

# TOP LINE



**Coming Friday**  
Steve Brown says one of the biggest North Texas corporate moves on record has just been completed.

**BUSINESS DAY**



**ROBERT MILLER**

## Dedmans donate to arts center

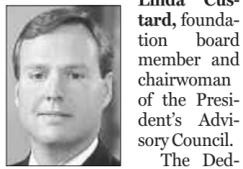
The Robert H. Dedman family has given a \$1 million Cornerstone gift toward construction of the \$275 million Dallas Center for the Performing Arts.

The contribution was made through the Dallas Center for the Performing Arts Foundation.

Robert H. Dedman Jr., chairman of the family-owned ClubCorp Inc., said the gift is to honor the foundation's leaders for the most successful fundraising campaign in the history of Dallas' cultural arts: Caren Prothro, vice chairwoman of the foundation board and chairwoman of foundation's Development Committee;



**Nancy Dedman**



**Robert H. Dedman Jr.**

and chairwoman of its Cornerstone Program; and Linda Custard, foundation board member and chairwoman of the President's Advisory Council. The Dedmans are leaders in Dallas educational, cultural and medical philanthropy. Robert H. Dedman Sr., who died in 2002, was one of the pre-eminent philanthropists in the field of higher education. His wife, Nancy Dedman, still serves on the boards of the University of Texas Southwestern University Hospitals, the Salvation Army and Shelter Ministries.

Southern Methodist University's Dedman School of Law, Dedman College of Humanities and Science and its center for lifetime sports and life sciences building are named for the senior Mr. Dedman. The Dedman family has given around \$77 million to the university. Mr. Dedman Jr.'s wife, Rachael, has been active in the Crystal Charity Ball and is on the boards of Boys & Girls Clubs of Greater Dallas and SMU's Meadows School of the Arts.

Patricia Dedman Dietz, the daughter of Nancy and Robert Dedman Sr., is on ClubCorp's board and has been involved in the Cattle Baron's Ball, Family Place and Pi Beta Phi.

"Dallas is a better place in which to live and learn, benefit from medical research and enjoy culture because of the generosity of the Robert H. Dedman family," Ms. Perot said.

The gift brings to 85 the number of Dallas families that have given \$1 million or more to the campaign to build the Dallas Center for the Performing Arts. More than \$205 million has been pledged toward construction.

The Dallas Center for the Performing Arts will open in 2009. It's considered the most significant performing arts complex to be built since Lincoln Center in New York.

Mr. Dedman said the Dallas Center for the Performing Arts is an ambitious and important project.

"I know what outstanding arts facilities can mean to the growth of a city. But I have never seen a city make as dramatic a transformation as we are seeing in the Dallas Arts District," he said.

"Dallas has always been about making a living. The Dallas Center for the Performing Arts is about making a life."

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# Drought hurting foundations

Dallas repair firms have had a flood of calls from homeowners

By JENNIFER CHAMBERLAIN  
Staff Writer

For some homeowners, cracks in the ground are translating into cracked foundations as the drought takes its toll on North Texas soils.

Foundation repair companies report being overwhelmed with calls from homeowners worried about possible damage.

"Our phones are ringing off the wall with a lot of cracks opening up in people's brick or Sheetrock," said Dennis Rials, president of Bedrock Foundation Repair in Dallas.

In many cases, the homeowners' fears are well-founded. Extremes of either very wet or dry weather take their toll, causing the soil underneath the foundation to expand or contract.

"The soil will not dry out at the same rate. So as the soil in an area subsides, or shrinks more, it puts stress on your slab," explained Dan Hargrave, owner of Hargrave Custom Foundation Repair in Wylie.

### Not just slabs

Slab foundations are the most vulnerable to damage, but pier-and-beam foundations also can be affected if the supporting posts were not planted deeply enough into the soil, said Mr. Hargrave, who is also president of the Foundation Repair Association's D-FW chapter.

Once problems set in, repairs can be expensive. Mr. Rials estimates his average job costs \$5,000, but repairs can reach far higher.

In less severe cases, all that may be needed is maintenance, such as watering around the foundation or removing trees that are sapping moisture from underneath the home because they are too close, Mr. Hargrave said.

Although many cities have imposed water restrictions, it's still possible to water enough to keep the foundation in shape, said Fox



MONA REEDER/Staff Photographer

Luis Rodriguez, of Hargrave Custom Foundation Repair, works on a North Dallas home. Most reputable repair companies give free estimates.

Foundation Repair's Randy Mobley, who's also president of the Foundation Repair Association's national committee. He suggests using a soaker hose 18 to 24 inches from the foundation.

To get an idea of how often to water, look at the soil around the house. Like a sponge left out to dry, the edges will pull away from the foundation as the soil dries out, Mr. Mobley said.

When that happens, it's time to water. When the water begins to run off, stop.

"Back to the sponge theory — these clay soils will only absorb so much water at one time, then they're full, and they will close up, and the water starts to run off," he said.

### How to water

Here are some more watering tips from the Foundation Repair Association:

- Adjust watering time to compensate for different conditions. Shady areas will need less water, while areas to the west or in direct sunlight will need more.
- In general, water no more than twice a week and only to

about an inch below the surface.

- Don't place the soaker hose against the house. If you do, the water may flow under the structure without actually moistening the soil.

- Remember that once large cracks have appeared in the parched ground, it is difficult or impossible to catch up using soaker hoses or sprinklers.

Homeowners worried about their foundations shouldn't hesitate to call an expert, the association's Mr. Hargrave said. "Most of our companies do free estimates as a rule. And with any good, honest company, if they don't need work, they're going to tell them that."

Unfortunately, individuals and companies do take advantage of the situation, Mr. Mobley said. "Those are people during a drought time that just pick up a load of shovels and start fixing things," he said.

### Not regulated

Unlike electrical or plumbing contractors, foundation repair providers are not regulated by any state agency, and local requirements vary by city.

"Unfortunately, this industry is not regulated," said Clay McClintock, general manager, Arch Foundation Repair, Dallas. "It's general contracting, so you have to do some homework."

Arch and an affiliated company, Advanced Foundation Repair, have established a trust called the Texas Foundation Warranty Trust through Wells Fargo bank so that if one of the companies were to fail, the warranty would remain in force.

Here are some tips for finding a reputable repair company:

- Before getting any work done, get estimates from several companies. You also could pay an independent structural engineer to evaluate your foundation.

- Choose a company that has a proven track record and has been in business for a while. Members of the Foundation Repair Association (www.foundationrepair.org) are required to have been in business for at least three years and to have a satisfactory record with the Better Business Bureau (www.dallas.bbb.org) — which is another good place to check a company's history.

- Get references from people you know who've had work done, or at least ask for references from the company.

- Make sure you understand the details of a company's warranty. Does it include free adjustments, and if so, for how long? Does it cover the cost of labor or only the cost of materials? And remember that "if you have a warranty with a company, it's only going to be good as long as that company is in business," Mr. Hargrave said.

- Ask to see a copy of the company's insurance and worker's compensation insurance policies.

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## COMPANIES IN THE NEWS

This index lists companies in *The Dallas Morning News'* Business section today. Not covered are companies mentioned in passing and those listed only in financial tables.

A-B	
Advanced Foundation Repair	2D
American Airlines	3D
Apple Computer	1D, 2D
Arch Foundation Repair	2D
AT&T	6D
Bedrock Foundation Repair	2D
Bell Helicopter Textron	1D
Boeing	1D
Borders	4D
Brandywine Realty Trust	6D
C-F	
Centex	4D
Continental Airlines	3D
Creative Technology	2D
Crow Holdings	1D
D.R. Horton	4D
DaimlerChrysler	3D
Dell	1D
Domtar	2D
Ford	3D
G-K	
Gateway	4D, 6D
General Electric	3D
General Motors	3D
Harbert Management	6D
Hargrave Foundation Repair	2D
IBM	2D, 4D
Internet Security Systems	2D, 4D
Jabra	5D
Jean Coutu Group	2D
Karem Aircraft	1D
M-R	
McDermott International	3D
McDonald's	2D
Nissan	3D
Northwest Airlines	3D
Prescott Realty Group	6D
Pulte Homes	4D
Renault	3D
Rite Aid	2D
S-W	
Sikorsky Aircraft	1D
Standard & Poor's	2D
Standard & Pours Coffee	2D
Toll Brothers	4D
TXU	3D
United Airlines	3D
Weyerhaeuser	2D
Wood Partners	1D

## S&P sacking law on Pour coffeehouse

Newsday

What a difference a "U" makes.

Standard & Poor's, the multi-billion-dollar publisher of financial information, this month filed a federal lawsuit against Standard & Pours Coffee & Stocks, a 3-year-old coffee shop and live music venue in Oak Cliff.

In it, the McGraw-Hill subsidiary demands that Pascale Hall, Standard & Pours' owner, pay S&P three times the revenue their company lost due to confusion over the names and three times her company's profits — all because her shop's similar name has damaged S&P's "impeccable" reputation for "accuracy, reliability and integrity."

"I think they're going way overboard," Ms. Hall said. "It's just a play on words ... but they are scaring me, because my business is totally on the line, and it's everything I own, and I'm a single mother with two children."

She said she had sent some coffee to the company's Manhattan headquarters as a goodwill gesture and employees from Standard & Poor's Dallas office who frequent Standard & Pours "all think it's crazy."

But Standard & Poor's said it must protect vigorously the brand it has worked so hard to create, and it had offered Ms. Hall "reasonable compensation" to change her name.

### WARNING SIGNS

**Cracks in brick:** Stair-step cracks in brick mortar are a common sign.

**Separation of fascia boards:** Wood trim will pull apart as the brick moves out of place. Large gaps can develop at the corners of a house.

**Sticking doors:** Both interior and exterior doors may stick or swing open on their own.

**Sheetrock cracks:** Sheetrock is soft and will crack sooner than

most other parts of the house. Look for diagonal cracks above doors and window frames.

**Sticking windows:** Windows will be hard to open and close because of distortion of the frame.

**Sloping or uneven floors:** If a piece of furniture appears to be leaning, it is probably settlement of the foundation.

**Squeaky floors:** Floors that squeak or shake on

pier-and-beam and frame structures often indicate foundation problems.

**Soft spots in flooring:** This may indicate rotted lumber caused by water or insect damage.

**Wrinkles or tears in walls:** Wrinkled wallpaper or tears on wall texture and ceilings may signal foundation settlement.

**Cracks in floor tile:** Ceramic floor tile may crack if the foundation moves.

## Home sales drop to a two-year low

Inventory of unsold houses jumps to 7.3 months' supply

Bloomberg News

Sales of previously owned homes fell in July to the lowest point in more than two years, a slowdown that may lead the Federal Reserve to keep interest rates steady for a second month.

Purchases declined 4.1 percent from June, more than economists forecast, to an annual rate of 6.33 million, the National Association of Realtors said Wednesday.

Home resales in July fell 11.2 percent from July 2005.

The number of unsold homes at the end of July jumped to 3.86 million, the highest since records began in 1999. There was 7.3 months' supply at the current sales pace, the most since 1993.

The median price of an existing home rose 0.9 percent in July from a year ago to \$230,000, the Realtors group said.

Existing-home sales account for about 85 percent of the housing market and are recorded when a contract is closed.

"This plays into the Fed's hope and forecast that growth is going to

JULY HOME RESALES	
Region	Change
Northeast	▼ 5.4%
Midwest	▼ 5.9%
South	▼ 1.2%
West	▼ 6.4%

stay moderate and that the pressures we are seeing on inflation will be transitory," said Joshua Shapiro, chief U.S. economist at Maria Fiorini Ramirez Inc. "If they aren't done yet, they are almost finished."

The Standard & Poor's Supercomposite Homebuilding Index dropped 2.9 percent.

"It's certainly a negative report, but it didn't cross the threshold into being a terrible report," said Carl Riccadonna, an economist at Deutsche Bank Securities Inc.

The focus now shifts to new-home sales, a more timely indicator because transactions are counted when a contract is signed.

"The leveling off in mortgage rates and the fact that home prices have stopped escalating indicates there will be some relief for homebuyers," said Bill Hampel, chief economist at the Credit Union National Association. "I don't think the housing market next year will be as weak as people expect."

## U.S. AND WORLD BRIEFS

### Apple settles patent dispute for \$100 million

Apple Computer Inc. said late Wednesday that it would pay Creative Technology Ltd. \$100 million to end lawsuits over the technology needed to navigate through songs on Apple's popular iPod music player.

Creative stock closed at \$6.01, down 5 cents. In after-hours trading, shares surged \$2.25. Apple shares fell 31 cents to \$67.31 before the statement was released.

### McDonald's No. 2 exec to leave company

McDonald's Corp. said late Wednesday that No. 2 executive Mike Roberts is leaving the company.

The company said Mr. Roberts will be succeeded as president and chief operating officer by Ralph Alvarez, president of McDonald's North America.

McDonald's did not specify a reason for Mr. Roberts' departure.

### Weyerhaeuser, rival form new company

Forest products giant Weyerhaeuser Co. is combining its fine-paper business with Canadian paper maker Domtar Inc., in a deal the companies valued at about \$3.3 billion.

Weyerhaeuser shares rose \$1.32, or 2.2 percent, to \$61.35.

### IBM to buy software firm in \$1.3 billion deal

International Business Machines Corp. agreed to buy Internet Security Systems Inc. for about \$1.3 billion, its fourth software acquisition this month, as computer and services sales fall.

ISS shares rose \$1.62, or 6.2 percent, to \$27.62. IBM fell 28 cents to \$78.67.

### Department to arrange free credit monitoring

The Education Department said Wednesday that it would arrange for free credit monitoring for as many as 21,000 student loan borrowers after their personal data appeared on its Web site.

Education Department officials blamed the breach on a routine software upgrade, conducted by Dallas-based contractor Affiliated Computers Services Inc., that mixed up data for different borrowers when users accessed the Web site.

A message left with the company was not returned.

### Note...

Rite Aid Corp. is near a deal to buy the Eckerd and Brooks drug-store chains from Canada's Jean Coutu Group Inc. for about \$3.4 billion in cash and stock, according to *The Wall Street Journal*.

Contributing: Associated Press, Bloomberg News

