

# Texas A&M The Battalion

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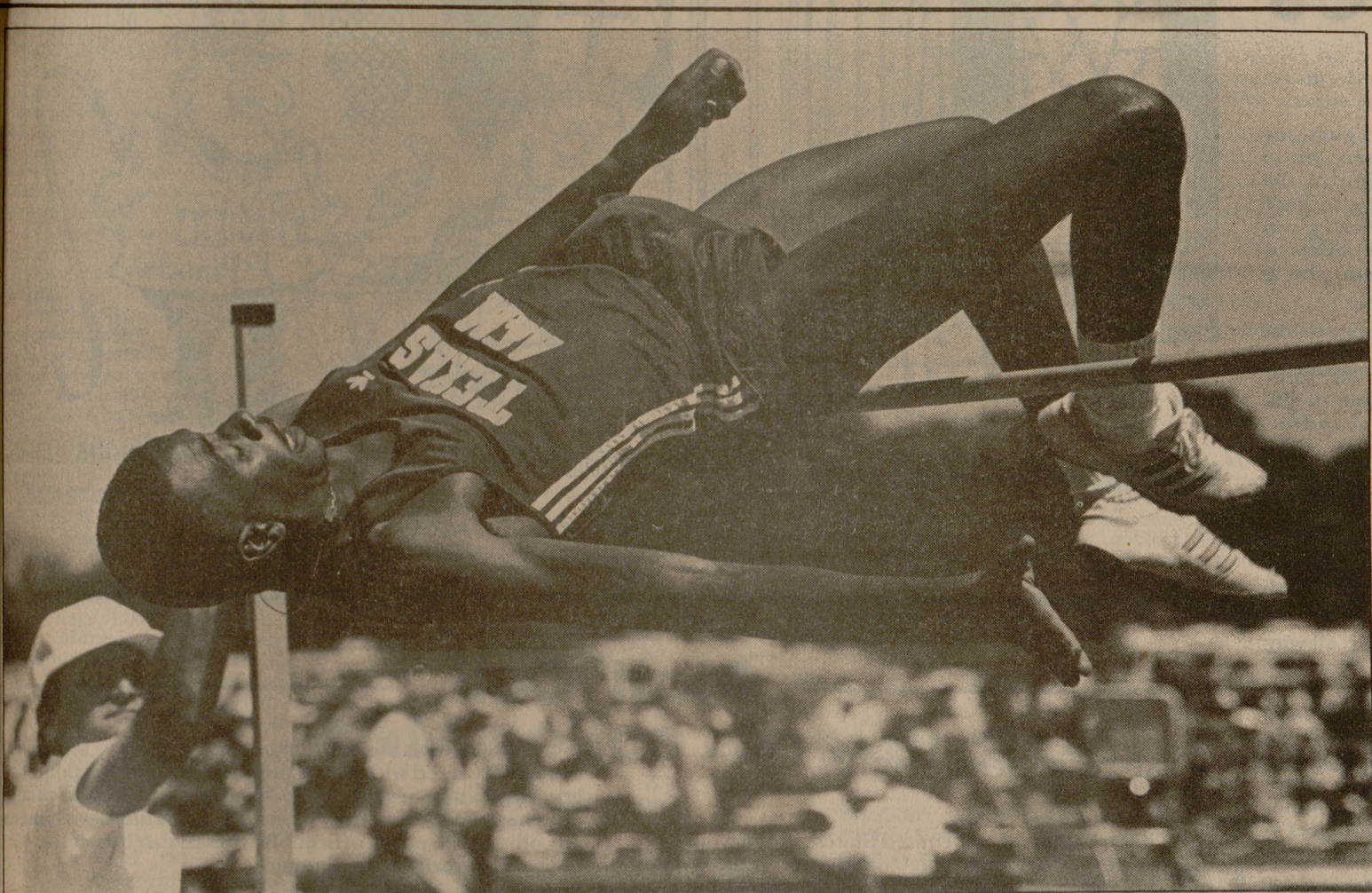


Photo by Bill Hughes

## Up 'n' Over

Texas A&M high jumper Kenny Burke clears the bar in Saturday's Texas A&M Relays held at the Frank G. Anderson Track and Field

Complex. Burke took second with a 7-2 jump as A&M went on to win 13 out of 34 events. See related story, Page 9.

## Texaco fights ruling by filing for bankruptcy

NEW YORK (AP) — Oil giant Texaco Inc., fighting an \$11 billion judgment in favor of Pennzoil Co., filed Sunday for protection from creditors under federal bankruptcy laws. It is the biggest U.S. company to take the drastic step.

Texaco, the nation's third-largest oil company, has been fighting in Texas and federal courts to reverse a 1985 ruling in favor of Pennzoil and to lower an order that it post security equal to the \$8.5 billion judgment plus interest.

The lawsuit accused Texaco of interfering in a planned merger between Pennzoil and Getty Oil Co.

"Pennzoil has placed its own greed above any consideration of fundamental fairness or the public welfare," James Kinnear, Texaco president and chief executive officer, said at a Manhattan news conference announcing the Chapter 11 filing.

"Pennzoil has bludgeoned Texaco with unreasonable demands," he said.

Kinnear said major suppliers had refused to deal with Texaco or had demanded cash in advance, and that banks had refused Texaco credit.

"Pennzoil thought we took Getty Oil away from them unfairly," Kinnear said. "We believe we won Getty fair and square."

Baine Kerr, chairman of Pennzoil's executive committee and former president of the company, said he was surprised by the move.

"It shows, in my judgment, an arrogance and disregard for the whole judicial process and an attempt to use the bankruptcy laws improperly," said Kerr, lead negotiator for Pennzoil in talks with Texaco over a compromise on the security order.

"We have said all along we would not insist on the whole amount, and they could pledge collateral and other type of security for approximately half the judgment and for the balance we would rely on covenants they would give," Kerr said.

Chapter 11 provides a company

protection from its creditors in order to reorganize its finances.

Last week, the U.S. Supreme Court rejected a lower court's ruling freeing Texaco from posting the huge bond, increasing pressure on

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Texaco to settle with Pennzoil or file for bankruptcy court protection.

In 1985, a jury in Houston found that Texaco unlawfully interfered with a 1984 merger agreement between Pennzoil and Getty by trying to buy Getty, and it awarded Pennzoil \$10.5 billion in damages.

The Texas Court of Appeals in February cut that by \$2 billion, but with interest Texaco now owes about \$11 billion and is required by Texas law to post a bond in that amount pending its appeal.

In January, U.S. District Judge Charles Briaent, in White Plains, agreed with Texaco's claim that posting the bond could bankrupt the company, denying it its constitutional right to appeal the verdict.

Briaent said Texaco need post only a \$1 billion bond, and an appeals court upheld his ruling. But the U.S. Supreme Court on April 6 said Briaent was wrong to have heard the case before it first had been fully aired in the Texas courts.

Texaco responded that it would appeal the Texas bonding law in the Texas courts promptly, and on Friday it filed papers with the Texas Court of Appeals saying it could not afford to post the full security without seeking bankruptcy protection.

Kerr said Texaco never made a sizable offer during negotiations.

"It was not until the last couple of days they made a cash offer of any kind, and it was of an amount they knew we would not accept," he said.

Pennzoil made a counter-proposal to Texaco's board that was "well within" the range financial analysts said Texaco could handle.

"Their response was filing for bankruptcy," Kerr said.

## South African clergy, politicians urge defiance of new law against protests

JOHANNESBURG, South Africa (AP) — Clergy and politicians said Sunday they will defy new government regulations that outlaw public protest against imprisonment without charge.

Archbishop Desmond Tutu, winner of the 1984 Nobel Peace Prize, scheduled a service today in support of detainees at the Anglican St. George's Cathedral in Cape Town, said Chris Irons said Sunday.

Helen Suzman, a longtime apartheid opponent and a member of the opposition Progressive Federal Party in Parliament, said Sunday, "I'm going to continue my usual course of saying whatever I want to say. Among the subjects will clearly be comments on detention without trial."

Colin Eglin, leader of the Progressive Federal Party, said, "No regulation is going to change the PFP's attitude and that is that detention without trial must be scrapped. We shall certainly continue to say so."

Several clerics and lawyers have said the regulations, laid down early

Saturday by federal Police Commissioner Johan Coetzee, appear to outlaw even public prayer for the release of detainees. Many opponents of the government's policies predicted the new rules would be widely disobeyed.

The restrictions ban any action in support of people detained without charge under the 10-month-old state of emergency. The decree makes it illegal to attend a gathering in the honor of detainees or make any written or oral call for their release. It imposes a \$10,000 fine or 10 years in prison for violation.

Coetzee said such acts have "the effect of threatening the safety of the public or the maintenance of public order or of delaying the termination of the state of emergency."

In issuing the new restrictions, the police commissioner cited sections of the emergency regulations which allow him to prohibit any acts or words he deems subversive or a threat to public safety.

Roman Catholic Archbishop Denis Hurley said, "As these regula-

tions would apply even to prayer services for detainees, it would seem that they (the government) are now attempting even to tell God what to do.

"I foresee there will be a good deal of reaction against them (the regulations) and disobedience to them, so much so it is highly unlikely to be enforceable."

The United Democratic Front, the country's largest anti-apartheid coalition, said it would not "advise its members and affiliates to conform to this totally ridiculous restriction on our right to call for the release of our people detained without trial."

The statement was issued clandestinely because most of the group's leaders are in detention or hiding or have restrictions on their activities.

By law and custom, apartheid allows the white minority of 5 million to control the economy and maintain separate residential districts, schools, health services and recreation areas from South Africa's 24 million blacks.

The Azanian People's Organization, another major anti-apartheid group, said the regulations "will not stop calls for the release of detainees and will not stop people expressing their grievances against a system which is unrepresentative and borders on illegality."

## Houston AIDS hospital losing care money

HOUSTON (AP) — The world's first hospital exclusively for AIDS treatment and research has become a cherished haven for victims of the disease eight months after it opened, but it is losing \$600,000 to \$800,000 a month.

"We are going to continue," said Daniel G. Moreschi, director of development at the privately owned Institute for Immunocological Disorders. "We haven't changed our mission."

Patient Randy Turner, 33, said, "Here, we're treated like people. It's

the only place where I've not been treated as an AIDS patient, but just as a patient."

The hospital is caring for 700 AIDS patients, most as outpatients, but the unique demands of the killer disease have exhausted the \$250,000 set aside last September to treat charity cases.

About 40 percent of the patients are getting free care, and new charity patients now are referred to county and state hospitals. Moreschi said the hospital is seeking private donations to offset the monthly losses.

"We have not stopped indigent care," Moreschi said. "It's just that we cannot take any new indigent patients."

The hospital continues to be supported by its owner, American Medical International, a hospital chain. The company believes the importance of research and treatment into acquired immune deficiency syndrome goes beyond profit and loss, Moreschi said.

"By 1991, AIDS will be the No. 1 killer," he said. "What we do here

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## 2 A&M entrepreneurs aim at college crowd with new fragrance

By Ronda Tapp  
Reporter

A new fragrance developed by two Texas A&M students and produced specifically for college students will be on the market in May.

Mack-Gregory Co. is a partnership between marketing majors Gregory Scott Nichols and Cliff Mack Carruth. Nichols and Carruth, both 21-year-old juniors, began working on the fragrance in December.

Because of high production costs, they had a company in Dallas produce the fragrance for them. The partners are handling wholesale marketing of the product.

Although they filled the first 200 bottles themselves, they plan, eventually, to hire a production company to fill the bottles for them.

"Scholar," available for men and women, is the first product line marketed by Mack-Gregory Co.

"This first line is more or less going to teach us the ins and outs of business, since we're starting almost from scratch," Carruth said.

The two businessmen said working on Scholar has already taught them more than they have learned in one semester of school. Doing research on patents and trademarks was part of their preparation before going into business.

"We had to get used to putting on suits and acting in a business manner," Carruth said.

The company's goal for Scholar is to distribute it nationwide. To reach this goal, the partners are trying to sell the fragrance first to stores in Bryan-College Station and then move to other college towns.

Nichols said, "Whether Scholar makes it or not, we'll have to keep trying."

If Scholar is successful and requires more of the partners' time, both Nichols and Carruth agreed that they would leave school to work on it.

"We want to have two other lines coming out by the summer that are marketed at other groups," Nichols said.

He said that they hope to have special colored bottles from France for one of their next lines.

Eventually, the company wants to expand into other areas as well as the fragrance business. Restaurant ownership and international marketing are two interests that they hope to include in their business in the future.

Nichols and Carruth have spent over \$5,000 on Scholar, but they said their parents aren't worried about their sons' investments.

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## A&M students may be left in cold by Super Tuesday voting policy

By Christi Daugherty  
Staff Writer

Super Tuesday could turn out to be a Super Fiasco for Bryan-College Station elections.

The change in Texas election policy will alter the dates on which all municipalities can hold local elections.

Dian Jones, College Station city secretary, said the College Station charter specifies local elections will be held in April, but with the new uniform election dates set by the Texas Legislature, elections now will be held the third Saturday in May — almost two weeks after all Texas A&M students have left for the summer.

There are four election dates on which local elections can be held, but in order for College Station to change its election policy, it would have to change its charter, Jones said, and the other three dates are at similarly bad times for students.

The third Saturday in January, students are barely back from Christmas break and have no time to familiarize themselves with the issues in the race. The second Saturday in August, school is not yet in session. And the first Tuesday after the first Monday in November is only for national elections during an elec-

tion year; local elections are not allowed to be held on the same ballot, Jones said.

Bryan-College Station Rep. Richard Smith said the whole idea of Super Tuesday sprang from a meeting of southern legislators two years ago when they attempted to find a way to increase

change of primary and runoff dates from May to March to match those of other southern states and to get the southern vote in early enough to be a factor in the race, he said.

"The Legislature has always selected about four dates in the year when cities can hold their

*"Logistically, this will eliminate most of the student input into elections, which is unfortunate since students do make up a large portion of the voting public."*

— Allan Moore, head of Texas A&M Legislative Study Group

the power of the southern voice in presidential elections. They decided to move their primary elections to an earlier date, and to make the election uniform throughout the South.

"They brainstormed that up in a debate over the falling power of the Democratic party," Smith said. "The legislators felt that since southern Democrats tend to be conservative and northern Democrats tend to be liberal, they didn't want to be dragged down by the crumbling liberal power."

Texas legislators agreed to the plan, but had to make a uniform

elections," he said. "When they realigned the partisan primary from May to March, that caused the need to realign the non-partisan elections."

Smith said legislators moved the primary from May back to March because by May, the major decisions of who would be the front runners already had been made.

Jones said College Station is strongly considering not changing its election dates from May mainly because officials don't want to have to take the legislative

action necessary to alter the charter.

"The fact that A&M students would be excluded is of concern to us, although students sometimes show apathy toward our elections," Jones said. "But much of our election personnel is faculty and staff at A&M and their families, and they usually coincide their vacations with A&M breaks.

"We have a similar problem with January and August as far as people being out of town."

At the moment, election officials are hoping the Legislature will reconsider the policy and allow cities to hold their elections earlier than the third Saturday in May, Jones said, but they're not very hopeful.

"A lot of communities don't have our problem of worrying about what the school is doing at that time," Jones said. "Austin does have a similar problem, though."

Allan Moore, who heads A&M's Legislative Study Group, said there are few cities with College Station's problem because there are few areas with a similar

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