



**JUANA JORDAN**  
BIZ BUZZ

## Invention could make you a star

Ever thought about taking that good idea you have and turning it into a profit? Well, here's your chance. The Florida A&M University Office of Technology Transfer is hosting a free seminar to teach entrepreneurs, researchers, students and inventors alike how to turn their technology-related ideas into cash — and possibly land a spot on a new TV program aimed at showcasing new inventions.

The workshop is Tuesday from 8:30 a.m. to 4 p.m. at Innovation Park. Be prepared for discussions on patents, trademarks, copyrights, licensing and business planning, as well as talks on prototyping, technology evaluation and technology commercialization.

"This is a unique learning opportunity for anyone in our community who has a great idea and needs help turning that idea into a profitable reality," said Rose Glee, director of Technology Transfer at FAMU. "We created this seminar because we know there is a need for this type of information in our community."

A few of the inventions could be thrust into the spotlight. A representative of a new TV show, *Inventor's Showcase*, will talk about marketing techniques while keeping an eye out for contestants in what is being dubbed the "American Idol" for inventions. As in "American Idol" and "Star Search," the audience will vote for the invention it most likes or finds most useful.

Participants at the seminar also are eligible to win a provisional patent application, a patent search and a patent consultation.

"Technology commercialization is an industry that has a lot of potential in this community," said Linda Nicholson, executive director of Innovation Park, "and we want to help lay the groundwork for researchers and entrepreneurs to have access to the resources and information that will make their business ideas grow."

The seminar, which will feature a morning and afternoon session, includes a free lunch.

To find out more, call the FAMU Office of Technology Transfer at 412-7232 or log onto [www.acteva.com/go/famu](http://www.acteva.com/go/famu).

### A really big lender

Businesses searching for economic developers with money might find this of interest. Tallahassee-based Florida First Capital was named the largest Small Business Administration lender in North Florida by loan volume.

The company, a certified development company for the state and one of the nation's largest providers of SBA 504 loans for commercial real estate and heavy equipment, issued more than \$32 million in loans for transactions totaling more than \$78 million during the 2004 SBA fiscal year, which ended in September.

The SBA 504 loan program provides low-interest, long-term, fixed-rate financing — usually for 10 to 20 years — for small businesses to purchase real estate, machinery or equipment.

Locally, Datamaxx's Kay Stephenson and Moore Consulting's Karen Moore have sought out the company, which statewide loaned more than \$93 million for commercial real estate projects exceeding \$222 million in total value.

The average North Florida loan was for more than \$422,000.

■ If you know of any buzz in the business community, please contact Juana Jordan at [jjordan@tallahassee.com](mailto:jjordan@tallahassee.com) or call (850) 599-2321.

# A bright future in ATMs

## Credit unions connected by local company

By Rocky Scott  
DEMOCRAT STAFF WRITER

About 25 years ago, James Park had a vision of the future — and it looked a lot like an ATM.

"I got interested in ATMs in the late 1970s," said Park, the CEO of Credit Union 24, a Tallahassee company that has forged a niche in the automated teller machine market by providing networking for credit unions.

Credit Union 24 operates a network that links member credit unions to each other and allows card-holders to conduct financial transactions at any terminal.

The company is responsible for the transaction from the point you key in your personal identification number until the transaction is completed. Transaction fees range from 50 cents to \$2 on some networks, depending on the type of transaction.

Credit unions absorb the transaction fees for customers doing business on the Credit Union 24 network.

Park, now 54, worked for a credit union in Jacksonville in the '70s. He says he got his board of directors interested in automated teller machines — and they agreed to install the now-ubiquitous ATMs to capture more business.

Park said the next logical step was linking a network among different credit unions, creating, in effect, a series of branch offices. That notion took him to Central Florida and then to the Florida Credit Union League in the early 1980s.



MARK WALLHEISER / Democrat

Leslie Evans, director of product development for Credit Union 24, and John Felder, the company's systems administrator, in the room where the Web services are maintained.

"The first year of my life (with the league), I was on the road talking to credit union managers about ATMs and how important they would be," Park said.

He said the network started with four credit unions in Orlando in 1981 and now has more than 28,000 ATMs in its network.

The current operation, which allows credit union members to conduct transactions at any network ATM, took on a life of its own and, in 1997, was spun off into a private, for-profit company.

Its growth rate has been explosive, to say the least.

"When I started here six years ago," said Leslie Evans, director of product development for Credit Union 24 and one of the company's 17 employees, "we did about 3 million transactions a month.

**"When I started here six years ago, we did about 3 million transactions a month. Now we are up to 12 million."**

**Leslie Evans**  
director of product development

Now we are up to 12 million."

With each transaction averaging \$35, that means the little company in a nondescript building on Tallahassee's northeast side handles hundreds of millions of dollars each month for customers using ATMs that are part of the Credit Union 24 network.

Park says those customers are in Florida and 21 other states. Not all of them are credit union

members, because the network also accepts cards from nonmember financial institutions.

"We do allow nonmember (companies) to put their ATMs into the network to give our members additional stations where they can use their ATM cards," Park said. There are now about 28,000 ATMs in the network, he said.

That number is expected to double this month, when "a major processor" of ATM transactions joins the Credit Union 24 network.

The ATM explosion has proved profitable for the 287 credit unions that are shareholders in Credit Union 24, Park said.

Last year, fees from

Please see ATM, 2E

# Merck's troubles have just begun

By Theresa Agovino  
THE ASSOCIATED PRESS

NEW YORK — Already wounded by the withdrawal of its Vioxx pain reliever from the market, Merck & Co. must now contend with hundreds of lawsuits over the drug's side effects — lawsuits that threaten to further damage the company's finances and reputation.

Wall Street analysts are concerned about Merck's potential legal liability. Last week, Standard & Poor's Corp. warned that it might downgrade its ratings on Merck's debt because of the huge payouts the company might be forced to make.

Merck withdrew Vioxx from the market Sept. 30 because the drug doubled the risk of heart attacks and strokes in patients taking it longer than 18 months. Merck's stock plunged nearly 27 percent, and the company lost \$28 billion in shareholder value after the announcement — partly in response to the loss of revenue from Merck's second best-selling drug, but also because of the lawsuits, said Richard Evans, an analyst at Stanford C. Bernstein Research. He estimates Merck's legal costs could reach \$12 billion.

If plaintiffs win and prove their allegation that Merck put profits

ON THE WEB [www.merck.com](http://www.merck.com)  
[www.fda.gov](http://www.fda.gov)

before patients' welfare, the company's reputation will also suffer.

"This has a credibility cost. Merck's brand and stature are tarnished by this," said David Moskowitz, an analyst at Friedman, Billings, Ramsey.

There have been at least 700 Vioxx-related lawsuits filed against Merck so far, and one analyst estimated the number at over 1,000. Legal experts said lawyers suing Merck must prove two primary assertions: The company understood Vioxx's risks and downplayed them, and the drug played a role in causing heart attacks or strokes.

A federal judge in Alabama has ruled that Merck needed to be ready for trial after Dec. 13 in a case brought by William Cook, a retired miner who had been taking Vioxx for about a year when he suffered a heart attack in 2000. The case was filed before Merck pulled Vioxx from the

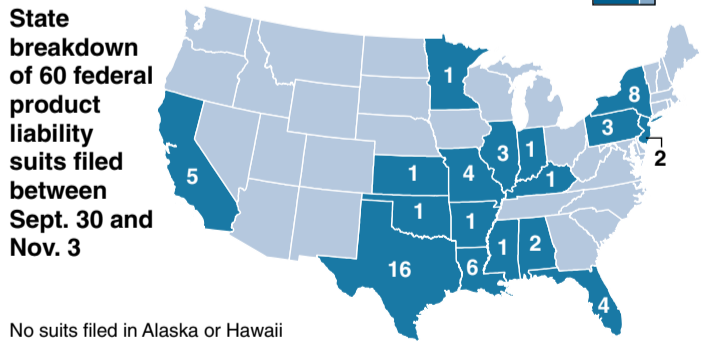
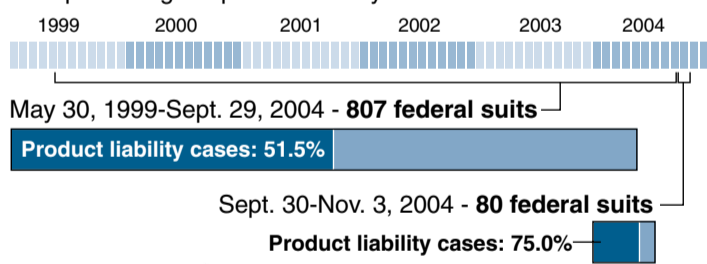
Please see MERCK, 2E

## A litigation firestorm

Since Merck & Co. pulled its arthritis drug Vioxx from the market a little more than one month ago, there has been a spike in the number of federal lawsuits against the drugmaker. The company also faces numerous state and international suits.

### Federal court litigation against Merck

With percentage of product liability suits



SOURCE: LexisNexis CourtLink

## INSIDE

### The real thing

In small stores that cater to an influx of Hispanics, the real thing is the imported Mexican Coke. It comes in a retro green glass bottle and offers an authentic — some say sweeter — taste of home. . . . . **6E**

### Business Briefcase

A new profile is added to the news of who's doing what in the local business community. . . **6E**

### News of Record

Datebook, building permits, bankruptcies and more. . . . . **3E**

## Boarding Pass

Lowest available round-trip fares as of Nov 4 with 21-day advance purchase for travel Nov. 25 with a return Dec. 2. The fares quoted include taxes and fees. Fares are subject to restrictions and availability. Source: orbitz.com

From Tallahassee to:		
CITY	FARE	CARRIER
Atlanta	\$184	D
Charlotte	\$218	D
Chicago (Midway)	\$224	N
Los Angeles	\$351	U, UA
Memphis	\$218	N
Miami	\$216	D
New York (LaGuardia)	\$256	N
Orlando	\$194	D
Tampa	\$144	C
Washington D.C. (Dulles)	\$254	U

Carrier legend:  
D: Delta Air Lines C: Continental  
N: Northwest U: US Airways  
UA: United Airlines

JOHN ROBERGE/Democrat

# MERCK

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market. However, Merck filed a motion with the Judicial Panel on Multidistrict Litigation in Washington, D.C., to consolidate all the federal cases in one jurisdiction, which could delay Cook's trial, according to his lawyer, Andy Birchfield.

Cook declined to be interviewed.

The case that goes to trial first will be closely watched by other plaintiffs and their lawyers, who are hoping for a precedent that could set a pattern for future lawsuits. Fordham University law professor Benjamin Zipursky suggested the perfect patient for plaintiff lawyers would be a young person who took Vioxx for 18 months and had no other conditions that might trigger a heart attack or stroke. That would make it easier to prove Vioxx caused the plaintiff's illness, and a big settlement might push Merck to settle more cases.

However, many patients taking Vioxx for arthritis were older people who are generally more prone to heart attacks and strokes, so establishing the connection between their illnesses and the drug could be difficult.

"The more common the adverse effect, the more difficult the case could be to win," said Frank McClellan, a law professor at the Beasley School of Law at Temple University in Philadelphia.

## Millions took Vioxx

It's not clear how helpful Cook's case will be to either side. Because of a back injury, Cook, who is 50, had a sedentary lifestyle before his heart attack. Doctors consider a sedentary lifestyle to be a contributor to heart disease.

Other drugs that were taken off the market and the subject of numerous lawsuits, such as Bayer AG's cholesterol drug Baycol and Wyeth's diet drugs Pondimin and Redux, caused uncommon injuries that made proving liability easier.

Wyeth took its drugs off the market in 1997 and has paid out \$13.6 billion in legal fees and settlements of its \$16.6 billion reserve — believed to be the biggest amount ever paid by a pharmaceutical company over a problem drug.

Baycol was withdrawn in 2001, and Bayer has paid out \$1.09 billion so far.

Only 6 million individuals took Wyeth's diet drugs, while 20 million Americans took Vioxx. That has led some observers to believe Vioxx's payout could be larger.

"I'm pretty confident we can show Vioxx caused my client's heart attack," said Birchfield, a partner at Beasley, Allen, Crow, Methvin, Portis & Miles in Montgomery, Ala. "There is a population that really shouldn't have been prescribed Vioxx, especially because it was more likely to cause heart attacks and strokes."

But Merck, as it defends itself, might not want to point out that older people are at risk for heart attacks or strokes, some lawyers said.

"It would be pretty callous of Merck to say these are old people and they were going to get heart attacks and strokes anyway. That is not going to win them any points with a jury," said Arnold Levin, senior partner at Levin, Fishbein, Sedran & Berman in Philadelphia, which has filed two cases against Merck and is preparing another 38.

Plaintiffs' lawyers must also prove that Merck knew Vioxx could cause heart attacks and strokes but minimized the drug's side effects while marketing it. They might find support for their case in documents that have come to light recently.

Birchfield and other lawyers say they have sealed documents that prove Merck knew about Vioxx's

problems long before they became public and that the company engaged in a campaign to mute the risks once they began emerging.

*The Wall Street Journal* reported last week that sealed court documents suggest Merck understood Vioxx's dangers at an early stage. According to the newspaper, in a Feb. 25, 1997, e-mail Merck official Briggs Morrison said patients taking Vioxx in a clinical trial should also take aspirin, which has cardioprotective powers, because otherwise "you will get more thrombotic events" — blood clots. In another e-mail, Merck's research chief Edward Schonick sent an e-mail to colleagues on March 9, 2000, that said the cardiovascular events "are clearly there."

Merck spokesman Christopher Loder said the documents in the *Journal* report were pulled from millions of pages provided to lawyers and don't "obscure the fact that Merck acted responsibly and appropriately as it developed and marketed Vioxx." Loder said the company had "meritorious defenses" against the lawsuits, and he said that, as questions arose about Vioxx's safety, Merck took steps to address them, including initiating tests that would study the drug's cardiovascular profile.

One central, public element to the plaintiffs' case is a 2000 study known as Vigor, in which patients taking Vioxx had five times the rate of heart attacks of those taking an older pain reliever, naproxen. Merck said Vioxx did not cause heart attacks, and the company also contended that naproxen had cardioprotective benefits that prevented users from suffering heart problems. Plaintiffs' lawyers said this contention was an attempt to downplay Vioxx's risks.

Another key piece of evidence is a 2001 warning letter the U.S. Food and Drug Administration wrote to Merck. The letter said that a promotional campaign for Vioxx "minimizes the potentially serious cardiovascular findings" observed in the Vigor study and that it "misrepresents the safety profile for Vioxx."

The letter said Merck failed to disclose that its explanation about naproxen was a hypothesis with no adequate studies to support it and that another reasonable explanation for the increased heart attacks was that Vioxx might help cause blood clots.

On Tuesday, the U.S. Food and Drug Administration released a study that said Vioxx may have contributed to an additional 27,785 heart attacks or deaths from 1999 to 2003 that might have been avoided if patients had been taking Pfizer Inc.'s Celebrex. The study analyzed medical records of 1.4 million adult members of Kaiser Permanente, the nation's largest HMO.

Preliminary finding were released in August.

The report also found that naproxen had no cardioprotective effects, disputing Merck's contention.

Doctors interviewed for this story also had complaints about Merck, saying the company tried to squelch negative opinions on Vioxx's safety and downplay the drug's risks.

Stanford University medical professor Dr. James Fries said a high-ranking Merck official, Dr. Louis Sherwood, tried to intimidate several doctors who expressed concerns about Vioxx's safety. Fries said Sherwood made charges to these doctors' superiors that the physicians were biased against the drug.

Fries said he received such a call about one of his doctors and learned it was part of a pattern. He said he wrote Merck chairman Raymond Gilmartin protesting the company's attempt to suppress academic discussions.

"I think Merck went over the line," Fries said. "Their approach was to try to get people fired for saying things they (Merck) didn't agree with."

Fries said the calls stopped after his letter, which he said was sent in 2000 or 2001.

Sherwood did not return calls for comment.

## Selling the drug

Physicians including Dr. Eric Matteson of the Mayo Clinic said Merck should have acted more swiftly to determine Vioxx's cardiovascular safety profile after Vigor. Merck said subsequent Vioxx trials were all designed to look at that profile and that, as soon as the risk was established, the drug was withdrawn.

"Any claim that Merck did not seek to fully understand the cardiovascular profile of Vioxx is contradicted by the facts," said Dr. Peter Kim, president of Merck Research Labs, at an earlier news conference.

Vioxx's label was changed in 2002 to reflect the Vigor study, but lawyers maintain that it wasn't strong enough and that the company continued to downplay the drug's risks. The Cook lawsuit charged that Merck had at least three programs to train sales representatives "to misstate and misrepresent the truly dangerous nature of Vioxx to prescribing physicians."

The materials are under court-ordered seal.

"There is no question the sales force downplayed the risk," said Matteson, a professor of medicine and a consultant to the rheumatology department at the Mayo Clinic in Rochester, Minn.

Matteson said salespeople would discuss Vioxx's other side effects, such as high blood pressure; but when it came to heart attack risks, he said, they would switch to talking about how the 2000 data was analyzed.

# Radio lovers will love the Shark

By Ron Harris

THE ASSOCIATED PRESS

Call it TiVo for the radio. A new \$70 device called RadioShark lets you record your favorite AM and FM radio shows to your home computer and enjoy them later, either from the desktop or a portable device.

Aside from the appealing shark-fin shape of RadioShark, the real beauty in this product from Griffin Technology is its operational simplicity.

I can't remember the last time I installed software, plugged in a gadget and intuitively learned nearly all the controls in less than five minutes.

That's precisely what I did that with RadioShark, a gem that I'd be happy to find a permanent home for on my desktop.

Inside that shiny white shark fin, there's an AM/FM radio. You connect the device to your PC using a USB connection, from which the RadioShark also gets its power. There are no buttons or dials or station-setting on the unit itself — that's all accessed via software (for PC or Mac).

After installing the

**ON THE WEB**  www.griffin.com/products/RadioShark

RadioShark application, I plugged in the unit and launched the program. Up on my screen popped a small gray square that clearly listed station-tuning, volume controls and time-shifting tools.

To tune the RadioShark to a desired station, I simply dragged a sliding notch near the frequency numbers at the top of the display. Within seconds I was listening to a sports talk radio station from my computer speakers.

When I clicked "record," three backlit blue "gills" on the RadioShark unit began to glow red, an indication I had begun capturing the broadcast to a WMA file. It will also record to WAV files if you choose, and Apple users have the option of capturing the audio files to the AAC audio file format.

Only one station at a time can be recorded, by the

way.

iPod users will appreciate that RadioShark can create a folder in the iTunes application. The next time they synchronize to the desktop, they'll have their RadioShark recording for the road.

The time-shifting panel can be toggled from the main screen and, similar to TiVo for television, RadioShark records a rolling timeframe of audio. You can specify the length of that timeframe (30, 60, or 90 minutes, etc.) and you're limited only by the size of your hard drive.

Thirty minutes should suffice for most casual radio listening, and the most recent half-hour will always be accessible. That 30 minutes of time-shifting requires 327 megabytes of available hard drive space.

Like the song you just heard on an FM station? Rewind it and listen to it again with RadioShark.

If you're a fan of late-night radio talk shows, or odd-hours disc jockey music programs that air while you're at work or asleep, RadioShark may be the answer for you.

# ATM

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transactions netted nearly \$5 million in profit that was returned to the shareholders, he said.

The annual transaction volume has increased about 50 percent a year, Park said, and it will continue to grow.

But the nature of the transaction also is changing.

Evans said that, six years ago, the ratio of ATM transactions to store purchases "was probably 60 to 40. Today, less than 20 percent of our transactions are at an ATM."

That means retail outlets are critical to the survival of companies such as Credit Union 24, a fact not lost on Park or Evans.

Losing a big retailer —

think Wal-Mart — can spell doom for a card company or a transaction network.

Evans said her company stayed competitive by staying focused on its niche and making itself available to its customers.

Gail Kruse couldn't agree more.

"If you want to talk to someone at Credit Union 24, their staff is friendly and accessible," said Kruse, the CEO of SCORE Federal Credit Union, which has done business in Tallahassee for nearly 50 years.

"It's not overseas. It's right here in Tallahassee and other cities."

Kruse said SCORE had been a shareholder in Credit Union 24 since its inception, because the idea of sharing a network makes sense for credit unions as much as it does for banks and other financial institutions.

"You can access your cash ... you can deposit as

well as withdraw cash at any ATM on the network," she said.

Park said that Credit Union 24 was "probably one of the bigger technology companies in Tallahassee" and that the company had survived a big shakeout in the ATM networking business.

"There were more than 100 networks 20 years ago," he said, "and now we are one of the 10 meaningful networks that remain in the country." Star, Cirrus and Honor are among the larger networks now operating.

Credit Union 24 is small by some network company standards, but that suits Park just fine.

"We are a niche network," he said. "We provide personalized service — we don't intend to be large."

■ Contact Rocky Scott at (850) 599-2176 or rscott@tallahassee.com.