

PERSONAL FINANCE

# Other ways to deal with debt before bankruptcy

With law toughening, less drastic alternatives are worth considering

By Helen Huntley  
ST. PETERSBURG TIMES

On Oct. 17, a tough new federal bankruptcy law takes effect that will make it harder for many people to seek court relief from their debts. The law adds a means test before people can wipe out their debts through bankruptcy and will force more people into repayment schedules.

But bankruptcy isn't always the best bet for consumers struggling to pay their bills. Here are four less-drastic alternatives for dealing with heavy debt: Dispute it. Repay it. Settle it. Ignore it.

It is a good idea for anyone considering bankruptcy to review these possibilities, although none of them may prove feasible.

■ Dispute it.

Do you really owe the money? That's an appropriate question when debt collectors come calling. There are three good reasons why you might not: identity theft, identity confusion and the passage of time.

Texas law sometimes comes to the rescue of debtors. For some types of debt, the debt is not legally enforceable if it has been more than four years since it went delinquent, according to fair-debt-collection.com, which lists statutes for all states.

See **CREDIT, J3**

## What not to do

If you think bankruptcy might be in your future, there are some things you should not do. Here are a few at the top of the list:

### In the months leading up to filing

1. Do not run up new charges for goods and services that might be considered luxuries.
2. Do not take credit card cash advances.
3. Do not transfer assets to other people to hide them from creditors.
4. Do not make larger than normal payments to any creditors.

### Any time

1. Do not take out a home equity loan or write checks against an existing home equity line of credit.
2. Do not borrow against retirement savings.
3. Do not stop making payments on your mortgage, student loans, alimony, child support or recent income tax obligations. You'll still owe these debts even if you file for bankruptcy.

Source: St. Petersburg Times research



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■ Market malaise: This could be the first down year for stocks since 2002. Some investors are betting that the fourth quarter will keep that from happening.

■ Encore: How to make sure your important personal documents don't get lost in a disaster, as happened in New Orleans. **WSJ 1-3**

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### COMING MONDAY



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*'This race is a never-ending race. So the fact that you are leading after the first lap, or the 10th lap or the 35th lap is wonderful, but you are in a perpetual marathon. You've got to keep running.'*



Lacy Atkins SAN FRANCISCO CHRONICLE

Since Michael Splinter, above, became CEO of Santa Clara, Calif.-based Applied Materials Inc. in 2003, analyst G. Dan Hutcheson says, the chip

equipment maker has become more productive. 'They don't make a lot of mistakes,' he said. 'And when they do, they recover from them fast.'

# Pushing the tech limits

## Getting to know Michael Splinter

**Personal:** Grew up in Wisconsin. Got his first exposure to manufacturing at his grandfather's candy store.

**Education:** Bachelor and master of science degrees, University of Wisconsin at Madison.

**Professional:** He has worked in the chip industry for more than 30 years, first at Rockwell International and later at Intel Corp. His last position there was executive vice president of worldwide sales and marketing.

**Prediction:** 'In the future, chips will be able to be incorporated into the body. These chips will interface with biological signals, providing assistance to the disabled, compensating for injury, helping the blind to see and more.' — In a 2004 interview with Information Week.

## Driven Applied Materials chief preaches progress

By Kirk Ladendorf

AMERICAN-STATESMAN STAFF

Michael Splinter has a confession to make.

As a young engineer in his 20s, Splinter, now CEO of Applied Materials Inc., once doubted that the relentless progress in chip manufacturing technology could continue for a long time.

He wrote a technical paper in 1978 that forecast when the semiconductor industry would hit the wall. The end would come when the critical dimension for a chip — the smallest part in the device — had shrunk to 0.72 microns, or about 1/100th the thickness of a human hair.

"I was wrong," Splinter, 55, says with a laugh.

The semiconductor industry blew past his theoretical limit by the end of the 1980s and since then has pushed seven generations of technology beyond.

It was a good thing, too. That continued march of progress, which the chip industry knows as Moore's Law, has made the microchip one of the most important economic forces of the past century, one that provides the fuel for a multitrillion-dollar global electronics industry.

Splinter's career rode that technical and business explosion. He spent almost 20 years with Intel Corp., the giant of the chip industry, before becoming chief executive at Applied Materials, the largest chip equipment maker, in 2003.

Now, his job is to keep the technical revolution going. His company already is shipping multimillion-dollar systems that can make chips with dimensions as small as 45 nanometers, about 1/1,600th the thickness of a hair, and is working hard on the generation beyond that.

Is there an end in sight? Not that Splinter can see.

"It has gotten harder every time (with every

See **LEAD, J3**

# These days, a blog can get you hired or fired

Companies now adopting Web log policies for employees

By Stacy Burling

PHILADELPHIA INQUIRER

Terrence Ryan knew Scott McNulty in passing at the University of Pennsylvania's Wharton School, where they work.

But it was McNulty's blog, or Web log, that made Ryan take a harder look. It showed Ryan that McNulty, a systems administrator, really knew computers. More important, it revealed his "geeky love of technology," a personal quality that "tends to work really well in our department," Ryan said.

Because of the blog, McNulty, 28, won a promotion to systems programmer on a team responsible for information technology services.

He still writes his blog, a blend of his musings on the personal and technical at blankbaby.typepad.com, knowing that several of his co-workers and his bosses read it. "It's had a very positive impact on my career," he said.

About 10 million Americans now write blogs, ranging from the confessional and edgy to the technical and

mundane, estimates Lee Rainie, director of the Pew Internet & American Life Project. Thirty-five million read them.

For businesses, blogs and other forms of personal Internet communication constitute a new frontier fraught with promise and peril. On the one hand, companies are scrambling to use them as a recruiting and marketing tool, and are encouraging some employees to blog. On the other, they are wondering how to deal with the damage that current and former employees and dissatisfied customers can do on the Web.

The result is a "mild level of social panic," Rainie said.

"The lawyers and the marketers are, in many cases, at least in covert war with each other."

For the moment, much of the news falls into the "cautionary tale" category.

Recently, a California automobile club fired 27 workers for posting messages on the Web that offended co-workers. Not long before, a Boston

See **BLOG, J4**

Seven tips for blogging about work, without losing your job, **J4.**



J. David Rowley ASSOCIATED PRESS

Former flight attendant Ellen Simonetti of Austin is among the bloggers who have been fired because of the content they post online.