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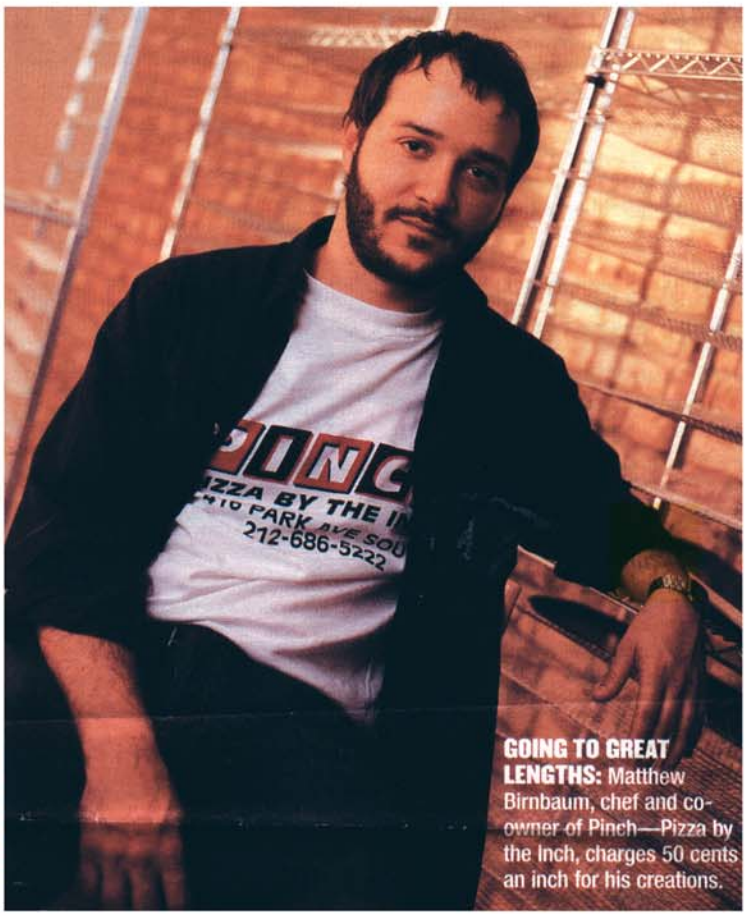
FOOD



CATHERINE GIBBONS

GOING TO GREAT LENGTHS: Matthew Birnbaum, chef and co-owner of Pinch—Pizza by the Inch, charges 50 cents an inch for his creations.

Pizza chefs draw new pie chart

Try for a bigger slice of a saturated market by redefining a long-running NY staple

BY LISA FICKENSCHER

At one trendy new Manhattan eatery, it will be sold by the inch. At another, crowds are already queuing up to buy it by the pound. Meanwhile, at his recently opened restaurant, famed chef Alain Ducasse artfully incorporates a trio of imported chocolates into his and sells it as a dessert for $12.

Welcome to the new life of pizza. Nearly 100 years after the first pizza parlor in the United States opened in lower Manhattan, all elements of the definition of pizza—from the way it is sliced, cooked and sold to when it's eaten—are undergoing unprecedented change.

"Pizzerias are treating pizza with respect now," says Matthew Birnbaum, chef and co-owner of Pinch—Pizza by the Inch, which is opening on Park Avenue and East 29th Street this month. "It's not something you have to grab on the way to someplace."

In a saturated metropolitan market that boasts more than 3,000 pizzerias, inventive restaurateurs are attempting to do the seemingly impossible. They are trying to find new takers for a food that all too many people have written off as a greasy, fattening, carb-laden meal fit only for kids. The new permutations, says New York restaurant consultant Arlene Spiegel, "are a way to win over more people the way that McDonald's got women to come back when it introduced salads."

Whether New Yorkers will embrace change in such a bedrock el-

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Banks cut loan losses in sign of recovery

Cite improving health of borrowers

BY TOM FREDRICKSON

In clear signs of a firming economy, problem loans at New York area banks are falling, and bankers say they are ready to open the lending spigot wider.

Third-quarter earnings statements released in the past week show an almost universal reduction in loan-loss provisions—the sums that banks set aside to make up for credits they expect to sour. At the same time, there is mounting anecdotal evidence that New York area lenders, sensing the improved financial condition of their clients, are gearing up to pump out more loans.

"Bankers are chomping at the bit to lend," says John Kline, an analyst at Sandler O'Neill & Partners.

The improvement in borrowers' balance sheets is what underpins both banks' eagerness to lend tomorrow and their ability to cut loan-loss provisions today. While many banks have yet to report third-quarter figures, a clear pattern has already emerged.

Fleet National Bank, a Boston-based institution with the third-largest branch system in the city, reported last week that its loan-loss provision stood at $265 million in the third quarter, down $87 million, or 25%, from the same period in 2002. Meanwhile, the bank charged off 1% of its average loans for the quarter, down from 1.65%

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