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FAME

The Glitziest Gathering Nobody Knows

Obscure Academy Honors Students And Celebrities

By RACHEL EMMA SILVERMAN
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON
IT'S LIKE PROM NIGHT on steroids. On a muggy Saturday night in June, some of America's top high-school students have come to a cavernous hall in the National Building Museum for a banquet with scores of Nobel laureates, business tycoons, professional athletes, public servants and movie stars.

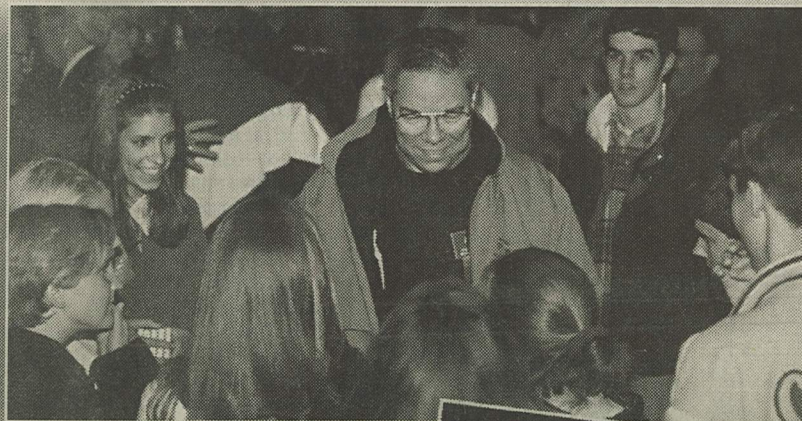
George Lucas, Kurt Masur and Dorothy Hamill are here, as are Holly Hunter and Aretha Franklin. America Online Inc.'s chairman and chief executive, Stephen Case, rubs elbows with the nominated ambassador to the United Nations, Richard Holbrooke.

The Washington Post's Katharine Graham schmoozes with the Detroit Pistons' Grant Hill. "You can't get an assembly like this anywhere else in the world," says Mr. Lucas, who knows about worlds.

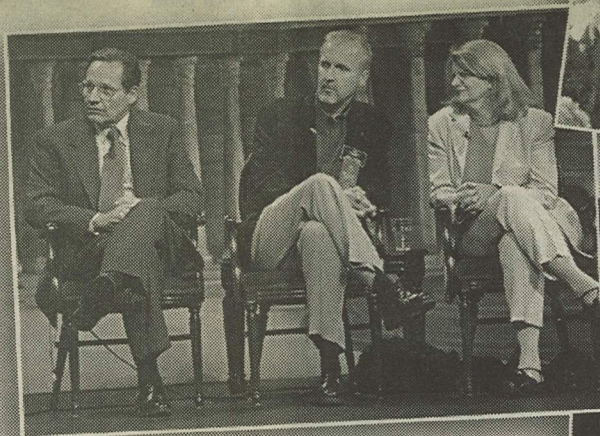
It's the "Banquet of the Golden Plate," perhaps the glitziest gathering of intellect and celebrity that no one has ever heard of. Every year, it honors 50 luminaries in fields ranging from fashion to physics with a gala dinner and a three-day retreat preceding it. Joining them are 400 high-school seniors, winners of scholarships, prizes, championships, rodeo tournaments and Shakespeare oration competitions.

The event's sponsor is the American Academy of Achievement, a Washington nonprofit organization founded in 1961 by a former Life magazine photographer, Brian Reynolds, and now headed by his son, Wayne. Dedicated to the "education and inspiration of youth," the academy every year throws this event, which it calls the Achievement Summit.

Over the course of panel discussions, group recreation and elaborate cocktail parties and dinners, the high-school kids mix with the celebrities being inducted



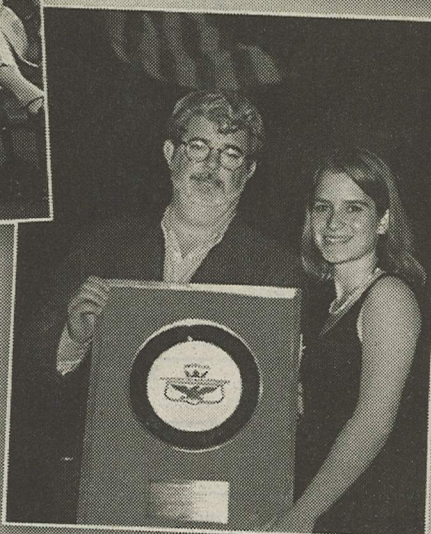
'Achievement Summit': from top, Colin Powell with a group of high-school seniors; Coretta Scott King and Aretha Franklin; Bob Woodward, James Cameron and Geraldine Laybourne in a panel discussion; and George Lucas with student



into the academy. Many of the inductees return year after year. For both honorees and each year's group of teens, all expenses are paid, down to the tuxedo rentals.

Although many of the honorees go places with enough handlers and hangers-on to populate a small town, many of them bring along just their families to the Achievement Summit. "We're here in a bubble," says psychologist and author Howard Gardner, who was inducted this year. "Everybody's on a high. It makes conversations across generations easier. There are no agendas. No phones. No fax. It's great."

Another honoree, Stephen Schwarzman, chief executive of the investment-



banking firm Blackstone Group, says he is interested "in the common factors between all these accomplished people—passion, drive, intensity." He also wanted to meet Aretha Franklin and get her autograph for his daughters.

"Some go because they like being together with other famous people," says Frank Sulloway, a behavioral scientist and 1997 inductee, attending for the third time. "Some go because they have very idealistic values. Others go because it's so intellectually stimulating." As for himself, Mr. Sulloway says he has a professional interest in being here: He is conducting a survey of the family dynamics and personality traits of the high-school students who attended in 1998 and 1999.

At this year's retreat, a panel that included journalist Bob Woodward, "Titanic" director James Cameron, Oxygen Media Inc. CEO Geraldine Laybourne, former poet laureate

Rita Dove and "Goosebumps" author R.L. Stine discussed entertainment, media and public policy. Country crooner Naomi Judd and neuroscientist Stephen Pinker shared the podium in a talk about creativity.

At one point between sessions, Lindsay Martin, a Miss Teen of America, cornered natural-healing guru Andrew Weil to ask him about eating nutritious food at college. "Be

choosy. Demand better food," he advised. An aspiring actress gave Mr. Cameron her headshot. Another student looked at pictures of Larry King's baby.

How does such an obscure organization get so many high-powered people to its party? One trick is in the invitations: They are signed by past honorees whose names are hard to ignore. These invitations help create a certain air of mystery surrounding the event, which attendees seem to enjoy perpetuating.

Steven Spielberg and Jim Henson signed George Lucas's invitation in 1989. Isaac Asimov signed the invitation for artificial-intelligence pioneer Marvin Minsky. "I would have thrown it away, but Asimov said, 'Just go. Don't ask questions,'" Mr. Minsky recalls.

"I've never met anybody who knew what it was about," says Nathan Myhrvold, Microsoft Corp.'s chief technology officer, now on leave from his job. His 1996 invitation was signed by Francis Crick, the discoverer of DNA's

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CORPORATE FOCUS

AMC's New Chief Fine-Tunes Theater Chain's Strategy

After Patriarch's Death, Ticket Prices May Rise and Megaplexes May Shrink

By BRUCE ORWALL

Staff Reporter of THE WALL STREET JOURNAL

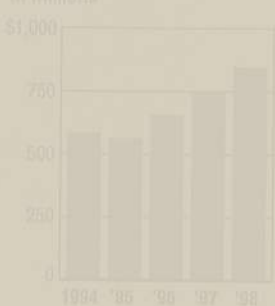
Few business situations are trickier to manage than a chief executive's long terminal illness. Witness the case of theater chain AMC Entertainment Inc., which last week suffered the death of company patriarch Stanley H. Durwood.

Mr. Durwood's handpicked successors faced a tough dilemma during his nearly three-year battle with esophageal cancer. They knew that aspects of Mr. Durwood's strategy—which was built around an aggressive rollout of huge “megaplex” theaters—needed adjustment, as AMC's earnings have suffered. Yet they delayed making many changes

Not Quite the Ticket

AMC's Revenue Is Up...

In millions



Source: AMC Entertainment; Boxoffice

But Profit Is Down...

Net income/loss, in millions



And Stock Price Is Erratic

Weekly closing price



An Obscure Academy Honors 'Achievers'

Continued From Page B1

double-helix form, and Bill Gates. “If it was a forgery, it was a hell of a forgery,” Mr. Myhrvold adds. In 1996, he and Martha Stewart handed out career advice.

Some of the students at this year's event say they were equally mystified by their invitations: The event isn't one guidance counselors promote to their students, and it doesn't accept applications. “When I got the invitation I didn't believe it at first,” says Wes Hermann, a Tulsa, Okla., math and physics whiz. “I thought it was from Publishers' Clearinghouse or something. I thought, ‘I'll believe it when I get my plane tickets.’”

The younger Mr. Reynolds, 42, the academy's boyish, unassuming president, says the group's low profile sometimes can be misconstrued. “People question the motives,” he says. “They think we're part of the CIA.” He adds, “We have had members of the CIA as honorees.”

The academy's 86-year-old founder wasn't available to be interviewed. Mr. Reynolds says his father's idea was to bring together some of the extraordinary people he had met as a photographer, whose paths might otherwise never have crossed. The elder Mr. Reynolds funded the academy out of his own pocket for five years. “It was a labor of love,” his son says, “or a midlife crisis.”

Now, with a \$5 million annual budget, the academy gets funding from past inductees, plus some corporations and foundations. Among its current and former patrons are casino entrepreneur Steve Wynn; Peter Haas, of Levi Strauss & Co.'s founding family, and his wife, Miriam; Haagen-Dazs co-founder Rose Mattus; and shopping-mall developer TrizecHahn Corp.

The annual festivities usually end up

costing around \$2 million, Mr. Reynolds says. Each year a different “host” organization foots most of the bill. The host this year was EduCap Inc., a nonprofit provider of student loans and scholarships.

During the rest of the year, the academy operates a Web site featuring success tips, and it produces “Achievement TV,” a series of taped advice panels shown on cable and public-television stations and sold to school libraries. The group recently moved from a two-room office in Malibu, Calif., to a five-story townhouse in Washington. The academy paid \$2.2 million for the building, then spent another \$1.8 million renovating it, filling it with antique furniture and crystal chandeliers and creating space for a museum, a “Gallery of Achievement.”

The gallery is set to include exhibits about the celebrity inductees and a library of books written by or admired by them. Etched in glass are all the names of the celebrities inducted in the 38 years since the inaugural Class of 1961.

The Academy takes its annual bashes very seriously. In 1989, one of the dinners was held inside Alcatraz. In 1997, honorees were treated to an air show by the Blue Angels stunt pilots and a fife-and-drum performance at Fort McHenry on the Chesapeake Bay. In 1992, when the summit was held in Las Vegas, a banquet took place atop the Hoover Dam. Food was lowered by cranes; guests wore hard hats. “Every year I look for something patriotic, emotional and inspirational,” Mr. Reynolds says.

On opening night this year, students and celebrities mingled with actors dressed in period costume at George Washington's Mount Vernon residence. Gospel singer Patti Austin performed, and a fire-

works display lit up the Potomac. The next night, after cocktails at the National Gallery, the attendees sat in the pews of the National Cathedral to hear Coretta Scott King speak and Aretha Franklin belt out some of her standards.

To pull off such an extravaganza, Mr. Reynolds needs vision, money and friends in high places. “I have all these things,” he says. Still, no politicians were honored this year, even though the event was held in the nation's capital. “When you get into politics, you don't please anybody,” Mr. Reynolds says.

This year, for the first time, the event went international. At midnight after the feast, some of the inductees boarded a charter flight to Budapest for an international Banquet of the Golden Plate aimed at graduate-student honorees, including many Rhodes, Marshall and Fulbright scholars.

Mr. Reynolds, unlike virtually every other organizer of a celebrity-charity event, is trying to keep his hoopla out of the spotlight: He strictly prohibits outside photographers and rarely returns media phone calls. He says guests interact more freely if no outsiders are watching.

The academy's 80-member “awards council” nominates celebrity honorees; academy administrators make the final choice. Student invitees are culled from elite groups such as National Merit or Presidential scholarship finalists and the Intel Science Talent Search winners. (This reporter attended in 1992.)

“The elitism hit me so strongly,” says Dara Orenstein, a student honoree from 1992, who now works for a New York legal-advocacy group. “The thing functions as a sort of primer for college. . . . You are the elite. Welcome to our world.”

rushed to replace AMC's older theaters with megaplexes as fast as he could.

AMC learned the hard way that 30 theaters in one place is usually a few too many. Other new AMC megaplexes have suffered from poor locations. Those difficulties don't include a more-obvious consequence of megaplexes—their obliterating effect on older theaters that are nearby. AMC often inflicted pain on itself in that regard, building its gleaming new theaters just blocks from its own older theaters. That has caused some odd scrambles to keep the older theaters viable.

The result has been pressure on earnings. In the fiscal fourth quarter ended April 1, AMC reported a loss of \$19.1 mil-

CHICAGO—Quaker Oats Co.'s second-quarter earnings topped expectations, as continued sales growth for its Gatorade brand helped offset softer sales of ready-to-eat cereal.

The food and beverage concern offered a cautious view of Gatorade's near-term growth prospects, however, and Quaker shares fell \$5.3125 to close on the New York Stock Exchange at \$63.9375.

Net income more than tripled to \$172 million, or \$1.22 a diluted share, compared with the year-earlier quarter's \$36.5 million, or 40 cents a share.

Special items in both periods skewed the comparison: without a gain from tax adjustments that benefited the latest quarter, and restructuring and asset-impairment charges that hurt the year-earlier period, earnings would have increased to 95 cents a share from 76 cents a year earlier.

Operating profit rose 16% to \$229.5 million from \$198 million.

Quaker's sales declined 4.3% to \$1.32 billion from \$1.38 billion a year ago.

Sales of Quaker's Gatorade beverage rose 5% to \$454.8 million, and operating profit from the sports drink strengthened 12% to \$126.4 million.

In the company's foods group, sales slipped 1% to \$462.6 million, but cost-cutting efforts and a more profitable sales mix helped operating profit climb 24% to \$86.3 million.

Although hot cereals showed strength, ready-to-eat cereal unit volume declined 7%.

Quaker's per-share operating profit topped the First Call/Thomson Financial consensus by 10 cents.

But investor enthusiasm was damp by the company's caution that Gatorade's third-quarter sales would likely be flat with the year-ago level.

Alabama

By Liggett

By RICHARD LIGGETT

Staff Reporter of THE WALL STREET JOURNAL

An Alabama a sweeping of Liggett Group tentatively millions people with smoke

The settlement move by the unit Group Ltd. Liggett ranks with other began revealing proved, the accord the biggest "act" result, where new interests of thousands

But Judge Rob

CHICAGO—Quaker Oats Co.'s second-quarter net loss to its acquisition said it remains on forecasts for

The 31 Segment sales in the seasonally flat because of Inc.'s "Star Wars" performance in

Mattel, which restructuring, all would shut down 4,400 people, on April, the company of over 3,000 plant shutdo

The net loss, in pretax charge, for million, or 50 cents profit of \$4.8 million year earlier. Each rise to \$62.5 million from \$34.6 million last year, the earnings-per-share Call estimate of 15 cents, the charge.

In a conference Chairman Jill Bar company increase charges despite a crease in net \$1.03 billion that growth was due to

Sales of Barbie line, accounting to clined again in th Mattel's Disney to Wheels, Sesame S Pooh brands. Bar world-wide, includ nationally and 4% said that new Bn Ops are now on sales have recen