specific percentage of his annual adjusted gross income — the maximum is 30 percent — then the excess is not deductible.

Mr. Turner's existing charitable contributions already reach that limit, Mr. Glover said, before the United Nations gift is factored in. This year, the Turner Foundation is to dispense a total of \$17 million to various causes.

This is not the first major charitable pledge Mr. Turner has made. In 1994, he put \$75 million of Turner Broadcasting stock into three charitable trusts whose beneficiaries are Brown University, the Citadel and McCall College in Chattanooga, Tenn. Though the schools own what is now Time Warner stock, Mr. Turner himself votes those shares and receives an annual dividend of about \$1.2 million from each of the three funds.

Computer Services Companies Plan Merger

By Bloomberg News

DALLAS, Sept. 21 — Affiliated Computer Services Inc. said today that it would buy Computer Data Systems Inc. for stock valued at about \$325 million. The company will also assume \$48 million in debt.

Affiliated Computer Services will exchange 1.759 shares for each share of Computer Data Systems. Based on Affiliated Computer Services' closing stock price of \$29.375 on Friday, the deal values Computer Data Systems shares at \$51.67, which represents a 43 percent premium over their closing price on Friday of \$35.25.

Affiliated Computer Services, which is based in Dallas, provides information technology services and helps process electronic fund transfers. Computer Data Systems is based in Rockville, Md., and provides

computer consulting services.

The companies are complementary and the combination will "allow both companies to do each one's job better," said John Kezer, Computer Data Systems' treasurer.

Affiliated Computers provides its services mainly to businesses, while Computer Data Systems works mainly with government agencies, he said.

On its own, Computer Data Systems "has done pretty well," Mr. Kezer said. "But serving government agencies is very competitive and it's getting harder to do."

The transaction, which is subject to shareholders' approval, is expected to close in the fourth quarter. When completed, Computer Data Systems will become a fully owned subsidiary of Affiliated Computer Services.

Stocks Higher in Japan

By Bloomberg News

TOKYO, Monday, Sept. 22 — Stocks were trading somewhat higher here today. At the midday break, the benchmark Nikkei index of 225 issues was up 140.51 points, or about three-fourths of a percent, at 18,198.72.