

MARKETS

September 12, 2006

Dow Industrials	S&P 500
11,488.09 +101.25	1,313.11 +13.57
Bloomberg Midlands	NASDAQ
385.52 +6.07	2,215.82 +42.57

Gold & Currency

	New	Previous
Gold per ounce	\$586.90	\$590.00
30-year Treasury	4.90%	4.94%

Euro and British pound are values in U.S. dollars. Others are expressed in units per U.S. dollar.

	New	Previous
Japanese Yen	117.95	117.51
European Euro	\$1.2689	\$1.2701
British Pound	\$1.8743	\$1.8645
Canadian Dollar	1.1195	1.1212
Mexican Peso	11.0233	11.0640

MIDLANDS

In the running

Omaha-based Union Pacific Corp. is a finalist for a corporate citizenship award from the U.S. Chamber of Commerce.

The chamber said it selected U.P. because of the company's Principals' Partnership, a program created to support high school principals in communities served by the nation's largest railroad.

The Corporate Citizenship Award recognizes businesses and chambers of commerce for community projects that contribute to better business and society relations.

Union Pacific is one of five finalists in the category of U.S. Community Service. Others are ArvinMeritor Inc., the Independence (Mo.) Chamber of Commerce, McGraw-Hill Cos. and Morgan Stanley. The award will be given Nov. 8 at the seventh annual Corporate Citizenship Awards Dinner in Washington, D.C.

The Principals' Partnership is active in 1,000 public high schools in 21 states.

RESTAURANTS

It's a winner

The launch of the Snack Wrap chicken sandwich is boosting sales at McDonald's, the company reported Tuesday.

JPMorgan Chase analyst John Ivankoe said the U.S. rollout of the Snack Wraps exceeded expectations and did not hurt the bottom line despite their lower price.



"It appears that consumers are not using the \$1.29-priced product as an opportunity to trade down from premium-priced products, but are rather trading up from dollar-menu items such as the McChicken and double cheeseburger or are using the product as an add-on."

Drought aid is getting a push

By Jake Thompson
WORLD-HERALD BUREAU

WASHINGTON — After farm groups and farm-state senators held a Capitol Hill rally supporting drought aid, U.S. Sen. Ben Nelson moved Tuesday to seek a vote soon on a \$6.5 billion package to help farmers and ranchers struggling with drought losses.

"Our drought-stricken communities need this immediate

relief," said Nelson, a Nebraska Democrat who is seeking re-election.

He and four other Democrats introduced the drought aid package as an amendment to a port security bill before the Senate this week. It could face a number of legislative hurdles. It is attached to unrelated

legislation — an authorization bill mainly addressing port security related to possible terrorism. Nelson's proposal would provide \$6.5 billion in emergency spending, which raises the federal deficit, a possible concern for some senators. The measure also would have to be approved by the

House.

Nelson's proposal borrowed language from a bill Sen. Kent Conrad, D-N.D., introduced last week.

It was co-sponsored by 17 Republican and Democratic senators from the Great Plains and Western states, including Nelson and Sen. Chuck Hagel,

R-Neb. Hagel has talked often about the need for drought aid.

The rally, organized by the American Farm Bureau Federation, the National Farmers Union and other farm groups sought to pressure Congress for a vote on drought relief this month. Nelson told the crowd he would push for a vote this week.

While there has been some rain in recent weeks in the
See Aid: Page 2



Tad Whitten, left, of Peoria, Ill., talks to Duane Voss of Cairo, Neb., Tuesday in front of a replica of a 1930s Lincoln gas station that was the first in the Midwest to sell "gasohol." The replica, built by Whitten, is on display at Husker Harvest Days near Grand Island.

Filling station tells story of ethanol's mixed beginnings

By Bill Hord
WORLD-HERALD STAFF WRITER

GRAND ISLAND, Neb. — In 1933, a blended corn alcohol fuel made its debut at a small gas station in downtown Lincoln.

A newspaper ad on April 11 of that year promoted the new 10 percent blend for its "greater mileage, no knocking, better acceleration and a smoother motor." A reception was held at the Cornhusker Hotel.

That piece of history is being relived at Husker Harvest Days near Grand Island at a replica of the 1933 station sponsored by the Nebraska Corn Board and the Nebraska Corn Growers Association.

A skit using audience members and a 1928 Model T Ford, the only vehicle in 1933 that would run on corn alcohol, draws an audience.

"It helps tell the story that at the turn of the century, ethanol was going to be a meaningful fuel, but suddenly



Corn alcohol fuel is pumped into the cars of Nebraska Gov. Charles W. Bryan and Merrick County Sheriff J.J. Mohr in Lincoln in 1933.

Fuel sold in Lincoln in 1930s gave way to cheaper gasoline

petroleum got a lot cheaper," said Randy Klein, marketing director for the Nebraska Corn Board.

In 1908, Henry Ford designed his Model T to run on

either ethanol or gasoline because he thought ethanol would be the fuel of the future.

Who knows — if gasoline prices hadn't hovered around 24 cents a gallon, the story of

today's ethanol boom might have been written in yesterday's history books.

So the gas station that once stood at 14th and N Streets in Lincoln is just one chapter in more than 100 years of corn-based alcohol fuel. The station is significant because it introduced the 10 percent blend, developed by three Iowa State University researchers, that is common today.

The station, owned by the Earl Coryell Co., would be the first of about 2,000 filling stations in the Midwest to sell the "gasohol" in the 1930s.

But the powerful Standard Oil Co. chose ethyl lead instead of ethanol to add octane to gasoline, thus killing the ethanol market until the fuel shortage of the 1970s.

"If ethanol wasn't a good product, it wouldn't keep coming back," Klein said.

It has come back in the last few years for different reasons than in 1933, according to Tad Whitten, a promoter from
continued on back

Oil prices continue to tumble

Wall Street reacts with its third consecutive rally as futures hit a six-month low.

THE ASSOCIATED PRESS

Oil prices fell by almost 3 percent Tuesday, dipping below \$64 a barrel as worldwide demand and supply threats ease. After a seven-day sell-off, crude futures are at their lowest level since late March.

The prices helped Wall Street rally for a third straight session.

Falling oil prices are not uncommon at this time of year, when gasoline consumption traditionally tapers off and winter fuel demand has yet to ramp up.

But the market has been especially weak lately, falling roughly 18 percent since mid-July, because fears of a powerful Atlantic hurricane season have so far proved unwarranted and because traders are increasingly skeptical that a diplomatic standoff between the United Nations and Iran will lead OPEC's No. 2 producer to pull supplies from the market. Tuesday's decline was the seventh in a row.

Moreover, these factors have caused some of the speculative fervor underpinning energy markets to dry up, analysts said.

The selling "seems to be feeding on itself," said Michael Gross, a commodities analyst at Liberty Trading in Tampa, Fla. "A lot of big funds that trade oil are trend players."

Light sweet crude for October delivery fell \$1.85 to settle at \$63.76 a barrel on the New York Mercantile Exchange — the lowest closing price since finishing at \$61.77 a barrel March 22.

O'Grady said that in order for oil prices to rise there needs to be "an underlying current of strong economic growth." Geopolitical uncertainty will no doubt add volatility to markets, but it cannot be the only foundation for soaring oil prices.

On Monday, the Organization of Petroleum Exporting Countries said it will keep pumping crude at current levels, while
See Markets: Page 2