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Cupid Lands at Hilton
10 Couples Honored with Princess Wedding

Sean Bailey, of the U.S. Navy, kisses his new bride, Alison, after repeating wedding vows at Ontario Airport Hilton Hotel. They were one of 10 couples who repeated their vows during Operation Community Cupid.

The Hilton Ontario Airport Hotel in Ontario was the perfect setting for the wedding ceremony of 10 military couples: Marine Cpl. Victor Martinez and Erika Acevedo; Coast Guard pilot La Shanda Holmes and Jamal Jones; Marine Lance Cpl. Emerson Alex Rodriguez and Melissa Moore; Marine Sgt. David Castillo and Maritza Alvarado; Marine Pfc. Kevius Tamagow and Jayline Dugwem; Marine Lance Cpl. Anthony Stewart Roldan and Rosa Rivera; Coast Guard Marine Science Technician and Petty Officer 2nd Class Jennifer E. Donnelly and Raymond Jennings; and Marine E-3 Thomas Wright and Rocel Basco; Navy E-8 Sean Bailey and his bride Alison Bailey; and Marine Sgt. Jose G. Herrera and his bride Australia Herrera.

The above celebrated the occasion as if they were all princes and princesses. The soldiers were either returning from Iraq or Afghanistan, with most being deployed to Afghanistan in the next few months. The couples enjoyed their weddings, and the flowers, photography, bridal gowns and veils, tuxedos, make-up and hair stylists, jewelry, limousines and Corvettes, wedding cakes, reception with entertainment, were courtesy of local businesses wishing to thank those who have given and are giving.

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STUDENT STARTUP BUSINESSES TO BE PITCHED TO ANGEL INVESTORS, ENTREPRENEURS

The Inland Empire Center for Entrepreneurship at Cal State San Bernardino has announced the semi-finalists for the 2011 Garner Holt Student Fast Pitch Competition.

Fifteen students were selected from a field of nearly 70 entries to present a 90-second fast description of their business startup concept to a panel of judges that includes “angel” investors and other members of Southern California’s entrepreneurial community.

This year’s finalists are exchange student Claudie Archambault-Therrien of Quebec, Canada; Kammie Reimer of Fontana; Edwin Stone of Highland; Rachel Wolfinbarger of Rancho Cucamonga; Linda Eder of Ontario; Alex Bidaki, Emily Callahan & Blaine Alleges Racketeering and Corruption in Lawsuit Filed Against Riverside Doctor Kali P. Chaudhuri

Callahan & Blaine has filed a lawsuit in Riverside Superior Court seeking injunctive relief against Riverside physician Kali P. Chaudhuri, alleging racketeering and corruption practices by the doctor and his related companies.

A new lawsuit filed alleges that Dr. Kali P. Chaudhuri, a controversial doctor turned medical businessman, engaged in fraud, racketeering and corruption with respect to a number of interrelated medical companies. Hemet Community Medical Group (“HCMG”) is a Chaudhuri-owned independent physician association (“IPA”) that contracts directly with HMOs for payment of medical services. Chaudhuri set up a series of related companies for... continued on page 43
The Fontana Chamber of Commerce announces the five Top Chamber Businesses named to receive an award for their continued commitment to their hard work, community involvement and perseverance. While all businesses in our region have continued to struggle in light of these trying economic times, there have been some that have managed to emerge successfully due to ingenuity, creativity and prosperity-driven motivation. It’s not unusual that we have found that these businesses are some of the most involved in our community and tend to leave no stone unturned in their local outreach to improve their own well being as well as those of their neighbors.

This event follows a series of recent business and economic forums Assemblyman Morrell has held throughout the district with testimonies from businesses that have been driven to their knees by job killing regulations signed by the Governor and serves as a reminder that there is a light at the end of the tunnel for business in California.

These recognized businesses have added jobs, expanded their operations, and escalated their neighborhood participation becoming leaders in the chamber and in the business community:

- Fontana Herald News – Century Group Newspapers
- Hilton Garden Inn – Fontana
- Inland Body and Paint Center
- Rotolo Chevrolet
- Shakey’s Pizza Parlor

Additionally, one of the five selected businesses will receive top honors. Their names will be revealed at the event and we would like the chamber members, friends and family there to participate in celebrating their enduring success.

The event is going to be held on Thursday, Nov. 10th from 11:00 a.m. to 1:00 p.m. at the Etiwanda Gardens, 7576 Etiwanda Avenue in Etiwanda. Cost per person is $35 per guest.

For more information or to RSVP for the event, please contact Nathan Miller at (909) 466-9096 or nathan.miller@asm.ca.gov.
In-House Employee Development Program Creates Next Generation of Workers

Workforce Investment Board helps fund California Steel’s craft development program

The County of San Bernardino Workforce Investment Board (WIB) has been an instrumental partner in helping local manufacturers such as California Steel Industries, Inc. (CSI) successfully graduate 34 electricians and 17 mechanics from its craft development program. The in-house program provides on-the-job training and mentoring for employees to become “A” level electricians, mechanics or machinists. Starting salary for the trainees is $20.17 per hour. Upon graduation, an electrician’s pay increases to $32.32 per hour; machinists and mechanics to $30.22 per hour.

Currently, CSI has 43 employees in their training programs who attend classes tailored specifically to their respective trades at Chaffey College and San Bernardino Valley College. Employees from member businesses of the Manufacturers Council of the Inland Empire also attend classes. “The program began 13 years ago and we have been very successful in developing high quality technicians who have become fully qualified craft workers at CSI,” said Brett Guge, executive vice president – finance and administration at California Steel Industries, Inc.

A survey of 800 manufacturers conducted by the National Association of Manufacturers (NAM) in 2005 reported that more than 80% experienced a shortage of skilled workers. When California Steel’s regional and national efforts to recruit qualified “A” level electricians, mechanics and machinists fell short, CSI responded by creating the craft development programs assisted by the County of San Bernardino Workforce Investment Board. “Our company faced a shortage of skilled craft workers as our current workforce neared retirement age,” said Guge. “Even in this economy, we could not find qualified people to step into these positions.”

“Manufacturers across the nation are having trouble finding skilled workers, but here in San Bernardino County, the Workforce Investment Board supports our employers and employees with federally funded training programs to develop our local workforce with the skills local employers seek,” said Chair Josie Gonzales, County of San Bernardino Fifth District Supervisor.

The San Bernardino County Workforce Investment Board provides services to all manufacturers throughout the county. The Business Resource Team reaches out to employers of all sizes to help train and develop skilled employees as well as provide no-cost recruitment and hiring services. In 2010, the Business Resource Team saved county employers $3,647,877 through On-the-Job Training program reimbursement, and helped nearly 6,000 job seekers gain employment. Employers and job seekers can find more information about the job training programs and services through their local San Bernardino County One-Stop Employment Resource Centers located in Rancho Cucamonga, San Bernardino and Hesperia. Please visit: www.sbcounty.gov/csh-win/wia.htm.

About the Workforce Investment Board of San Bernardino County

The Workforce Investment Board of San Bernardino County is comprised of private business representatives and public partners appointed by the County of San Bernardino Board of Supervisors. The WIB strives to strengthen the skills of the County’s workforce through partnerships with business, education and community-based organizations. The County of 

Charter, Customers Lend Military Heroes a Helping Hand

Signing up for Charter services generates “Operation Homefront” donations

Charter is providing financial support to military heroes and their families through a three-month Operation Homefront campaign.

Operation Homefront is a national non-profit organization that provides emergency financial and other assistance to military families of US service members and wounded warriors. For each consumer who signs up for various specified Charter services online at charter.com/homefront through Jan. 31, 2012, Charter will make a donation to Operation Homefront.

Charter’s donations to Operation Homefront will range from $10 to a maximum amount of $50 for every online service order for Charter Internet Express (or higher level), Digital Double Play or HD Digital Triple Play made through Jan. 31. Customers signing up for Charter services also will be eligible for a gift card valued at up to $250.

Operation Homefront, which holds Charity Navigator’s highest rating of four stars, provides emergency assistance to military families, including financial and food aid, auto repair, home repair, and furniture and household item donations. Operation Homefront also conducts morale and support programs for military spouses and children.

“Men and women on military bases across this country are our customers, friends and family,” said Allan Samson, Charter’s senior vice president, marketing. “We care about those who have sacrificed to preserve a high quality of life for people across the globe. That’s why we’re supporting Operation Homefront and that’s why we’re making it easy for our customers to join us.”

“Many Americans don’t realize that military families – especially the families of junior enlisted service members – can face financial crisis when their loved one is deployed and in harm’s way,” said Jim Knotts, president and CEO of Operation Homefront. “With Charter’s help, their customers can help give our men and women in uniform the peace of mind that while they are on duty protecting us, someone back home is protecting their families.”

For more information on how you can help support Operation Homefront through Charter’s campaign, visit charter.com/homefront.

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### Quotations on Pride

Remember, when the peacock struts his stuff he shows his backside to half the world.

**Herve Wiener**

If a proud man makes me keep my distance, the comfort is that he keeps his at the same time.

**Jonathan Swift**

He that is proud of riches is a fool. For if he be exalted above his neighbors because he hath more gold, how much inferior is he to a gold mine.

**Jeremy Taylor**

Every man has a right to be concealed until he is successful.

**Benjamin Franklin**

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California Bank & Trust is pleased to announce the appointment of Eileen Blaga to business banking specialist/AVP. Blaga has nearly 30 years of banking industry experience and will be responsible for developing business banking relationships with an emphasis on commercial real estate. Previously, she served as branch manager and retail executive at BBVA Compass.
Every business owner must be able to answer one very basic question, “Why should a prospective customer buy my product or service rather than a competitor’s?” If the owner cannot answer this question, he or she should probably cut his or her losses and seek alternative employment. Fortunately, this isn’t a complex question. At its core, there are only two possible answers; either the product or service is being offered at a lower price or the offering must be differentiated from the competitor’s.

Companies such as Walmart have been extremely successful pursuing a low cost strategy. Walmart uses its massive volume to negotiate purchase prices that are well below what smaller competitors pay. Consequently, the retail giant can make very good margins selling brand name products at lower prices than competitors can offer. As a practical matter, small businesses will generally not have the volumes to pursue this type of strategy.

Very small businesses can sometimes offer lower prices than their larger competitors because they have much lower overhead. For example, consider a residential cleaning service run by two friends out of their homes. The two friends are the only employees. There is little to no overhead. Such an operation can offer its services at prices below those that a company such as Merry Maids would have to charge, because Merry Maids does have significant overhead. However, this strategy is inherently limiting. If the two friends were to attempt to significantly grow their enterprise, they would discover that they would need to add overhead similar to their larger competitors.

Most small businesses that want to grow beyond a few employees will find that a low cost strategy is difficult to pursue successfully. Therefore, such enterprises are left with the need to differentiate their products or services and give their customers a reason to buy that isn’t based on price.

It’s great to create a differentiated product/service package. Unfortunately, that, by itself, is not enough. In addition, the differentiated product/service package must be more desirable to a specific segment of the market than any alternative. Also, the size of this segment must be large enough to be attractive. For example, you could market a skunk-flavored Popsicle. This would be a differentiated product: nothing remotely resembling such an offering is available in your local supermarket. However, it is highly unlikely that this product would be attractive to a large enough segment of the market to make it an economically viable offering. This is a silly example, but it makes the point that differentiation alone isn’t sufficient. You must target the differentiated product/service package to a sufficiently large segment of the market, which values the unique characteristics of the offering.

So, what makes a market segmentation that will allow companies to target their products and services profitably to customers who will pay a premium for them? There are two criteria for a segmentation to deliver significant value. First, members of the segment must make the buying decision like each other and differently from those not in the segment. Second, members of the segment must be externally identifiable or they must be willing to self-identify. The key to effectively segmenting a market is to understand how customers make the buying decision. What characteristics of the product/service package are most important to each group of customers? For example, automobile manufacturers must target specific segments. Some people are looking for basic transportation with a low cost of operation (i.e., good gas mileage and low maintenance costs). Other car buyers are interested in a sporty looking, high performance automobile. Still others are interested in luxury and prestige. More recently, a segment has emerged that is primarily interested in a car that is environmentally friendly. One product cannot possibly satisfy all segments. Product design and advertising are specifically intended to position the manufacturer’s offerings closer to the wants and needs of a given segment than those of the competition.

Assuming that the product/service package can be targeted to uniquely meet the needs of a sufficiently sized group, the customers in each segment must be externally identifiable. Marketers need to know how to reach the specific segments. Should the company advertise in Sports Illustrated or Cosmopolitan? Alternatively, the members of a particular segment may be self-identifying. For example, if a man intends to buy a suit, those who walk into Sears, The Men’s Warehouse, Joseph Bank’s, or Brooks Brothers are fairly clearly members of different market segments.

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California is Spending Beyond Its Means

By Mike Morrell

Budget negotiations for the next fiscal year have not even begun, and Californians already have to face a grim reality: uncontrollable debt.

In a report issued this month, California State Treasurer Bill Lockyer announced that the state debt will reach a record high of 7.8% of the general fund revenue in 2012. That is double the amount of debt in 2003, and seven times the amount in 1977. The current debt adds up to $2,532 burden for each of California’s hardworking citizens.

This news comes in the midst of a fiscal crisis in Washington that serves as a reality check for our bankrupt state. The historic federal downgrade of American credit by Standard and Poor’s and the corresponding debt-ceiling crisis sent the federal government scrambling for savings. Consequently, many state and local functions that rely on federal money will see reduced funding. This will put downward pressure on California’s economy and general fund, as Sacramento can no longer count on federal revenue as a fiscal parachute during what has become its annual free fall.

With a substantial dip in revenue from Washington – the federal government spent $345 billion in California in 2009 – California must finally learn how to live within its means. This is true at the political and personal level.

At the political level, the first place for the state to look for savings is public-employee unions, which control whatever they receive in salaries, benefits, and pensions. As William Voegeli writes in City Journal:

“It’s neither a coincidence nor a surprise, then, that California’s government employees receive higher compensation than those in any other state. The Census Bureau’s latest figures cover the year 2006, and show that California’s local government employees were paid an average annual rate of $60,780, 33% above the national average … California’s public workers receive more, often significantly more, than government employees in the other states with high living costs.”

This poses a genuine fiscal hazard to California’s fragile economy.

Second, California should assess the cost-effectiveness of its financing in the public sector. The Forecast Project at the University of California, Santa Barbara has calculated that after adjusting for inflation and population growth, the state government spent 26% more in 2007-08 than in 1997-98. Back then, says Executive Director Bill Watkins, “California had teachers. Prisoners were in jail. Health care was provided for those with the least resources.” Today, Watkins asks, “Are the roads 26 percent better? Are schools 26 percent better? What is 26 percent better?” Meanwhile, a group at Stanford University recently calculated that CalPERS (the nation’s largest public pension fund), CalSTRS (The California State Teacher’s Retirement System) and the University of California would exceed financial shortfalls of a combined $500 billion. This should concern all parents that want to leave a better world for our children than the way we found it.

We are passing on significant amounts of debt to future generations. In addition, while we all agree that we face an insurmountable pension burden and owe more than we have, the individual workers that have financially planned their future are being penalized. Government employees receive higher compensation than those in other states with high living costs.

SB 161 Signed Into Law Despite Union Opposition

Health and Safety Needs of California School Children Put First

Groundbreaking student safety legislation authored by Senator Bob Huff (R-Diamond Bar) has been signed by the Governor. The Governor’s signature on SB 161 means that California school employees, who volunteer and are properly trained, will be authorized by law to provide emergency medical assistance to pupils with epilepsy who suffer a seizure while on campus.

SB 161 was sponsored by the Orange County Office of Education and the Epilepsy Foundation of California. It faced heavy opposition from powerful union special interests during nearly every legislative committee hearing. The Huff legislation will help protect the lives and health of nearly 94,000 California children who suffer from epilepsy.

“The Governor’s signature on SB 161 marks the victorious end to a long and bitter fight to provide the safety net that children with epilepsy desperately need in our schools,” said Senator Huff. “This victory proves that a determined group of parents, doctors, schools and other citizens can overcome even the most powerful of special interests.”

Children who suffer from epilepsy are at risk of dangerous and prolonged seizures and must have immediate access to life-saving emergency medication. Diastat Acudial is a pre-dosed preparation of diazepam gel and is the only standard, out-of-hospital treatment that has been approved by the Food and Drug Administration (FDA) to successfully treat prolonged seizures. It is also the only FDA approved medication that was specifically developed to be administered by people without medical training and is considered the fastest, safest and most effective way to treat epileptic seizures.

“If the medication is not administered within a matter of minutes following a seizure, children can begin to suffer severe brain damage and even death,” said Senator Huff.

Senator Huff responded with legislation on behalf of thousands of children with epilepsy when the Board of Registered Nursing (BRN) arbitrarily ruled two years ago that nurses were not authorized to train or supervise anyone to administer Diastat. Schools abruptly stopped the practice following the ruling, even though the drug had been successfully used in California schools for more than 10 years with absolutely no problems and no incidents of medical problems.

Leading California pediatricians testified in support of SB 161 during the committee hearing process and 35 physicians submitted a letter to the Governor urging him to sign the legislation. That includes Dr. Raman Sankar, who serves as the Professor of Neurology and Pediatrics and Chief of Pediatric Neurology at the David Geffen School of Medicine at UCLA.

“The safety of this medication has been acknowledged by everyone involved with pediatric neurology and pediatric epilepsy, which is why SB 161 has strong support from professional medical organizations,” said Dr. Sankar during committee testimony.

Senator Huff serves as the Senate Republican Caucus Chair and serves the 29th Senate District covering portions of Los Angeles, Orange and San Bernardino Counties.
THE GAINERS
Top five, by percentage

<table>
<thead>
<tr>
<th>Company</th>
<th>Current Close</th>
<th>Reg. of Month CHNL</th>
<th>Point Change</th>
<th>% Change</th>
</tr>
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<tr>
<td>Hansen Natural Corporation</td>
<td>92.75</td>
<td>87.29</td>
<td>5.46</td>
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<td>Hot Topic Inc.</td>
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<td>7.63</td>
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<tr>
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<tr>
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<td>2.75</td>
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</tr>
<tr>
<td>Watson Pharmaceuticals, Inc.</td>
<td>69.15</td>
<td>68.25</td>
<td>0.90</td>
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Notes: (H) - Stock hit fifty two week high during the month, (L) - Stock hit fifty two week low during the month, NM - Not Meaningful

THE LOSERS
Top five, by percentage

<table>
<thead>
<tr>
<th>Company</th>
<th>Current Close</th>
<th>Reg. of Month CHNL</th>
<th>Point Change</th>
<th>% Change</th>
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<td>Kaiser Federal Financial Grp.</td>
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<td>8.74</td>
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<td>American States Water Co.</td>
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<td>Hansen Natural Corporation</td>
<td>92.75</td>
<td>87.29</td>
<td>5.46</td>
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Five Most Active Stocks

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<th>Company</th>
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Monthly Summary

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<td>1</td>
<td>2</td>
<td>1</td>
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## Inland Empire’s Largest Office Projects

**Ranked by completed total square footage**

<table>
<thead>
<tr>
<th>Building Name</th>
<th>Total New Completed Square Feet</th>
<th>Total Available Square Feet</th>
<th>Final Total Planned Square Feet</th>
<th>Year Project Started</th>
<th>Stories in Tallest Building</th>
<th>Company/Leasing Agent</th>
<th>Phone/Fax/Email Address</th>
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<tbody>
<tr>
<td>Tri-City Corporate Center</td>
<td>636,795</td>
<td>88,640</td>
<td>N/A</td>
<td>1986</td>
<td>6</td>
<td>Bette Redek</td>
<td>(909) 317-5130/(909) 317-7127</td>
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<tr>
<td>Corporate Business Center</td>
<td>527,527</td>
<td>109,189</td>
<td>850,000</td>
<td>1986</td>
<td>4</td>
<td>Kyle Kuhner</td>
<td>Cushman &amp; Wakefield, California, Inc.</td>
</tr>
<tr>
<td>Riverside Technology Business Park</td>
<td>479,047</td>
<td>143,261</td>
<td>N/A</td>
<td>1989</td>
<td>Tom Pierik/David Mudge/Rick Erickson</td>
<td>(951) 276-3602/276-3850</td>
<td></td>
</tr>
<tr>
<td>Mathis Brothers Building</td>
<td>435,000</td>
<td>54,844</td>
<td>N/A</td>
<td>2007</td>
<td>Tom Pierik/David Mudge/Rick Erickson</td>
<td>(951) 276-3602/276-3850</td>
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<tr>
<td>Regency Tower</td>
<td>250,000</td>
<td>250,000</td>
<td>250,000</td>
<td>2008</td>
<td>10</td>
<td>Tom Pierik</td>
<td>Lex &amp; Associates</td>
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<tr>
<td>California Commerce Center</td>
<td>301,172</td>
<td>8,108</td>
<td>300,172</td>
<td>2008</td>
<td>3</td>
<td>Drew Sandlin</td>
<td>C B R E.</td>
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<tr>
<td>University Research Park</td>
<td>300,045</td>
<td>138,500</td>
<td>N/A</td>
<td>2003</td>
<td>Vindar B.</td>
<td>C B R E.</td>
<td>(909) 418-2144/2144</td>
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<tr>
<td>Hospitality Exec. Center</td>
<td>240,800</td>
<td>80,000</td>
<td>Existing</td>
<td>1986</td>
<td>12</td>
<td>Ryan Russell</td>
<td>Cushman &amp; Wakefield</td>
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<tr>
<td>Rockfaller Group Projects</td>
<td>236,820</td>
<td>236,820</td>
<td>236,820</td>
<td>2008</td>
<td>1-2</td>
<td>Diana Saldana</td>
<td>C B R E.</td>
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<tr>
<td>Transpark Office Center</td>
<td>208,677</td>
<td>13,615</td>
<td>208,677</td>
<td>1982</td>
<td>Joe Werdein</td>
<td>C B R E.</td>
<td>(909) 967-8114/666-6675 <a href="mailto:jerdein@theabbeyco.com">jerdein@theabbeyco.com</a></td>
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<tr>
<td>Adams Business Park</td>
<td>206,186</td>
<td>25,407</td>
<td>N/A</td>
<td>1989</td>
<td>2</td>
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<tr>
<td>Empire Corp. Plaza</td>
<td>159,820</td>
<td>42,302</td>
<td>159,820</td>
<td>2008</td>
<td>2</td>
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<td>Lex &amp; Associates</td>
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<td>Chino Hills Corporate Park</td>
<td>146,092</td>
<td>81,243</td>
<td>N/A</td>
<td>2007</td>
<td>Tom Pierik/David Mudge/Rick Erickson</td>
<td>(951) 276-3602/276-3850</td>
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<tr>
<td>Summit Business Centre</td>
<td>138,224</td>
<td>24,924</td>
<td>N/A</td>
<td>1989</td>
<td>Tom Pierik/David Mudge/Rick Erickson</td>
<td>(951) 276-3602/276-3850</td>
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<td>Parkway Business Center</td>
<td>125,000</td>
<td>93,224</td>
<td>N/A</td>
<td>2008</td>
<td>Tom Pierik/David Mudge/Rick Erickson</td>
<td>(951) 276-3602/276-3850</td>
<td></td>
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<tr>
<td>Jurupa Business</td>
<td>123,411</td>
<td>39,229</td>
<td>N/A</td>
<td>2001</td>
<td>Tom Pierik/David Mudge/Rick Erickson</td>
<td>(951) 276-3602/276-3850</td>
<td></td>
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<tr>
<td>Global Corporate Park</td>
<td>110,000</td>
<td>110,000</td>
<td>110,000</td>
<td>2008</td>
<td>2</td>
<td>Tom Pierik</td>
<td>Lex &amp; Associates</td>
</tr>
<tr>
<td>The Grove Avenue Business Park</td>
<td>150,000</td>
<td>356,208</td>
<td>N/A</td>
<td>2007</td>
<td>John O’Brien</td>
<td>C B R E.</td>
<td>(909) 418-2135/418-2138</td>
</tr>
<tr>
<td>Summit</td>
<td>139,464</td>
<td>33,018</td>
<td>N/A</td>
<td>1989</td>
<td>Vindar B.</td>
<td>C B R E.</td>
<td>(909) 418-2144/2144</td>
</tr>
<tr>
<td>Riverside Metro Center</td>
<td>131,225</td>
<td>87,996</td>
<td>131,225</td>
<td>1990</td>
<td>Donald C. Parker</td>
<td>Owner</td>
<td>(800) 242-6622/951 369-9488</td>
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<tr>
<td>Indiana Business Center</td>
<td>128,780</td>
<td>24,266</td>
<td>128,710</td>
<td>1982-1988</td>
<td>3</td>
<td>Evie Oscillo</td>
<td>Jacobs Development Co.</td>
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**N/A = Not Applicable; WND = Would not Disclose; na = not available. The information in the above list was obtained from the companies listed. To the best of our knowledge the information supplied is accurate as of press time. While every effort is made to ensure the accuracy and thoroughness of the list, omissions and typographical errors sometimes occur. Please send corrections or additions on company letterhead to: The Inland Empire Business Journal, P.O. Box 1979, Rancho Cucamonga, CA 91729-079. Copyright 2011 by IEBJ.**

continued on page 133
CB Richard Ellis
$1,616,937,574 $750,405,833
84 3
Natalie Bazarevitsch
Sr. Managing Director
natalie.bazarevitsch@cbre.com
Ontario, CA 91764 (909) 418-2000/418-2100
natalie.bazarevitsch@cbre.com

Grubb & Ellis
$650,200,000 $210,800,000
42 5
Dave Burback
Manager
mano.leventakis@grubb-ellis.com
Ontario, CA 91761 (909) 605-1100/390-8645

Colliers International
$364,772,419 $186,274,615
17 2
Craig Robbins
President, US Brokerage Service
www.colliers.com
Ontario, CA 91761 (213) 627-1214/327-3200

Sperry Van Ness
$350,000,000 $350,000,000
8 1
John Reeder
Sales Manager
www.mimisongrealty.com
Ontario, CA 91764 (909) 989-8590/989-8401

NAI Capital Commercial
$202,765,820 $131,424,937
41 4
John Boyer
Branch/Executive Manager
www.naicapital.com
Ontario, CA 91761 (909) 945-2339/945-2338

Voit Real Estate Services
$201,888,909.05 $128,215,707.55
4 1
Walt Chenoweth
Executive Vice President
www.voitco.com
Rancho Cucamonga, CA 91730 (909) 218-5285/354-3253

The Bradco Companies
$125,734,806 $125,734,806
9 1
Joseph W. Brady CCIM
President
jbrady@thebradcocompanies.com
Victorville, CA 92390 (760) 951-5111/5113

Basley Properties
$64,779,004 $33,562,496
13 1
Dick Basley
General Manager and Principal
www.basleyproperties.com
Rancho Cucamonga, CA 91730 (760) 773-3310/773-3013

McKenna & James
WND WND
4 2
John S. Burns
President
john.s.burns@rmj.com
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Thunderbolt the Wonder Phone

By J. Allen Leinberger

So here we are, stuck in the middle. The much anticipated iPhone 5 is not here, and Steve Jobs is gone. What to do.

Well, let’s take a look at the iPhone’s biggest competition. According to the late Mr. Jobs, the closest competitor to the iPhone is the Droid. The Android smartphone system is the closest seller to Apple’s. And what could be better than The HTC Thunderbolt Verizon 4G LTE phone.

OK, that’s a long name for one more smartphone, but these are competitive times and every bell and whistle counts. In this case we are looking at the phone that has much of what we thought Apple was going to have. First off, just to look at it. The Thunderbolt has the bigger screen that many have been looking for.

As smartphones replace both snapshot cameras and video recorders, instant playback on a fair-sized screen is important. Handheld gamers like this too. Then there is the 4G LTE designation. If you really want to know 4G is the fourth generation of cellular wireless standards. It is a successor to the 3G and 2G families of standards.

LTE stands, not for light, but for Long Term Evolution. The goal of LTE is to increase the capacity and speed of wireless data networks utilizing cutting-edge hardware and Digital Signal Processing (DSP) techniques that have recently been developed. Its wireless interface is incompatible with 2G and 3G networks.

By the way, next year LTE Advanced comes out and your phone will probably be obsolete. After that we can expect to get 5G.

Meanwhile, you will want to connect your music and photo libraries, your calendar, bookmarks, documents, maps, contacts and your Facebook account to this Thunderbolt. For that you will have to set a number of sync options, to allow this unit to connect to everything else.

There are some other changes you may want to make. For instance, this unit prefers to use Gmail for e-mail messages. Calendars run on Google Calendars. Photos, videos and music run off of a Gallery app. Many TV services are now becoming available on smartphones and the Thunderbolt is equipped to accept them. You can also use it as an FM radio. To listen to AM you would have to add an app like TuneIn Radio.

As with a number of smartphones, the flash for your camera can be turned on to function as a flashlight. The front camera, by the way, is only 1.3 megapixels. Not great by today’s standards, but not bad. The main camera is a powerful 8 mgs. One of the purposes of the two is to create a video camera function. (I see you. You see me.)

Most scientists who predict the future never considered any of this, but then they never thought of handheld computer devices. Even the best science fiction saw computers as still being room-filling devices with lots of blinking lights.

From there on you get to create your own personal unit. Do you want to use the phone more? Watch movies? Play music. Use it as an alarm clock? It does all of that and more. By now you’ve seen TV spots that show you how to turn out the lights at home or order plane tickets, monitor stocks or bank accounts, check sport’s scores and more.

By this point you can make the phone your unique device. Pick a color. Pick a ring tone. Set up speed dialing or voice dialing. When the phone rings, you get better than a caller ID—your friends picture from Facebook or Twitter shows up on the screen. Their birthdays will also come up as a reminder.

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Ladies, Don’t Remain in Jeopardy—Why Estate Planning is Especially Important for Married Women

By Attorney William K. Hayes

In a nation consumed with wealth-building, it’s easy to forget that earning money is only half the financial security battle. Equally important is protecting our hard-won financial security with a well-crafted estate plan. For women, estate planning is of paramount importance, because most often it is women who must cope when a loved one becomes disabled or dies.

A study conducted by Penn State University found that women were three times more likely than men to have to cope with a mate’s illness or injury. The study showed that few husbands had prepared the necessary estate planning documents that would have eased their wives’ burdens.

For example, a Health Care Power of Attorney give wives the legal clout to act on their husbands’ behalf in the event of a medical emergency and a Property Power of Attorney would give them the right to sign contracts on behalf of their husbands as well as checks from any separate accounts that the husband might have. A Medical Authorization would insure that they have the unrestricted right of access to their spouse’s medical records should the spouse become disabled.

Without these tools, wives must endure the process of living probate, also known as a conservatorship proceeding, in which a husband would have to be declared mentally incompetent or physically incapacitated. At that hearing, a probate judge would decide on who is the proper person to care for the husband’s health and financial needs and that person might not necessarily be the wife. While the wife is often granted this role, there is definitely no guarantee that she will prevail. Judges have wide discretion over whom they may appoint, and the judge may deem that another family member or a professional conservator might be better suited to the task.

Another downside to having a spouse under conservatorship is that an attorney is usually required to be involved in the handling of the conservatorship. The attorney will charge an hourly fee for his or her services, which fee typically is hundreds of dollars per hour. It doesn’t take a rocket scientist to determine that the value of that disabled husband’s assets, and therefore the value of the wife’s assets, will start to rapidly decrease if you have an attorney charging an hourly fee on a long-term basis.

According to the U.S. Census Bureau, widows over the age of 65 outnumber widowers by five to one. Studies have consistently shown that when a spouse dies, the remaining spouse has a greater likelihood of illness and early death than might occur for a non-widow or widower. And when women lose their husbands, they are often thrust into poverty. But if you think impoverished widowhood is something only the elderly experience, think again. The average age at which a wife becomes a widow is just 56. Estate planning can’t do anything to mitigate the

continued on page 15
We’ve heard a lot recently about bullying in the classroom, but what about bullying in the boardroom? Yes, workplace bullying is a pressing problem in today’s workplaces. According to the Workplace Bullying Institute (WBI), 35% of the U.S. workforce report being bullied at work. That’s an estimated 53.5 million Americans being bullied right now! An additional 15% of people have witnessed workplace bullying. In all, half of all Americans have firsthand experience with workplace bullying in some way. At first glance, it’s easy to brush off workplace bullying as just the way business is done. After all, haven’t we all heard such phrases as “It’s a dog eat dog world” and “Only the strong survive?” But being driven to succeed and being a bully are two completely different things.

The fact is that workplace bullying is often harmful to an organization because it impedes the organization’s growth and success. It also costs organizations dearly in terms of lost productivity, increased use of sick days, and time for management’s intervention. For example, WBI estimates that between turnover and lost productivity alone, workplace bullying could cost a Fortune 500 company $24 million each year. Add another $1.4 million for litigation and settlement costs, and this is one problem no company can afford to ignore.

Since everyone has the right to work in a safe, healthy, and bully-free workplace, what can employees and leaders do to stop workplace bullying?

The key is to follow the three R’s.

• Recognize It
  Say the word “bully” and most people envision a playground thug threatening the weakest kid around. In the workplace, bullying often looks much different. While screaming, yelling, and cursing at someone certainly constitutes bullying, other lesser-recognized forms of bullying include:
  • Belittling employees
  • Excluding people from meetings and other activities
  • Denying employees the resources or assistance needed to get the job done
  • Spreading nasty rumors about people
  • Ignoring the employee
  • Making dismissive remarks
  • Dishing out unwarranted blame or criticism

Ultimately, anything that can be construed as an act of intimidation is really a form of bullying. And when people feel intimidated, they can’t get their job done effectively. Interestingly, both men and women bully. But the majority of bullying is same-gender harassment, which is a loophole often overlooked in anti-discrimination laws and workplace policies.

• Refuse It
  If you feel you’re being bullied in any way, simply refuse the attack. In other words, don’t engage the person who is bullying you. Walk away, ignore it, or don’t acknowledge the behavior. Yes, sometimes this is very difficult, especially if someone is yelling at you or pushing your buttons. But engaging with the person in the same manner he or she is attacking you will only spiral the situation out of control. Usually, not engaging the bully and showing that his or her words or actions have no effect will make the person go away.

If the bullying action includes you being ignored or ostracized, you need to take the lead and initiate a conversation with the person. State that you feel you are being ignored and why this behavior is impeding your ability to get the job done. Make sure you focus on the behavior rather than the person specifically to reduce the chances of the person becoming defensive.

• Report It
  If you cannot handle the bullying situation yourself, you need to talk to someone who can make a difference. Depending on the situation, this could mean talking with your boss, HR manager, or even a manager in another department. Keep going up the chain of command until you find someone who can intervene on your behalf. If no one within your organization seems willing or able to help, you may want to file a complaint against the bully with your industry’s professional organization (if you have one). Fortunately, almost anything can be worked out if both parties are open to it. You simply need to find someone to act as a moderator if talking one-on-one with the bully isn’t an option.

A Bully-Free Future

With all this said, realize that a leader who is tough or demanding is not necessarily a bully. All bosses have the right and obligation to set and uphold high standards of performance, as long as they exercise fairness, respect, and objectivity in their dealings with subordinates and others. Therefore, to differentiate whether your boss is being a bully or simply being tough, check if you or your co-workers are being singled out in a negative or demeaning way. Bullying is often a personal attack, leading in a firm and focused way is not.

The only way to curb workplace bullying is to tackle the issue head on. The more aware

continued on page 39
REAL ESTATE NOTES

Davenport Partners Purchases 194k-Square-Foot Riverside Office Project

Davenport Partners Inc. has acquired the Towers at Riverwalk, a two-building, 193.6k-square-foot Class A office complex in Riverside. The property is located at 4204 and 4210 Riverwalk Parkway, within the master-planned, mixed-use business park known as Riverwalk. The price was not disclosed.

The buildings at Riverwalk were constructed in 2008 and feature a distinctive design and high-end finishes. The property benefits from being adjacent to a number of desirable amenities, including retail, food services, a health club, a hotel (Hampton Inn & Suites) and medical uses. It also enjoys direct access and visibility from the 91 Freeway.

Palmer Capital Inc. represented the seller, Turner Cottonwood LLC. Davenport was not represented in the transaction. According to Steve Blue, a partner with Davenport, “the property was purchased at a real attractive basis and is best-in-class for office product in the Inland Empire.” Blue notes that Davenport’s cost basis is such that they can offer brand new, first-generation office space in a Class A project while maintaining the most competitive lease rates in the market.

Davenport will handle both management and leasing of the property. The company’s business plan entails creating speculative office suites (1k square feet and up) that are “move-in” ready as well as offering a short-form lease for quicker lease execution. In addition to catering to small tenants, the buildings also have full floors available for large users seeking to expand and/or relocate from older, second-generation office space into a contemporary, Class A office project.

Sky Tech Lands in Ontario With 50k-Square-Foot Lease

In a recent Inland Empire industrial lease, Sky Tech Worldwide inked a deal for 50k square feet at 1975 E. Locust Street, a 90k-square-foot building near Ontario International Airport in the city of Ontario. The $1 million transaction was signed with Western States Technologies Inc, the property owner.

Sky Tech Worldwide, currently headquartered in Chino, manufactures high performance cables that connect audio/video components for homes, automobiles and professional uses, in addition to cables for computers and computer games. The company has a worldwide customer base, and plans to move its headquarters to the new Ontario space. The building will also be used for the company’s distribution and warehouse operations.

Sky Tech’s new space features 29-foot clear height and 19 dock-high loading doors. Approximately 7k square feet will be used for office space, with the balance configured for warehouse and distribution. The warehouse lighting offers T5 High Energy Efficiency with on/off motion sensors.

Walt Arrington and Jeff Linden from the Ontario office of CB Richard Ellis represented Western States in the transaction. Mitch Fisher at Jones Lang LaSalle in Santa Clarita brokered the deal for Sky Tech Worldwide.

County of Riverside Purchases Two-Building Office Property

The County of Riverside purchased a two-building office property in Riverside from CT Realty for $6.6 million. The two buildings, located at 3125 and 3075 Myers Street, just south of the 91 Freeway and west of Van Buren Boulevard, continued on page 29

EXECUTIVE NOTES

Dan Rendler Joins University of Redlands Board

University of Redlands alum, Dan Rendler, is one of this year’s new members of the university’s board of trustees. He is one of the four new members joining for three-year terms which began this past July 1. Rendler is the current regional director for Southern California Gas Company and serves as president of the board of directors of the Inland Empire Economic Partnership.

“Dan Rendler is exactly the kind of member we look for as he has deep roots in Redlands as university alum, president-elect of the University of Redlands Alumni Association Board of Directors and former race director of the Redlands Bicycle Classic,” said Dr. James Appleton, University of Redlands president. “We are thrilled to have Dan join the university’s trustee board.”

SPIRIT OF THE ENTREPRENEUR TO HONOR THE BUSINESS ACCOMPLISHMENTS OF THE BOURNS FAMILY AT NOV. 8 GALA

Stater Bros. Markets Chief Executive Officer Jack H. Brown will be recognized for his role in transforming the food chain into the largest privately held grocery chain in Southern California when he receives the Spirit of the Entrepreneur Lifetime Achievement Award on Tuesday, Nov. 8, at the annual black-tie gala.

There is no finer example of the Spirit of the Entrepreneur than Jack Brown,” said Mike Stull, founding organizer of the event and director of Cal State San Bernardino’s Inland Empire Center for Entrepreneurship, which presents the Spirit of the Entrepreneur Awards and gala. “He is an outstanding example of someone who found his passion, worked incredibly hard, built a great team of people and transformed a company into a model of success. He truly is a hometown hero.”

Brown also serves as chairman of the board for Stater Bros. Markets, which became a Fortune 500 Company in 2004 and was voted America’s Retailer of the Year in 2001 and 2004. Stater Bros. is the largest privately locally owned supermarket chain in Southern California. In addition, it is also one of America’s largest supermarket chains.

Commemiring at 6 p.m., the gala will be held at the Riverside Convention Center in Riverside. The gala includes a cocktail reception, dinner, entertainment and the awards presentation. All proceeds benefit the Spirit of the Entrepreneur Scholarship at Cal State San Bernardino.

Brown has worked in the supermarket industry for almost 60 years. He has served as a president and chief executive officer for more than 28 years and as a chairman of the board for more than 23 years.

He got his start in the grocery industry at the age of 13, working as a box boy at Berk’s Market Spot in San Bernardino. Brown learned early on the importance of finding a profession that you like, that you’re good at and then work really hard at it.

After college and a stint in the U.S. Navy, Brown followed his passion and pursued a career in the grocery industry. His talent and work ethic quickly distinguished him, and over the next 25 years, Brown served in a variety of positions with supermarket chains across the country, including Sage’s Complete Markets, San Bernardino; Marsh Supermarkets, Indianapolis, Ind.; Pantry Food Markets, Pasadena; and American Community Stores Corp., Omaha, Neb.

Eventually he returned home in 1981, joining Stater Bros. as president and CEO. Since that time, Brown and his team have taken Stater Bros. to unprecedented continued on page 28
The Key to Successful Selling: Become a Priority  
By Nathan Jamail

“The customer loves our product and service and they want to buy from us, but right now they are handling some higher priority situations, however I am sure right after that they are definitely going to buy from us!” If you constantly hear yourself or one of your sales professionals make this statement and find that the customer still has not purchased after several months, you need to understand something; you are NOT a priority to the customer and you need to become one. Why is it that a sales professional’s number one priority is to close the sale and yet buying the product is the prospective client’s last priority? If the product or service helps the customer, they like it, they want it, then why would it not be a top priority, if not the number one priority? The answer is simple. Your product or service cannot become a client’s number 1 priority until you understand the customer’s priorities. There are a couple of things you can do to move buying your product or service up on the customer’s priority list without having to offer a financial incentive or limited time offer.

Avoiding the Limited Time Offer
Many organizations create a sense of urgency or move up the priority list of their customers by trying to offer a financial incentive or a limited time offer. This works in many retail environments, which is why retailers have weekly specials and advertisements in newspapers, but what about in business to business sales or those retail sales that are not based on a weekly special or advertisement? A salesperson must create a sense of urgency or become the customer’s priority, but the difference between a sales clerk and sales professional is that the salesperson should stay away from trying to be the cheapest. Selling on price alone devalues the product; it is about selling the value, the benefit, not the price alone. The difference is found when you start to focus on becoming a priority to the customer. If you try to create a sense of urgency as a solution or as a strong close, all you have is limited quantity or limited time offer, but when you focus on the priority in the beginning by asking the right questions, you are able to influence the customer to buy now without resorting to desperate tactics. The question is, how can you get customers to view your product or service as a priority?

Becoming a Priority
When developing your purposeful questions (qualifying questions), develop questions that will allow you to understand the goals and current priorities of the prospective customer. The better you understand the customer’s goals and priorities, the more likely it is that you will be able to show how your product or service will help benefit the customer as their top priority. This is a lot more than asking open-ended questions or leading questions. Ask questions to truly understand the prospect’s responsibilities and the pains of their job until you’ve gained enough knowledge to directly show how your product or service can help the prospective customer with their immediate goals or priorities. By doing this, the prospective customer knows they need to buy now. A good sample question is, “What are your top three priorities this quarter and this year?” Ask this to truly understand the “why” and the “how” of those priorities. The better you understand the customer’s perspective, the more likely you are to help them make an immediate and beneficial decision.

Many times a salesperson only asks questions based on their product or service and then immediately makes an offer. They ask questions about how the customer is currently using their product or service and what they like and dislike, etc. Based on those standard questions, unless their number 1 priority happens to incidentally be to purchase that product or service, that salesperson will be waiting until the customer has time to make a decision, which may never happen. By asking the right questions, you’re able to determine how your product or service can become a top priority or sometimes just as important. Maybe after asking all of the questions, you find out that your product or service cannot be an immediate benefit to the customer’s goals and priorities. In this case, you are able to plan accordingly. Accordingly continued on page 39
Many Merchants Will Never Receive the New Reduced Debit Card Rates—Don’t Be One of Them!

The Durbin Amendment which is part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 took effect on Oct. 1, 2011. One of the key points in the amendment requires large financial institutions to cap their debit card interchange fees. The cap is set at a maximum of 22 cents per transaction (includes a 1 cent fraud fee) + 0.05%. Many have and still do debate the merits of the Durbin amendment. Whether one believes the amendment is good or not, the point is Congress has fired a shot across the bow of the credit/debit card industry in an effort to help consumers. Unfortunately, Congress does not understand the credit/debit card industry and all the Durbin Amendment does is guarantee that your merchant account provider will not have to pay more than the capped debit fee. It does not require that your merchant account provider pass any fee reductions on to you the merchant. Many merchants will never see a penny of the reduction. Worse yet, others may be tricked into higher overall rates because of clever sales tactics.

Visa and MasterCard are like car manufacturers. They build their products and market their brands. If you want to buy a car, you need to go to an auto dealership like “ Honest Bill’s Auto Sales.” If you want card processing for your business, you need to talk to “Honest Bill’s merchant account provider.” And just like auto dealerships—some merchant account providers are more honest than others.

On Oct. 1, you had the opportunity to find out just how honest your current merchant account provider is. I have read credit/debit industry articles and been on conference calls where key personnel in merchant account provider organizations have openly said that the Durbin Amendment could be a boon for merchant account providers (not the merchants) because they do not have to pass on the fee reductions to their merchants.

Be Careful

Merchants have already started to be bombarded with Durbin-Amendment-Fee-Reduction literature and sales presentations over the next several weeks and months. Some merchant account providers will really give you 100% of the fee reduction to which you are entitled. Some merchant account providers may lure you into something worse. As an example, I reviewed a merchant account provider’s proposal recently. They were offering the merchant Interchange Plus pricing at just 5 cents over “interchange and pass-through fees” (the wholesale price). What a great price—at this rate, a retail merchant would only have to pay 1.65% + 17 cents on a standard Visa credit card. But wait, there is more. Near the end of their very long contract it states that the merchant has to pay an additional 2.59% + 10 cents if the transaction does not qualify. Guess what? It is not uncommon for retailers to have up to 80% of credit cards not qualify. A Visa Rewards card would cost a retail merchant 4.65% + 27 cents under this pricing plan. Other card types can cost even more—be very careful!

Be Prepared

Do not be surprised if your current merchant account provider notifies you and states—“because you are a valued merchant, we are going to lower your rate.” Not all merchant account providers will give merchants 100% of their entitled rate reduction. If your merchant account provider actually reduces your debit processing fees to the capped limit, do not be surprised to find they raised your credit card fees to offset some of the deficit.

Ladies... continued from pg. 11

When a husband dies without a plan, his estate is administered by a probate court. Death probate is a costly, time-consuming and public process that may add months, or even years, to a widow’s emotional stress. All types of issues can arise to delay the close of a probate. Although atypical, we currently have a probate case in our office that is over 28 years old. The case has seen the passing of two administrators, an heir and one lawyer and we now have the honor of trying to arrange for its final distribution.

Ask most married individuals whom they want to inherit their worldly goods, and they will usually say their spouse should receive the lion’s share. Unfortunately, most states use a rigid formula for distributing the deceased’s assets when there is no will or trust in place. In many states, the surviving spouse receives half, with children receiving an equal share. The result could be that grown children who are financially independent could receive assets that their parent needs more. Even more commonly, the estate winds up being distributed in a manner that you wouldn’t have preferred and/or to persons that you would not at all have wanted to receive the assets that you worked a lifetime to accumulate.

When Americans fail to plan, the government wins. That’s because taxpayers are losing opportunities to reduce or completely avoid estate taxes. In the year 2011, each taxpayer is entitled to pass assets worth up to $5,000,000 estate-tax-free. Thus, over 99% of estates would not be subjected to a federal estate tax if they were to die in that year. However in little over a year from now, the estate tax is to revert to a level which was in place before 2001 at which time, each taxpayer could pass assets of up to $1,000,000 in value without estate taxation and anything over that amount would be subject to estate taxation at rates from 37 to 55 percent.

Though you may think that the size of your estate would not make it subject to an estate tax, we find that clients are often wrong in valuing the amount of their estates. You must remember that for estate tax purposes, your home, retirement plan, and any life insurance policies that you have taken out which may be payable to others are all considered a part of your estate. Everything that you own is a part of your estate for estate tax valuations. Together, these assets can reach the $1,000,000 exemption very quickly.

The good news is that there are ways to not only reduce your estate tax liability in the future, but to minimize income and capital gains taxes now. Estate planning can help uncover opportunities to preserve your legacy for loved ones, not the government. But you must choose the proper plan.

For instance, if a will is the... continued on page 32

Marketing Technology Specialist

The Marketing Technology Specialist will be responsible for maintaining the external website and other marketing web properties, such as email marketing, social media programs, search engine optimization, management of Intellipad CRM System, and management of marketing technology vendors for a law firm with 8 California offices and 1 office in Washington, D.C.

Qualified applicants will have: BA/BS in related field. Minimum 6 years marketing technology experience which shall include familiarity with WYSIWYG web editing environments, thorough understanding of the internet, websites, blogs, email eBlasts, mobile systems and micro sites, experience with website traffic analytics programs, Constant Contact, HTML, Design and Photoshop. Excellent attention to detail, strong customer service skills, ability to prioritize and work under tight deadlines, simultaneously manage multiple projects, and excellent written and oral communication skills required. Candidate can elect to work in any of the firm’s S. Cal. locations.

Reply to: Debbie A. Prior, Director of HR debbie.prior@bbklaw.com
2011 Office Market Report

By Marcus & Millichap

The Inland Empire will continue to post one of the highest office-vacancy rates in the nation through 2011. Weakness can be attributed to elevated completions between 2005 and 2008 and heavy office-using job losses during the downturn, particularly in housing-related industries. While metrowide payrolls will grow modestly in 2011, office using employment will end the year nearly 15 percent below previous peak levels. Furthermore, the metro’s office stock has increased by almost 3.2 million square feet since the onset of the recession, creating an even more competitive climate for local property owners and keeping downward pressure on rents. The most drastic supply-induced vacancy increases have occurred in the Rancho Cucamonga/Ontario/Fontana and Corona/Riverside/Moreno Valley submarkets, which combined account for nearly 80 percent of office inventory additions since 2007. The High Desert area has also been hard-hit, though weakness can be attributed more to softening demand, as defunct housing-related businesses have left behind a significant amount of vacant office space that may require several years to backfill.

Office property sales increased over the past 12 months as more bank-owned properties came to market at steep discounts, attracting opportunistic investors and encouraging business to purchase their own space. Year to date, properties in the airport area have accounted for nearly one-third of all activity. Buyers in the area have been focusing on newer, better-quality distressed assets, which have been changing hands at prices well below replacement costs in the $100- to $120-per-square-foot range. Marketwide, per-square-foot prices have become the driving force behind transactions, with many properties today selling for 40 percent to 50 percent less than they last traded for in 2005 to 2007. While buyers in the market will remain highly motivated by price and potential upside, properties occupied by strong tenants with long-term leases in place will also command attention. Such deals, which will remain few and far between, typically trade at cap rates in the 7 percent to 8 percent range.

2011 ANNUAL OFFICE FORECAST

Employment: Total employment will rise by just 0.1 percent, or 1,500 jobs, in 2011 as growth in the second half offsets losses recorded earlier in the year. Office-using employment will increase 0.4 percent with the addition of 800 positions.

Construction: After coming to a standstill in 2010, developers in the Inland Empire will deliver 42,000 square feet of traditional office space in 2011. Based on the already thin planning pipeline and expectations for elevated vacancy over the foreseeable future, development activity will remain minimal.

Vacancy: Inland Empire office vacancy will end 2011 at 25 percent, up 20 basis points from 12 months earlier, as modest improvements in the second half remain overshadowed by softening earlier in the year. During 2010, vacancy in the metro declined 140 basis points.

Rents: Asking rents will decline 1.5 percent in 2011 to an average of $21.05 per square foot, while effective rents slip 1.3 percent to $16.84 per square foot. During 2010, asking and effective rents dropped 2.8 percent and 2.6 percent, respectively.

ECONOMY

During the past 12 months, Inland Empire employers cut 12,600 jobs. Losses were led by the government and construction sectors, offsetting growth in education and health services and trade, transportation and utilities.

As of mid-2011, office-
### Inland Empire’s Largest Office Projects

<table>
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<tr>
<th>Building Name</th>
<th>Address</th>
<th>Total New Completed Square Feet</th>
<th>Total Available Square Feet</th>
<th>Final Total Planned Square Feet</th>
<th>Year Project Started</th>
<th>Stories in Tallest Building</th>
<th>Leasing Agent Name</th>
<th>Phone/Fax</th>
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<tr>
<td>Ontario Gateway I &amp; II</td>
<td>2141-2151 Convention Center Way, Ontario, CA 91764</td>
<td>124,773</td>
<td>14,000</td>
<td>176,185</td>
<td>1983</td>
<td>2</td>
<td>Philip Woodford</td>
<td>(909) 413-2414/2100</td>
<td><a href="mailto:vindar.b@cbre.com">vindar.b@cbre.com</a></td>
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<td>Building I Pimonte</td>
<td>901 Via Pimonte, Ontario, CA 91764</td>
<td>123,054</td>
<td>123,034</td>
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<td>2008</td>
<td></td>
<td>Rynn Rosell</td>
<td>(949) 942-4055/988-4440</td>
<td><a href="mailto:rynn.rosell@csus.com">rynn.rosell@csus.com</a></td>
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<tr>
<td>CBC Commercial</td>
<td>26341 Jefferson Ave, Murrieta, CA 92562</td>
<td>122,935</td>
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<td></td>
<td></td>
<td>Diana Subhata</td>
<td>(951) 390-1460/390-1469</td>
<td><a href="mailto:diana@collinscommercial.com">diana@collinscommercial.com</a></td>
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<td>Mission Grove Corp Plaza</td>
<td>7888 Mission Grove Pkwy, Riverside, CA 92518</td>
<td>120,000</td>
<td>27,919</td>
<td>WND</td>
<td>2005</td>
<td></td>
<td>Tom Piecik/David Mudge/Rich Erickson</td>
<td>951-276-3600/276-3650</td>
<td><a href="mailto:micholka@lee-assoc.com">micholka@lee-assoc.com</a></td>
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<td>Ontario Corporate Center</td>
<td>400 S. Vineyard Ave, Ontario, CA 91764</td>
<td>97,703</td>
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<td>1989</td>
<td>5</td>
<td>Vindar B./Philip Woodford</td>
<td>(909) 413-2414/2100</td>
<td><a href="mailto:vindar.b@cbre.com">vindar.b@cbre.com</a></td>
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<td>Mission Grove Business Center</td>
<td>Transcent Blvd. &amp; Jesse Ln, Riverside, CA 92518</td>
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<td>Tri-City Corp. Center</td>
<td>One Vandehall Way, San Bernardino, CA 92408</td>
<td>78,817</td>
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<td>1987</td>
<td></td>
<td>Brandon DeVaughn</td>
<td>(909) 413-2000/418-2100</td>
<td><a href="mailto:brandon.devaughn@cbre.com">brandon.devaughn@cbre.com</a></td>
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<tr>
<td>Airport Corp. Center Phase 1, Bldg. 1</td>
<td>9908 Archibald Ave, Rancho Cucamonga, CA 91730</td>
<td>71,499</td>
<td>25,285</td>
<td></td>
<td>2001</td>
<td></td>
<td>Paul Earnhart</td>
<td>951-276-3600/276-3650</td>
<td><a href="mailto:earnhart@lee-assoc.com">earnhart@lee-assoc.com</a></td>
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<td>Winchester Plaza</td>
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<td>64,649</td>
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<td>2008</td>
<td></td>
<td>Dan Yelding</td>
<td>(951) 326-2900/760-438-8592</td>
<td><a href="mailto:dan.yelding@cbre.com">dan.yelding@cbre.com</a></td>
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<td>Corona Corporate III</td>
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<td>Park Atlanta Office Building II</td>
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<td>1986</td>
<td>3</td>
<td>V. Batioussis/P. Woodford</td>
<td>909-413-4148/2100</td>
<td><a href="mailto:vindar.b@cbre.com">vindar.b@cbre.com</a></td>
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<td>Mathis Bros. Building</td>
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<td>Chicago Gateway</td>
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<td>Tom Piecik/David Mudge/Rich Erickson</td>
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<td><a href="mailto:micholka@lee-assoc.com">micholka@lee-assoc.com</a></td>
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<td>American Furniture</td>
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<td>1</td>
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<td>951-373-2935</td>
<td><a href="mailto:earnhart@lee-assoc.com">earnhart@lee-assoc.com</a></td>
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<tr>
<td>Central Corporate Center</td>
<td>3400 Central Ave, Riverside, CA 92506</td>
<td>48,547</td>
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<td>1996</td>
<td>3</td>
<td>Evie Ocello</td>
<td>(714) 784-9807/784-4314</td>
<td><a href="mailto:evie@jacobedevco.com">evie@jacobedevco.com</a></td>
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<tr>
<td>Koll Sunkist Commons</td>
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<td></td>
<td>Vindar B./Phillip Woodford</td>
<td>(909) 413-2312/414-2100</td>
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<td>Town &amp; Country South</td>
<td>81-557 Dr. Carreon Industrial West, Inc., Indio, CA 92201</td>
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<td>4,500</td>
<td>40,000</td>
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<td>Steve Metzler</td>
<td>(760) 773-4443/773-4998</td>
<td><a href="mailto:stevenmetzler@msn.com">stevenmetzler@msn.com</a></td>
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<td>Empire Towers I - V</td>
<td>3635 E. Inland Empire Blvd., Ste. 265, Ontario, CA 91764</td>
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<td>Vindar B./Phillip Woodford</td>
<td>(909) 413-2312/414-2100</td>
<td><a href="mailto:vindar.b@cbre.com">vindar.b@cbre.com</a></td>
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</tbody>
</table>
Volunteers, Donors, & Supporters of Community Cupid

Cupids
Bill Anthony
Ingrid Anthony
Ryan Orr
Jim Orr
Carl Dameron
Michael Downer
Bette Gill
Jody Gmeiner
Sherrie Moore
Darlene Tarnoski
Bill Cortus
Robbie Motter
Victoria Seitz
Carl Sola
Joanie Morrell
Dennis Michael
Brian McNerney
Vince Perez

Make Up & Hair Stylists
Nina Serrano
Sequa Bryan
Vanessa Johnson
Alka Sharma
Gabee Reyes
Becky Bitrich
Sheri Joyce
Crystal Strayer
Kelly Robertson
Vanessa Venancio
Bailey Freeling
Kassidy Priesendanz
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Lisa D. Crane
Caroline Cardenas
Samantha Quimpo
Jenna Baban
Celeste De La Pena
Dany Tyler
Lee Ann Dowty
Lisa Schoewetter
Tiffany Hernandez
Jayne Tongco
Cassidy Putnam
Shannon Sloan

Bakers
Ontario Bakery
Sweet Art Cakes
Cardenas Market
Cucamonga Cakery Company

Make Up & Hair Stylists
Nina Serrano
Sequa Bryan
Vanessa Johnson
Alka Sharma
Gabee Reyes
Becky Bitrich
Sheri Joyce
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Kelly Robertson
Vanessa Venancio
Bailey Freeling
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Dani Cornalis
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Jenna Baban
Celeste De La Pena
Dany Tyler
Lee Ann Dowty
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Jayne Tongco
Cassidy Putnam
Shannon Sloan

Bakers
Ontario Bakery
Sweet Art Cakes
Cardenas Market
Cucamonga Cakery Company

Inland Empire Business Journal sincerely thanks all those folks and their businesses for making this a successful event!
**Accountability Increases Ability**

*By Diane Ciotta*

It’s the misuse of plan that is extremely disturbing and the lack of conscience on the part of the abusers that is inexcusable.

The most puzzling factor in this scenario is that considering the current state of the economy and the unemployment rate at an all-time high, it would seem that people should be grateful to be employed and therefore perform above and beyond the call of duty to maximize their earnings and secure their position.

Instead, the opposite is often true—many choose to hardly work and some even find ways to work the system and essentially not work at all.

Can accountability really be taught? Granted, a small child can certainly learn to take responsibility for their own actions through positive example and consistent discipline. On the other hand, a person of working age needs encouragement as opposed to training.

Effectively motivating employees to be more accountable stimulates an optimistic focus on both results and attitude. There are several ways to establish a comfortable, non-complacent environment, including:

1. Focus on coaching vs. managing. Too often management operates by means of intimidation rather than motivation. Just as customers are more inclined to buy from people they like, employees will typically work harder for a boss they respect more than fear. Coaching is the art of showing, not just telling. In addition to building a better employer/employee relationship, learned skills encourage a more committed focus than just dictated tasks.

2. Set challenging, yet attainable expectations. Being stretched promotes growth but being overwhelmed causes anxiety. Finding a balance between requiring responsibilities that are progressive without being incredulous will enhance accountability and confidence.

3. Provide incentives for productive activity in addition to end results. Rewards given for reaching a goal or completing a duty are great, but there are benefits to recognizing effort as well as accomplishment. To acknowledge a positive action through incentives is a subliminal way of encouraging productive behavior. Activity becomes habit and affirmative results increases conviction.

4. Dedicate time in department meetings to recognize excellence. Team meetings typically cover “housekeeping items” that could be easily communicated through email. Instead, using this forum as an environment to edify activity rather than to cover mundane items “that could be easily communicated through email. Instead, using this forum as an environment to edify activity rather than to cover mundane information offers a terrific opportunity to recognize accomplishment in areas of attitude and activity. The impact is two-fold. To hear praise is terrific but to be praised in front of associates is awesome, while it subconsciously raises the expectation bar.

5. Commit to replacing complacent behavior. Neither party is doing the other a favor by hanging on to something that’s not a good fit. In many cases, a decision to terminate an inadequate performer results in a better outcome for both people where the terminated employee finds something more appropriate for their professional needs and the employer fills their position with someone much more qualified for the requirements of the position.

It’s a win-win situation.

There is no advantage in the association between an unfulfilled employee and/or a discontent employer. As the saying goes, ‘If it ain’t good for everybody it ain’t good for nobody!’

In an effort to gain a mutually beneficial working relationship, commit to being accountable, then encourage and expect accountability and take the necessary action when either is missing from the equation. The result will offer a return on investment for both parties.

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Operation Community Cupid

**The Lindy Sisters**
Lynette, Loralie and Linda Lou have a heart for swing music. Masters of 1940’s melodies, these ladies have been mesmerizing audiences with their amazing harmonies for many years. Their three-part harmony is reminiscent of classic trios such as the Andrew Sisters and the McGuire Sisters.

**Tim Rotolo**
Tim enjoys the upbeat, energetic Revival-Style Ragtime popularized in the 1950’s and creating his own arrangements of old standards. Tim has released two CDs, Re-Keyed (2009) and Dust and Ivory (2011).

**Darrell Mansfield**
Darrell Mansfield’s soulful voice and harmonica have inspired audiences worldwide for over 30 years. Darrell has released many critically acclaimed albums and has contributed harmonica to many artist’s recordings including - Van Halen, Bon Jovi, Adam Again and Loverboy.

**Them Novus**
Slinky, sophisticated, sparkling - Them Novus features vocalist Devin Vasquez, guitarist JohnnyG and drummer Mark Romans. Working their R & B, funk, rock, pop and Latin-Based magic, Them Novus has performed stages large and petite.

**Seven of the 65 volunteers**

**Melissa and Emerson Rodriguez** listen attentively after taking their wedding vows.
Sights of “Community Cupid” on Oct. 29th

A gathering of those participating at the rehearsal.

La’Shanda and Jamal’s Wedding party and Rev. Lou Hemmers

Time to smell the roses

The 10 wedding couples take the stage, during the ceremony
The Temecula Valley’s Stuart Cellars Winery has a new owner and a new name

The winery, established in 1994 by Marshall and Susan Stuart, has been sold to a Salt Lake City investor who has relocated to the region and will operate it under the name Bel Vino.

Mike Janko, a newcomer to the wine industry, took over the property and said he will manage the business himself, but the Stuart family and their 20 or so employees will stay on, with Marshall continuing his role as winemaker and Susan serving as vice president for sales and marketing.

Stuart Cellars is the second Temecula Valley winery to change hands this month, following Terri Delhamer’s sale of Keyways Vineyard & Winery to Silverton Partners, a South Pasadena-based investment group.

Janko said he was looking for someplace warm to spend his winters when he happened on the Temecula Valley. “I discovered Temecula about two years ago kind of accidentally and just fell in love with the city itself,” he said. “I’ve always been a real fan of wine and wineries.”

He bought a home in the valley last year and began looking for a business opportunity. The Stuart winery wasn’t for sale, but Janko met with the family through an intermediary, and they made a deal. They declined to disclose the sale price.

Janko said he plans to beautify the 40-acre property with exterior upgrades, a new covered outdoor patio and substantial landscaping. In keeping with the new name, which he said is Italian for “fine wine,” he wants to give the place a Mediterranean look.

Set on a ridge with views of the valley and its vineyards, he said, “it will be a gorgeous piece of property. People will enjoy just visiting and seeing the view.”

The winery, best known for its Cabernet Sauvignon, Cabernet Franc, Merlot and other reds, produces about 26,000 cases a year, sold primarily through the tasting room and wine club, and to local stores and restaurants, Susan Stuart said.

Although sales declined when the recession hit, Janko said volume has rebounded significantly since then. “Traffic in the winery is, I would say, it’s fairly heavy. We get totally swamped on the weekends.”

Still, he said the volume of sales is well below capacity, so he plans to beef up business with more special events, wine club promotions and a focus on retail sales. He also plans to continue longstanding traditions, such as the winery’s annual clam bake, and to make Temecula his primary home.

Stuart said she and her children will move out of the house on the property and turn it into a facility for weddings, wine club parties and other events.
Carina Hoang ('05, master of business administration) is the author of “Boat People: Personal Stories from the Vietnam Exodus 1975-1996.” There was a time in Carina Hoang’s life when her first instinct every morning was to clutch the wrists of her younger brother and sister to feel their pulse. At 16, Hoang knew that despite her optimism there was a good chance she and her siblings could die.

The year was 1979, and, in a whirlwind of circumstances, Hoang and her siblings were forced to flee Vietnam after their father became a political prisoner shortly after the end of the Vietnam War. They boarded a small wooden boat with more than 300 people. Choppy waters and bad weather were the least of their problems. The refugees endured and witnessed unspeakable acts such as rape and death at the hands of pirates. When the boat landed on an Indonesian island, Hoang and her family were stricken with malaria, which killed her cousin and an 8-month-old baby whose parents had set up camp next to Hoang’s.

“Sometimes I look back and wonder how I did it,” says Hoang ('05, master of business administration). “If I had to go back and relive that, I’m not sure I would survive.”

On Nov. 8, Hoang will visit Cal Poly Pomona to launch the U.S. debut of her book “Boat People: Personal Stories from the Vietnam Exodus 1975-1996.” The campus community and the public are invited to the speaker event and book signing from 11:30 a.m. to 1:30 p.m. in the Bronco Student Center’s Orion Suite. To guarantee seating, email Marguerite Endres at mendres@csupomona.edu by Nov. 4.
NO DOUBLE-DIP RECESSION: NEW ECONOMIC FORECAST FOR U.S., RIVERSIDE/SAN BERNARDINO REGION UNEARThS OPTIMISTIC SIGNS

Growth Slowly Resuming; Unemployment Beginning to Trend in Right Direction

A new forecast focused on the U.S., California, and the Riverside/San Bernardino region says the economy is not headed for another downturn, and that nationwide, growth will begin to accelerate in late 2011 and 2012.

The forecast, authored by Beacon Economics and released in partnership with the University of California at Riverside’s School of Business Administration, expects the national and state economies to pick up speed faster than the hard-hit Riverside/San Bernardino region, but says the inland area is showing increased signs of stability. Year-over-year, the local labor market has grown slightly – up by 1% since this time last year—and employment is expected to continue to climb steadily over the next five years, according to the analysis.

“The data simply does not support these hyped-up proclamations that we are headed for a double-dip recession,” says Beacon Economics’ founding partner and one of the forecast’s lead authors Christopher Thornberg. “Digging out from the ‘Great Recession’ was never going to be easy, the economy is still way behind where it should be at this stage in the business cycle, but the recovery is underway, nationally and in Inland Southern California.”

According to the forecast, there are important and promising indicators emerging in the Riverside/San Bernardino region, including consumers who are beginning to spend again. While taxable sales are still well below their 2007 peak, they have begun a healthy rebound, rising by 16.1% since hitting their low point in the second quarter of 2009—a trend that is expected to continue, says the analysis.

Yunzeng Wang, interim dean of the School of Business Administration says that the region is destined to return to the growth path it was on prior to the downturn. “The significant traditional advantages Inland Southern California offers such as affordable housing, coupled with exciting new initiatives to expand our employment base into areas such as high tech will again make us one of California’s fastest-growing regions,” said Wang.

This is the second year the School of Business Administration, the only research-based business school in Inland Southern California, has partnered with Beacon Economics to release an economic forecast.

Key U.S., California, and Riverside/San Bernardino findings from the forecast include:

• Riverside/San Bernardino Counties: Total incomes in the region have risen recently, surpassing the pre-recession peak and contributing to growth in consumer spending. Job growth in the coastal regions is contributing to the boost in inland incomes and this ‘spill-over’ effect is expected to continued on page 25

With you when your passion grows into something more

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1 2009 Community Reinvestment Act government data.
² 2010 Small Business Administration federal fiscal year-end data, in dollar volume.
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Toastmasters International President Visits Inland Empire

The world of communication and leadership was focused on the Inland Empire in mid-October with the official visit by Michael Notaro, DTM, international president of Toastmasters International.

Notaro, a real estate attorney from Alameda, was in the region to attend the Toastmasters District 12 Fall Conference at the DoubleTree Hotel in Ontario.

During his visit, Notaro made a number of corporate visits to support the development of new Toastmasters clubs in the Inland Empire. Notaro visited the offices of IEHP in Corona; UPS Employee Federal Credit Union and Thrivent Financial in Ontario and at DeVry University in Pomona. Accompanying Notaro on this trip was the IE's regional director, Linda Brown.

Notaro presented two inspirational speeches during the District 12 Fall Conference, one of which was titled "The Power of Positive Thinking." Inland Empire's champion humorous speaker and the champion speech evaluator, Notaro presented two inspirational speeches during the two-day conference.

About Toastmasters Inland Empire District 12

District 12's geography spans east from Highway 57 in Los Angeles County to the Arizona border, north to Barstow and south to Temecula. District 12 also contains San Bernardino and Riverside Counties, the two largest counties in California. Information at: www.tmdistrict12.org

About Toastmasters International

Toastmasters International is a nonprofit educational organization that teaches public speaking and leadership skills through a worldwide network of clubs. Founded in October 1924, the organization currently has more than 300,000 members in 13,000 clubs in 116 countries. Each week, Toastmasters helps more than a quarter million people of every ethnicity, education and profession build their competence in communication so they can gain the confidence to lead others. For information about local Toastmasters clubs, please visit www.toastmasters.org.

No Double...

accelerate in the future. Taken together, these trends have helped to stabilize the economy and will play large roles in fostering a recovery.

- **Riverside/San Bernardino Counties**: Discouraging trends in housing prices, sales, and permits have begun to stabilize, and there will be moderate increases from the fourth quarter of 2011 to 2016.
  - **California**: The state has added back more than 225,000 jobs since hitting bottom in 2010; this is a small number relative to total job losses, but a far cry from continued decline.
  - **California**: One of the most serious problems facing the state economy is a growing skills mismatch in the labor market. There is a dichotomy between the skill sets of workers in sectors that were pummeled by the downturn and the skill sets required by sectors that are leading California in its recovery.

- **United States**: Growth will continue to be led by exports, growth in business investment, and modest consumer spending. By next year, the residential sector and local government spending will add to underlying growth.
  - **United States**: Housing prices have stabilized and home construction should gain a limited amount of speed by the end of 2012.

Job Creation Must Be Legislature’s TOP Priority

By Senator Bill Emmerson

As California’s unemployment rate continues to rise, it’s clear that lawmakers need to focus their attention on improving our business climate and putting people back to work. According to the Employment Development Department, the statewide unemployment rate rose to 12 percent, which is the second highest in the nation. At home, Riverside County faces an even higher unemployment rate with more than 15.1 percent of local residents currently without a job.

While Californians struggle to make ends meet, the State Legislature debated several bills this year that not only make it more difficult for businesses to keep their doors open, but result in even more job losses. One bill, SB 568, places a costly mandate on food vendors by banning the use of Styrofoam containers in an effort to reduce litter. However, banning a product does not change personal behavior and will only result in lost jobs in the food packaging industry. In fact, Riverside County is home to one of two manufacturing plants located in California that will be impacted by this legislation.

Another bill, AB 350, requires a company who wins a contract to provide property services at a building, such as janitorial, cafeteria, and security services, to hire all the previous company’s employees, adversely impacting the new contractor’s current workforce. Both of these bills, which are featured on the California Chamber of Commerce’s Job Killers list, are prime examples of California’s unfriendly regulatory climate. During the final weeks of session, Governor Brown and legislative Democrats each revealed a jobs package in a last minute attempt to fix the economy. While I’m pleased that my Democratic colleagues are finally considering job creation proposals, it’s ironic that we are still debating legislation that does not create a single job and discourages business growth.

That’s why my Republican colleagues and I put forth regulatory reforms earlier this year so we can provide the certainty that employers need to expand and grow their business here. It’s time for the Legislature to get serious about job creation and implement meaningful reforms that will help businesses thrive and get Californians working again.

Inland Empire’s champion humorous speaker and the champion speech evaluator, Notaro presented two inspirational speeches during the two-day conference.
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Dear Small Business Supporters,

More than 50 years ago, President Dwight D. Eisenhower signed the Small Business Act, a landmark piece of legislation establishing SBA as the first government agency to serve and represent all small businesses both in peacetime and periods of national emergency. Since then, SBA has provided assistance to millions of American entrepreneurs to help them start, grow, and expand their business using a variety of lending, surety bonding, counseling and training, venture capital, and contracting programs.

At this time when our nation is recovering from challenging economic times and small businesses are staying the course, the SBA needs your support in recognizing these outstanding entrepreneurs. SBA’s annual Small Business Week Awards are one way in which you can show support for an exemplary small business owner or champion. Nominations are submitted from around the country to SBA’s district offices to compete for the titles of State, Regional, and National Award Winners who have the honor of traveling to Washington, D.C. to participate in the festivities during National Small Business Week.

Award categories for which small businesses are eligible include Small Business Person of the Year, Exporter of the Year, Young Entrepreneur of the Year, Family-Owned Business of the Year, and Entrepreneurial Success Award. Champion award categories include Home-Based Business of the Year, Financial Services Champion, Minority Small Business Champion, Small Business Champion, Veteran Small Business Champion, and Women in Business Champion.

Nominations for these prestigious awards must be received no later than Nov. 30, 2011. Please contact Sylvia Gutierrez, Economic Development Specialist at 714.560.7454 or email sylvia.gutierrez@sba.gov for details.
2011 Office... continued from pg. 16
After contracting earlier this year, office-using payrolls increased by more than 2,400 jobs in the second quarter, driven mostly by growth in the professional and business services sector.
• Inland Empire’s housing market continues to struggle, which will hamper growth in the financial activities sector throughout this year. The real estate industry, which accounts for 36 percent of all financial activities jobs, has contracted by 26 percent since the height of the housing boom.
• Outlook: Total employment will rise by just 0.1 percent, or 1,500 jobs, in 2011. Office-using employment will increase 0.4 percent with the addition of 800 positions.

CONSTRUCTION
• High vacancy rates and reduced rents have sidelined most developers in the Inland Empire. No new competitive office properties have been delivered to the metro since late 2009.
• As of midyear, two Class A projects totaling 204,000 square feet have been slated for delivery in 2012. However, construction is underway on only one of the buildings.
• The planning pipeline stands at 1.5 million square feet of competitive office space, representing a 67 percent decline from four years ago. None of the projects currently planned for the metro list anticipated start dates.
• Outlook: After coming to a standstill in 2010, developers will deliver 42,000 square feet of traditional office space in 2011. Based on the thin planning pipeline and expectations for elevated vacancy over the foreseeable future, development activity will remain minimal over the next few years.

VACANCY
• During the first half of 2011, the vacancy rate rose 60 basis points to 25.4 percent, though it remains 30 basis points below year-earlier levels. Office vacancy has been fluctuating in the mid-20 percent range since late 2009.
• Softening in the first half can be attributed entirely to the Class A sector, where vacancy increased 110 basis points to 28.2 percent. The most significant upticks occurred in the Chino/Montclair/Upland submarket, though the area still boasts the lowest Class A vacancy rate in the metro.
• Class B/C vacancy ended the second quarter at 22.3 percent, down 10 basis points from year-end 2010. Improvements were isolated to the Colton/Redlands/San Bernardino and Rancho Cucamonga/Ontario/Fontana submarkets. The latter, however, continues to post vacancy in excess of 31 percent.
• Outlook: Inland Empire office vacancy will end 2011 at 25 percent, up 20 basis points from 12 months earlier, as modest improvements in the second half remain overshadowed by softening earlier in the year. During 2010, vacancy in the metro declined 140 basis points.

RENTS
• Asking rents declined 1.9 percent over the past 12 months to $21.26 per square foot, while effective rents declined 1.7 percent to $17.00 per square foot. Compared to previous peak levels, asking rents have slipped 6.1 percent, while effective rents have dropped more than 13 percent.
• Class A asking rents retreated 2.1 percent over the past year to $25.06 per square foot, placing them 5.6 percent below their late-2007 peak. Top tier asking rents in the Rancho Cucamonga/Ontario/Fontana sub-

California... continued from pg. 7
California doesn’t change its reckless spending behavior immediately. Taxes can’t solve this crisis and in fact will only add to it further as Sacramento counts on revenue from a diluted tax base that has consistently come up short with diminishing returns. It won’t be possible for California to just spend more money it doesn’t have; it has to spend far less, more effectively and efficiently.

Finally, California should learn from the states with the lowest debt per person: Arkansas, South Dakota, Wyoming, Iowa, and Nebraska. Borrowing at a rate of $15 per person, Nebraska has the lowest per capita debt in the country. The Nebraska Constitution allows the state to go into debt only for revenue bonds for highways and for water project. Even still, Nebraska has not used that bonding authority in years, preferring to keep more money in the pocketbooks of its citizens. California’s big-spending, high-taxing, and substandard services-government could desperately use a dose of this frugality and common sense. California consumer debt is an astounding $12,801 according to the “State of Debt Ranking.” While much attention has been given to the debt of federal and state governments, personal debt is skyrocketing. This poses a serious moral question: “What is this generation’s duty to the next?”

In Proverbs 14:15, Solomon writes: “the prudent give thought to their steps.” As a public servant, putting the citizen’s concerns of our region first is not only my civic duty, but a privilege I have been afforded by others that put me here by exercising their own civic duty. However, we can’t stop merely at the ballot box. I am seriously concerned about the Governor’s decisions that are placing Californian’s now and in the future in harm’s way financially. As a business owner, parent and concerned citizen, I have become increasingly aware that everyone must financially prepare to weather the coming storm which now seems inevitable unless the Governor decides to take swift and responsible corrective action. I am a short term pessimist but truly a long term optimist. It’s not the extra time that we have to give that makes the difference. It’s the time we make to give to our state and community that will help restore California to its rightful claim as the Golden State.

As always, I will keep you posted…

Executive... continued from pg. 13
About the Inland Empire Center for Entrepreneurship
Located on the campus of Cal State San Bernardino, the Inland Empire Center for Entrepreneurship was recognized by the United States Association for Small Business and Entrepreneurship as having the top specialty entrepreneurship program in the U.S. for 2010. IECE has also been recognized for its excellence by “Entrepreneur” magazine and The Princeton Review, achieving a ranking of fourth in the nation among graduate entrepreneurship programs in 2006.
IECE offers a wide range of programs and services including academic programs that lead to business degrees in entrepreneurship for undergraduate and graduate students, as well as delivering experiential learning and student support programs such as the Fast Pitch Competition. Locally, IECE offers existing and aspiring entrepreneurs a wide array of business advisory and mentoring services, student internship and consulting resources, and entrepreneurial training programs that help them achieve greater levels of success in their business ventures.
Real Estate... continued from pg. 13

CT Realty purchased Citrus Park in 2008 from Fleetwood and subsequently converted the 417.8k square foot, 12-building property to a multi-tenant business park offering office and warehouse buildings for sale or lease from 30k square feet to 55k square feet.

Citrus Park West offers warehousing and manufacturing facilities with generous office components and outside storage opportunities. The entire site was renovated to feature a contemporary, campus-like business centers in San Bernardino, Orange and Los Angeles counties. According to James “Watty” Watson, president and CEO of CT Realty, the County plans to use the office space for its Department of Mental Health and a data center.

“The park-like setting of this CT center and maximizing value. And, according to Walter, the property is situated on three individual parcels, providing a potential future exit strategy of breaking up the property, the buyer, a public, non-traded REIT. Faris Lee tells us that this property garnered the highest price per square foot for all Inland Empire multi-tenant retail property sales over $10 million so far this year. And, according to Walter, the property is situated on three individual parcels, providing a potential future exit strategy of breaking up the center and maximizing value.

Fastest Growing Private Companies in the I.E.

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<th>$ Revenue 2008</th>
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<td>2001</td>
<td>Solar Distribution</td>
<td>Sarada Marella CEO (951) 413-1482/sales@globaledge.com</td>
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<td>Walz Group</td>
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<td>2003</td>
<td>Bus. Financial Products &amp; Services</td>
<td>Rod Walz Founder (951) 491-4009/491-6505 <a href="mailto:sales@walzgroup.com">sales@walzgroup.com</a></td>
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<td>Moneypop</td>
<td>9477 London Way, Corona, CA 91730</td>
<td>1,061</td>
<td>3.5</td>
<td>36.7</td>
<td>68</td>
<td>2002</td>
<td>Imports/Distributors</td>
<td>Amy Ballans Manager (909) 989-6899/6899074 moneypop.com</td>
</tr>
<tr>
<td>Pelindosy</td>
<td>1403 Montefino Ave., Ste. 150</td>
<td>151.1</td>
<td>5.3</td>
<td>13.2</td>
<td>114</td>
<td>1999</td>
<td>Custom Software Development</td>
<td>Kiran Babu Chandras CEO <a href="mailto:info@pelindosy.com">info@pelindosy.com</a></td>
</tr>
<tr>
<td>SBS Engineering</td>
<td>29843 Jefferson Ave., Murrieta, CA 92562</td>
<td>140.8</td>
<td>2.2</td>
<td>5.4</td>
<td>31</td>
<td>1985</td>
<td>Mfg. Industrial Process Equipment for Biosciences</td>
<td>Rajal Harwani CEO/Presdent (951) 526-2295/2296-2445 <a href="http://www.sbsengineering.com">www.sbsengineering.com</a></td>
</tr>
<tr>
<td>ICSN</td>
<td>17483 Saddlewood Dr., Riverside, CA 92503</td>
<td>139.8</td>
<td>4.5</td>
<td>10.9</td>
<td>19</td>
<td>2000</td>
<td>Develop &amp; Engineer Prototype Products</td>
<td>John Lee Owner (951) 337-6071/337-2879 <a href="http://www.icsn.com">www.icsn.com</a></td>
</tr>
<tr>
<td>RehabAbilities</td>
<td>9227 Haven Ave., Ste. 300</td>
<td>134.4</td>
<td>3.4</td>
<td>8.1</td>
<td>472</td>
<td>1987</td>
<td>Places Rehabilitation Therapy Professionals</td>
<td>Kim Jones President (951) 498-7609/7610/7611 <a href="http://www.rehababilities.com">www.rehababilities.com</a></td>
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<tr>
<td>Organize</td>
<td>8127 Columbus St., Riverside, CA 92504</td>
<td>50.5</td>
<td>6.9</td>
<td>10.3</td>
<td>40</td>
<td>1998</td>
<td>Storage Products</td>
<td>Terry Shearer Owner (800) 680-9873/680-6817 <a href="mailto:terry@organize.com">terry@organize.com</a></td>
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<tr>
<td>Plastic Research</td>
<td>1405 S. Campus Ave., Ontario, CA 91761</td>
<td>40.8</td>
<td>13.4</td>
<td>18.8</td>
<td>79</td>
<td>1972</td>
<td>Manufacturing Fiberglass and Plastic Containers</td>
<td>Dick Marvin Sales and Marketing (909) 391-2026/911-2208 <a href="http://www.precol.com">www.precol.com</a></td>
</tr>
</tbody>
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In a case decided last month by the California Court of Appeal, the Court dismissed an employee’s claims for disability discrimination, failure to hire, failure to provide reasonable accommodation, and failure to engage in the interactive process based upon the discovery of after-acquired evidence. In Salas v. Sierra Chemical Co., the California Court of Appeal held that evidence of employee wrongdoing was sufficient to bar claims of discrimination and failure to hire.

Background

Vicente Salas began working for Sierra Chemical in 2003 as a seasonal production line worker. After being laid off and recalled to work several times during his first three years of work with Sierra Chemical, Salas sustained a back injury for which he filed a workers’ compensation claim. When Sierra Chemical recalled Salas to work, Sierra Chemical allegedly told Salas that he could return only if he was 100% healed. Salas filed a lawsuit alleging claims for failure to hire, disability discrimination, failure to provide reasonable accommodation, and failure to engage in the interactive process.

Sierra Chemical, in defending the claim, discovered that Salas had used another person’s social security number on his application for employment and I-9 form. Sierra Chemical argued that it would not have hired Salas in the first place if it had known that Salas submitted a counterfeit social security card and would have terminated Salas’ employment if Sierra Chemical had learned of the counterfeit social security card while Salas was employed. The trial court accepted Sierra Chemical’s arguments and dismissed Salas’ claims.

For employers, this case finally feels fair. Misrepresentations by employees or by unsuccessful job applicants can prove to be an effective defense to claims of wrongful termination and for claims for or related to a refusal to hire. The key here is that the employer must be able to show that it would not have hired that person to begin with or would have terminated that person had the employer known the true facts. In Salas, the employer had wording on the application that stated that the information provided was true and correct and acknowledging that any false statements would be grounds for dismissal. Salas printed his social security number on the application and then signed it. Additionally, Salas signed an Employment Eligibility Verification Form (I-9) on which he wrote his social security number. Salas also signed an Employee’s Withholding Allowance Certificate (W-4) which included the same social security number. In support of its argument, Sierra Chemical submitted a declaration from the president of the company stating that Sierra Chemical had “a long-standing policy that precludes the hiring of any job applicant who is prohibited by federal immigration law from working in the United States.” That policy also precludes the hiring of any job applicant who submits false information or false documents in an effort to prove his or her eligibility to work in the United States.

The president further declared that “if it is learned that a Sierra Chemical employee submitted false information and/or false documents to establish his or her eligibility to work in the United States, that employee would be immediately terminated.” This was the evidence relied upon by the Court when it determined the claim should be dismissed.

You can protect your business by enacting written policies that preclude the hiring of applicants prohibited from working in the United States and policies that preclude the hiring of applicants who submit false information or documents. You can further protect your business by requiring all applicants to fill out and sign an application for employment that has wording that notified the applicant that they can be terminated for providing false information on their application.

Finally, although this case represents a victory for the employer, the Court was quick to point out that the after-acquired evidence doctrine does not protect employers from all types of claims. If an employee, for example, sues for sexual harassment and it is later found that he misrepresented his immigration status on his application, his claim would not be precluded. The Court noted that claims relating to wrongful termination and contract claims can be barred by the after acquired evidence doctrine. However, the Court noted that the plaintiff need not resign or be discharged to have a cause of action for sexual harassment. The Court distinguished such claims noting that “While Plaintiff cannot complain of having lost her employment, in that she was never entitled to it in the first place,” during the period of employment she was “entitled to all the protections available under employment law.” Therefore, employers should not expect that the after-acquired evidence doctrine can provide full protection against all employee claims.

### What the Decision Means for Employers

- Employers can use the after-acquired evidence doctrine to defend against claims of discrimination, failure to hire, and other employment-related claims.
- Employers should require all applicants to fill out and sign an application for employment that includes wording that notifies them of the risks of providing false information.
- Employers can protect themselves from claims of sexual harassment by enacting written policies that preclude the hiring of applicants prohibited from working in the United States.
Real Estate...

continued from pg. 39

Hobby Lobby Inks Deals for Three New CA Stores

Hobby Lobby recently completed leases totaling 227.5k square feet for three new stores in California. Each of the leases is for buildings formerly occupied by Mervyns. Currently, Hobby Lobby has 491 stores in 41 states.

In each transaction, Scott Burns and Shauna Mattis of Wilson Commercial Real Estate represented the landlord, Inland Western MDS Portfolio LLC, a wholly-owned subsidiary of Inland Western Retail Real Estate Trust Inc. Lea Clay Park and Solomon Etts-Hokin of Studley Retail Services represented Hobby Lobby in the deals. Here’s a look at the three transactions:

- Hobby Lobby signed a 10-year lease for 76.2k square feet of retail space at Palm Plaza Shopping Center, located at 26443 Ynez Road in Temecula.
- Hobby Lobby signed a 10-year lease for 75k square feet of retail space at Terra Vista Town Center, located at 10640 Foothill Boulevard in Rancho Cucamonga.
- Hobby Lobby signed a 10-year lease for 76.2k square feet of retail space at Placer Center Plaza, located at 1815 Douglas Boulevard in Roseville. Chris Campbell of CB Richard Ellis’ Sacramento office partnered with Wilson Commercial on this deal.

“Hobby Lobby is relatively new to the California market, opening its first store in Visalia in December 2010 with these three stores opening next in the state,” said Burns.

Levy Affiliated Purchases 162k Square Feet Inland Empire Retail Asset

In a recent Inland Empire retail investment buy, Levy Affiliated purchased Rancho del Chino, a 162k-square-foot center in the city of Chino. The seller was Chino North Retail LLC, a private development company. The price was not disclosed.

Built in 2007, the center is located at 14659 Ramona Avenue, on the northwest corner of Eucalyptus and Ramona Avenues, and sits on a 14-acre parcel of land. Tenants include JC Penney’s, McDonalds, and at Home Depot.

Bill Bauman, executive vice president, and Kyle Miller, managing director, of Studley’s National Retail Services Group, represented both the buyer and seller in the transaction. Both are repeat clients of the team.

“The seller felt the timing was right to divest of non-core assets and capture market momentum and the attention of investors seeking quality retail property,” said Bauman.

“The buyer recently acquired comparable retail assets throughout Southern California with quick closings, and took advantage of this opportunity to purchase a well-positioned, well anchored shopping center that has above-market vacancy,” added Miller. “Rancho del Chino currently has a 28 percent vacancy rate, and all available space is first generation, never before been leased. The new owner will be implementing an aggressive leasing campaign, offering below market rental rates, to fill the vacancy.”

Investor Spends $600/Square Foot on Newly Constructed La Quinta Retail Property

A NoCal-based private investor recently closed on a $3.3 million purchase of a 5.5k square foot retail building located at 50991 Washington Street in the Inland Empire community of La Quinta. The property fetched a price of roughly $600/square foot and had a cap rate of 5.42% on the current NOI at 80.3% occupancy.

Just built in 2011, the two-tenant property is located at the signalized corner of Washington Street and Calle Tampico and is an outparcel to La Quinta Village, a Ralph’s-anchored neighborhood retail center. US Bank occupies the majority–4.4k square feet–of the space on a brand new long-term lease featuring 3% annual increases. There was a 1.1k square foot end cap vacancy at the time of sale. The property is in a high-end area of La Quinta surrounded with private golf courses and the La Quinta Country Club.

Jon Selznick and Chris Rodriguez of Pacific Commercial Investments represented the seller, a SoCal-based developer. The buyer was rapped by James DeVincenzi of Marcus & Millichap.

Commenting on their selling effort, Selznick pointed out that they stressed the credit worthiness of the income stream, the tenant’s desire to operate in this location, and the intrinsics offered from their positioning within the grocery anchored La Quinta Village. By doing so, they were able to command a CAP rate equivalent to that of a true single tenant asset.

Logistics Company Leases 190k Square Foot Riverside Facility

DCG Fulfillment, a third-party logistics company, leased 190k square feet of warehouse/distribution space located at 12430 Riverside Drive in the northwestern Riverside County community of Eastvale. The deal terms were not disclosed.

DCG took occupancy of the building immediately following the lease transaction. The company, which now occupies approximately 700k square feet of space split between three buildings in the Inland Empire, expanded its operations with this new location, used primarily for consumer-related products.

continued on page 39

Mortgage Lenders

Ranked by Percentage of Market, Riverside & San Bernardino Counties, 2011

<table>
<thead>
<tr>
<th>Lender Address City/State/Zip</th>
<th>% of LL Market</th>
<th>Number of Loans</th>
<th>Total $ Amount</th>
<th>Average $ Loan</th>
<th>Top Local Executive Title Phone/Fax E-Mail Address</th>
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<tr>
<td>Wells Fargo Bank 344 W. 3rd St. San Bernardino, CA 92401</td>
<td>4.0</td>
<td>4,000</td>
<td>425,280,000</td>
<td>106,300</td>
<td>Joanna Gonzales Branch Manager (909) 883-6978/383-6166 <a href="mailto:wells@wellsfargo.com">wells@wellsfargo.com</a></td>
</tr>
<tr>
<td>PNC Mortgage 2. (Formerly National City Mortgage) 41607 Margarita Rd., Ste 101 Temecula, CA 92591</td>
<td>0.80</td>
<td>1,680</td>
<td>281,000,000</td>
<td>169,200</td>
<td>Denise Homm Branch Manager (951) 679-8327/384-6940 pncmortgage.com</td>
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<tr>
<td>Provident Bank Mortgage 3. 3756 Central Ave. Riverside, CA 92506</td>
<td>0.39</td>
<td>1,924</td>
<td>682,000,000</td>
<td>354,454</td>
<td>Craig G. Blunden President/CEO (951) 664-6007/762-6132 providentbankmortgage.com</td>
</tr>
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N/A = Not Applicable, WND = Would Not Disclose, na = not available. The information in the above list was obtained from the companies listed. To the best of our knowledge the information supplied is accurate as of press time. While every effort is made to ensure the accuracy and thoroughness of the list, omissions and typographical errors sometimes occur. Please send corrections or additions on company letterhead to: The Inland Empire Business Journal, P.O. Box 1979, Rancho Cucamonga, CA 91729-1979. Copyright 2011 by IEBJ.
Thunderbolt... continued from pg. 11

Of course, you have speaker-phone, three-way conferencing and call holding—just like Jack Bauer and Steve McGarrett have on TV.

Be advised. The Thunderbolt has a 300-page instruction book that comes with it. Many people I know just poke around until they get the darn thing to do what they want. This hunt-and-peck style has much to offer, but you will miss out on a lot of potential.

Like the iPod and the Palm Pilot of a decade or so ago, these are life-changing devices. They allow you to keep in touch with family, work, catch up on news and entertainment from anywhere. But a little education helps to make the experience enjoyable.

And be advised, the Apple iPhone 4S has just as thick a handbook. The end result is that to make things easy, you have to first make things hard. Remember when you learned how to drive? Now you probably never think about all of the things that go into a trip down to the store. There was a time when every movement was accompanied by panic.

While the technical aspects of your iPhone vs. Thunderbolt decision may actually come down to an emotional call, you still owe it to yourself to make the best-educated purchase you can. These things advance so fast that an investment of two or three hundred dollars can dissolve quickly. Remember HP released a tablet that only lasted for two months out on the market before it stopped production. I doubt if another HTC or Apple will fall to that fate, but you owe it to yourself to consider options.

Ladies... continued from pg. 15

foundation of your estate plan, your estate must be probated. If you own property in more than one state, your heirs will endure a probate in each of those states requiring the payment of separate attorneys, separate administrators and separate costs. It should also be noted that a will can’t protect you from being subjected to a conservatorship proceeding to the extent that a trust can.

These are just some of the reasons why, when they become aware of the consequences, informed people overwhelmingly choose to have a plan. A Living Trust avoids “death probate” after you’re gone or a “living probate” should you become disabled. Not only does a Living Trust offer greater options in deciding who is to get what, but you also have the option of having a trust manage the inheritance on your behalf. A trust can instruct a trustee to live off the income, pay for your education or even to attend an upcoming seminar, continued on page 39
2011 Office... market recorded the most significant decline as owners bought occupancy.

- Class B/C asking rents slipped 1.5 percent to $17.24 per square foot over the past year and are down 10 percent from pre-recession levels. The Palm Springs/Palm Desert submarket has been particularly hard hit, with Class B/C asking rents in the area down 20 percent from four years ago.
- Outlook: Asking rents will decline 1.5 percent in 2011 to $21.05 per square foot, while effective rents slip 1.3 percent to $16.84 per square foot. During 2010, asking and effective rents dropped 2.8 and 2.6 percent, respectively.

SALES TRENDS**

- Transaction velocity increased 45 percent over the past 12 months as short sales and REO deals accelerated. As a result, the median price in the market declined 19 percent over the same period to $119 per square foot.
- Several of the REO deals closed in recent quarters involve properties last sold at the height of the market. When compared to the last sale, prices for these properties reflect 40 percent to 50 percent discounts. Within the metro, drastic reductions in pricing have prompted more owner-user deals.
- While top-tier assets with long-term leases in place can trade at cap rates in the low-7-percent range, such properties remain the exception. The majority of listings involve high-vacancy properties, focusing buyers’ attention on per-square-foot prices, which often fall well below replacement.
- Outlook: While the vast majority of transactions will continue to fall into the $5 million-and-under range, discounted prices will encourage larger deals. To date in 2011, the largest transaction, at $9.25 million, involved a Class A property in Ontario that changed hands for $115 per square foot.

MEDICAL OFFICE

- During the past year, just 13,000 square feet of medical office came online. From 2006 to 2009, completions averaged 500,000 square feet annually.
- Medical-office vacancy ended the second quarter at 14.1 percent, down 180 basis points from mid-2010. Improvement can be attributed to minimal new supply and continued expansion in the local health care industry, which recorded a 3.4 percent increase in payrolls over the past 12 months.
- Despite recent improvements, vacancy remains 660 basis points higher than four years ago. As a result, asking rents have continued to soften, declining 4.6 percent over the past year to $22.67 per square foot.
- Sales of local medical office properties have increased over the past year, but prices have drifted lower as more distressed assets cleared the market. During the last 12 months, the median price in the metro declined approximately 10 percent to $152 per square foot.
- ** Data reflect a full 12-month period, calculated on a trailing 12-month basis by quarter

** When Planning Your 2012 Advertising Budget, Consider...

Procurement Expo for Small Businesses on November 15, 2011

Assemblymember Wilmer Amina Carter, D-Rialto, the California Public Utilities Commission and ADF Networking, Inc. will host the Inland Empire Procurement Expo from 8 a.m. to 12:30 p.m. on Tuesday, Nov. 15 at the Inland Empire Regional Center, 1365 S. Waterman Ave., San Bernardino.

The contracting and procurement event is an opportunity for small businesses to learn from and network with buyers and procurement professionals from utilities, cable companies and government agencies.

“This event will help small businesses gain access to public sector contracts in a personalized and informal setting,” said Assemblymember Carter, who will give opening remarks along with retired Assemblymember Gwen Moore. “The networking opportunities will expand businesses and help create more jobs in the Inland Empire.”

The event is free and includes continental breakfast, workshops, and business matchmaking. For additional information and to RSVP, contact Sheila Futch at Assemblymember Carter’s District Office (909) 820-5008 or at sheila.futch@asm.ca.gov.
**Restaurant Review**

*By Bill Anthony*

We all know that anxiety reigns king when we are organizing a special event which includes a sit-down dinner......well, you can imagine my mental state when the event was the Community Cupid wedding which included a cocktail hour (which was actually two hours) and an elegant dinner for 500! The total effort was further complicated by 20 photographers and TV crews from CBS, NBC, KCAL, Fox and Univision.

Well, guess what happened—let me share—everything that was planned happened, and nothing that wasn’t planned—see the photo.......

The menu for the dinner included surf and turf entree (steak and prawns), and I was able to cut my tri-tip with my fork. All the food and beverages could not have been better for this event. The service was perfect, and the ambiance fit for kings and queens. I certainly know where my next event to impress will be.

P.S. This not a paid column but is my honest opinion along with about 500 other attendees.
Recycle, Reduce, Reuse, Rebuild!

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Volunteer
Shop ReStore

The ReStore is a discount home improvement center, open to the public, that sells new and used building materials and furniture. All items sold at the ReStore are donated by local businesses and residents. All proceeds are used in funding the construction of Habitat homes.

For delivery or pick-ups call
909.399.0202

Visit the ReStore today at
4609 Holt Blvd. Montclair, CA 91763
Open: Tuesday–Friday, 10 am–6 pm
Saturday: 9 am–5 pm
“Harvesting Intangible Assets: Uncover Hidden Revenue in Your Company’s Intellectual Property,”

By Andrew J. Sherman; AMACOM Books, New York, New York; 2011; 269 pages; $29.95.

It’s neither accidental nor a flight of fancy caused author Andrew Sherman to pick a farming analogy. Agriculture was likely the oldest business on the planet. It was certainly the first industry on which all civilization was based. Moreover, agriculture was as much built on intangible assets as it was on good soil, climate, and a foundation of healthy seeds for next year’s crops.

There are, however, additional factors that most people relate to ultra-modern manufacturing and information technology products rather than to agriculture. That factor is intellectual capital or the intangible assets on which all businesses are based. Sherman puts this case this way:

“We are all farmers. We mark our turf. We protect our property. We plant our seeds. We nurture the soil. We plow our land. We combat adverse weather and ecosystem conditions and overcome adversities. We prepare for our harvest. We carefully remove the frost from the vine. We hope for the best and prepare for the worst as the market sets a price for our efforts. We embrace the notion that our results will be directly tied to our levels of effort and expertise. We begin anew.”

Sherman goes on to make his point:

“No matter what your profession, no matter what your company does, no matter your life situation may be, we all follow this fundamental and deeply rooted agricultural process in some way throughout the days of our lives. We are all the new agrarians. But do we recognize ourselves as such? Have we learned from the success and failures of the agrarian economics that preceded us? Can we learn to apply the traditional as well as the latest best practices of farming to our daily lives and to the growth of our companies? How can we make our lives more enjoyable and enriching and our companies more productive and profitable by adopting an agrarian approach to life planning, time management, resource allocation, innovation harvesting, and business model reshaping?”

What does farming have to do with intangible intrinsic values of a software developer. The author goes on to note that for thousands of years farmers had to deal with intangible and intrinsic values that could dramatically impact his enterprise. His point is that too little rain could lead to the concept and use of irrigation or to the failure of an entire crop or multiple crops.

It wasn’t until the mid-19th century that the concept of intangible values could or should have an impact on the ledgers of retail or manufacturing. Sherman offers an example:

“There was a time when, if you needed a ‘quick’ understanding of the net worth of a company, you could examine its balance sheet to determine its assets, subtract the sum of its liabilities, and come up with its net worth. You may have seen a small line item for goodwill to recognize the value of its brand and customer relationships. But in today’s information-centric and intangible-asset-drive society, looking to the net worth line to determine a company’s asset-driven society, looking to the net worth line to determine a company’s value would be the strategic equivalent of telling a farmer that the total value of his farm is limited to the projected wholesale value of the harvestable crops he currently has in the field. Such a valuation methodology would fail to take into account the intrinsic worth of his know-how, his show-how, his distribution channels, his relationship with his team…his future harvests, his systems, his processes and his leadership skills.”

There is no doubt that globalization of markets has changed both the where and how business takes place, as well as how an enterprise operates. It’s doubtful that, short of worldwide holocaust, that it will take us back to relearning what farmers have learned during the past millennia. If your business has ignored the renewed emphasis on intangible assets, then “Harvesting…” will be a thoughtful eye-opener.

--Henry Holtzman

**Best-selling Business Books**

Here are the current top 10 best-selling books for business. The list is compiled based on information received from retail bookstores throughout the U.S.A.

1. “Strengths Finder 2.0: A New and Updated Edition of the Online Test from Gallup’s Now, Discover Your Strengths,” by Tom Rath (Gallup Press…$22.95) (1)*

2. “The Little Book of Leadership: The 12.5 Strengths of Responsible, Reliable, Remarkable Leaders That Create Results, Rewards, and Resilience,” by Jeffrey Gitomer & Paul Hersey (John Wiley & Sons).…$22.00 (2)

3. “Steve Jobs,” by Walter Isaacson (Simon & Schuster…$35.00)**

4. “EntreLeadership: 20 Years of Practical Business Wisdom From the Trenches” by Dave Ramsey (Simon & Schuster…$26.00) (3)


6. “Nothing to Lose, Everything to Gain: How I Went From Gang Member to Multimillionaire Entrepreneur,” by Ryan Blair (Penguin Group…$16.00) (5)


One possible roadmap back to fiscal and market stability.

*1 -- Indicates a book’s previous position on the list.

** -- Indicates a book’s first appearance on the list.
Like its predecessor Marineland, this new resort at Terranea is all about the sea and takes full advantage of one of the most scenic parts of the Southern California coastline. A portion of the development is residential and we can only imagine how enjoyable it would be to come home every day to what really is the epitome of California living, with its broad vistas of the sea and Catalina Island so close you feel like you can just reach out and touch it. Throw in some whales and dolphins, the occasional yacht or fishing boat chugging its way up the coastline and you have a certain serenity that, fortunately, even every-day working people can afford to come and enjoy for a few days.

**AT A GLANCE**

**WHERE:** Terranea is on the coastline but it is tucked away a bit from Los Angeles—it’s just 30 miles but you’ll drive a combination of freeways and coastal roads to get there. Coming up from the south, the best route is through Long Beach which means you can stop on the way and enjoy sights in that colorful city such as the Queen Mary. Between Long Beach and Terranea, there is a bustling port area where you will be amazed to see the volume of goods brought in by container ship.

**WHAT:** Terranea is a one-of-a-kind resort, well thought out and designed to embody the California spirit. Its incredible views cannot be topped by any other resort in California, and its Mediterranean architecture helps create the illusion that you are in a European seaside resort, far from the hustle and bustle of Los Angeles.

**WHEN:** This resort is good to visit any time of year because of the area’s consistent sunshine and moderate climate. Even in the hottest part of summer, the coastal breezes will keep you comfortable.

**WHY:** For many, Terranea is just a continuation of their normal luxurious lifestyle and they choose a resort like this because they want only the best. For others, this will be a special treat, a cut or two above most resorts they visit—a chance to splurge and pretend they have more money than they actually do.

---

**“Time Out”**

With Bill Anthony

Sundays at 8 a.m.

Join Bill “The Ambassador of Good Taste” as he reviews gourmet food, travel and world famous restauranteurs—plus guest interviews with award-winning chefs and renowned wine connoisseurs.

**THE SPA AM 1510**
Many... continued from pg. 15

ference. Analyze the fee reduc-
tion they offer.  It is better to
Your buyer should have an idea
of costs, or their ability to work
around them before you agree to a
to deal with it, the more
ness people have of the topic,

real estate is not meant to provide legal
time to take advantage of a
differentiation, the product or
service will have to be the most
attractive alternative for a seg-
ment of the market that is large

enough to sustain the business.
Although this may sound
straightforward, we are
faced with the complexity of
the situation. Sorting this out
may not be simple, and we
need to be prepared to do your
analysis presented to you.

In-House... continued from pg. 3
San Bernardino Board of
Supervisors is committed to
providing County resources
which generate jobs and invest-
ment.
The Workforce Development
Board, through the County of
San Bernardino Economic
Development Agency and
Workforce Development
Department, operates the
County of San Bernardino
Employment Resource Centers
(ERCs) and Business Resource
Centers (BRCs). The ERCs
provide individuals with job
training, placement and the
tools to strengthen their skills
to achieve a higher quality of
life, and the BRCs support and
provide services to the
County’s businesses including
employee recruitment.

Real Estate... continued from pg. 31

Mark Kegans, SIOR, and
Ron Washle, SIOR, both senior
vice presidents, Industrial
Group, and members of the
company’s Global Logistics
practice group at Grubb & Ellis,
represented DCG Fulfillment in
the transaction. According to
Kegans, the property was a good
fit due to its Class A building
features and proximity to the
company’s existing locations.

Dear Consoni and Jamie
Sugar of CB Richard Ellis rep-
resented the owner of the proper-
ty, Alere Property Group LLC, a
Newport Beach-based investor
and developer that has devel-
oped and acquired more than
$950 million in assets since
2000.

The Temecula... continued from pg. 22

The Stuart Cellars name will
remain as a line of premium-
label wines.
The Stuarts purchased the
property in 1994 from
Medieval Times, which used to
train horses there, and built the
winemaking operation from the
ground up. They began making
wine on the site in 1995,
opened the tasting room in
1998, and produced their first
estate harvest in 1999, Stuart
said.

Stuart said she and her for-
er man were not looking to
sell, but the deal will enable
her to remain at the winery
without the stress of owner-
ship. “I probably couldn’t have
asked for a better situation.”

Cupid... continued from pg. 7

so much and have so little. (For
a showing of those who support-
the wedding, see Page 18.)
The event was the original idea
of this publication, the Inland
Empire Business Journal.

The Key... continued from pg. 14
means giving a more accurate
forecast of when the customer
will be making the purchase and
most importantly knowing when
to and when not to offer a finan-
cial incentive to get the prospect-
tive customer to take immediate
action-versus it being a default
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prospective customer’s priori-
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The 3 R’s... continued from pg. 12
ness people have of the topic,
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Callahan... continued from pg. 1

“It is not enough to sift through the carnage often left by Dr. Chaudhuri, but instead action must be taken now to prevent wrongful acts and preserve quality healthcare.”

The suit—Prime Partners v. Kali P. Chaudhuri, et al. (Case #: RIC 1117545, filed in Riverside CA Superior Court)—alleges that in his control of millions of dollars from HMOs, Chaudhuri, along with his management company, KM Strategic Management (“KM”), has engaged in a pattern of fraud and racketeering. It is further alleged that Chaudhuri and KM, which is run by Michael Foutz, have cut off much-needed funds belonging to several medical groups that care for thousands of patients in Riverside County.

The suit alleges that Chaudhuri has a history of siphoning out money from medical groups and financially choking doctors’ ability to provide care to patients. According to the lawsuit, in 1999, Chaudhuri acquired the MedPartners medical group. Within the first 18 months, $30 million in assets had disappeared and Chaudhuri had run up a debt of $450 million to local doctors and other creditors. Having completely fleeced the entire healthcare operation, Chaudhuri then threw the company into bankruptcy, closed all 81 clinics, fired all employees, physicians, nurses, technicians, secretaries and other staff members – which had the devastating effect of disrupting medical care for over 300,000 patients and left most of them without access to their medical records. More than 2,000 employees and physicians were suddenly left without jobs, and many were even told not to cash their last paycheck.

The suit alleges that Chaudhuri has begun depriving several medical groups in Riverside County of millions of dollars they need to operate their medical practices. The lawsuit charges that Chaudhuri’s management arm, KM, is currently withholding more than $1.5 million of net revenue from the Prime Partners medical group and at least $250,000 of net revenue from the Meadowview Medical Group.

The lawsuit also alleges that Chaudhuri has attempted to lever-age ownership control of these medical groups by engaging in forgery, falsifying documents and concealing and misrepresenting financial records. According to the court filing, after applying economic duress to Prime Partners and Meadowview, Chaudhuri demanded a 51% ownership interest in the medical groups. When those groups refused to acquiesce to Chaudhuri’s coercion and began the process of trying to get out from under Chaudhuri’s control, Chaudhuri’s lawyers sent threatening letters to all of the new IPAs that Prime Partners and Meadowview attempted to engage.

The lawsuit charges that Chaudhuri’s wrongful conduct has been not only financial, but has also directly violated state and federal laws designed to protect patients. The lawsuit describes one instance of Chaudhuri hacking into the computer of a doctor, for the purpose of referring a patient to one of Chaudhuri’s own imaging companies. Not only did the doctor not approve the referral of the patient, the doctor had never even seen that patient before. Improperly accessing patient records violates the Health Insurance Portability and Accountability Act (“HIPAA”).

The suit alleges that Chaudhuri’s management company, KM, also sent more than 6,000 unauthorized letters to elderly patients telling them that they needed to switch their healthcare plan to one that would pay Chaudhuri’s company (HCMG) or else they would lose their doctor. To accomplish this, the suit alleges that KM asked some doctors to sign blank sheets of paper and then used those signatures to send out letters to the doctors’ own patients telling them to switch their healthcare plan.

The suit charges that, for those doctors who did not sign blank pages, KM manipulated their signatures off of other documents and placed them on the letters to the senior citizens. A letterhead was created for each doctor to make it appear as if the letter was coming from the doctor directly. The doctors did not approve of the dissemination of these letters to their elderly patients, and in fact did not know about them, but only learned of the letters when some were returned as undeliverable by the post office. These acts violate HIPAA and the requirements set forth by the federal Centers for Medicare & Medicaid Services (“CMS”) for healthcare plan marketing letters.

According to Marc P. Miles of Callahan & Blaine, Santa Ana, California, counsel for Prime Partners and Meadowview, the lawsuit seeks injunctive relief against Chaudhuri’s fraud and racketeering enterprise, in order to protect the health and safety of Southern California patients and to preserve the integrity of the healthcare system. Miles said the action also seeks to prevent Chaudhuri from repeating the MedPartners debacle, which devastated a large segment of the medical community and left patients stranded.

“Our healthcare system is delicate enough without the improprieties of corporate greed interfering with the care and treatment of patients,” says Miles. “It is not enough to sift through the carnage often left by Dr. Chaudhuri, but instead action must be taken now to prevent wrongful acts and preserve quality healthcare.”
Terranea Resort—So Near But Feels So Far

By Cary Ordway

Back when visitors drove just south of Los Angeles to what was then called Marineland of the Pacific, the general feeling was this spectacular piece of the California coastline was ideal for a major theme park focused on marine life. The broad vistas and panoramic view of the ocean just seemed to be the perfect backdrop.

Funny thing, though. This same piece of property also seems to be ideal for a major luxury resort—and it’s a good thing because Marineland has now been completely wiped off this unique promontory and replaced by Terranea, a bold, ambitious resort that is unquestionably one of California’s finest and certainly worthy of the prime real estate it now occupies.

The 102-acre property was in development since 1998, opening as Terranea in 2009 with a 350-room hotel with every amenity you can imagine. But perhaps the greatest amenity is its location atop the cliffs of Palos Verdes Peninsula, a ritzy neighborhood about 30 miles southwest of Los Angeles where tycoons, movie stars and just plain-old wealthy people own property with incredible views of the Pacific and, just 20 miles away, Catalina Island. Built on a point that gives the resort 270 degrees of ocean views, the pop-up truck to make zillionaires-for-a-day like us feel not quite so out of our league. In fact, once you start strolling the grounds, Terranea is not a stuffy, pretentious resort at all—its Mediterranean architecture is tastefully done, warm and comfortable rather than opulent.

Our third-floor room looked over the courtyard and the sparkling Pacific Ocean in the background. The room was oversized, affording a little bit of extra space to get around, even with a king bed, love seat, flat-screen TV and desk. The lanai was an ideal place to sit and read, looking up occasionally to people-watch or to enjoy the ocean views. A slight breeze was reminiscent of Hawaii.

But as nice as the rooms are at Terranea, they are a small part of the overall experience, and you probably won’t be spending a lot of your time there with so much else to see and do. The first order of business for us was to walk the property—and, with 102 acres, there is a lot of property to walk. We enjoyed the main lobby area with its stylish wood ceiling and Spanish accents and adjacent open patio area with its magnificent views of the ocean. For newcomers to the resort, this is an inviting place to sit and relax for a few minutes and just drink in the elegant surroundings and panoramic views.

Nearby are a small number of luxury stores and a deli with some of the best looking sandwiches and baked goods you’ll ever see. A little bit off the lobby area is one of the Terranea swimming pools along with some dining areas both casual and more formal. It looked to us like an ideal way to enjoy the pool would be to reserve one of the cabana tents where there is seating and a modicum of privacy, with the pool just footsteps away.

Down closer to the water, there are trails along the bluffs and even one area where you can walk down to a small cove that offers kayaking and other water activities. Nearby is the Spa at Terranea with its own pool and special amenities for those seeking complete relaxation and rejuvenation. There is a restaurant here as well and, walking north along the bluffs, you find Nelson’s, another indoor/outdoor café that is perfectly positioned to look out over the sea while you enjoy a drink or light lunch. The impressive golf course takes up a lot of the Terranea acreage and there are bungalows, casitas and villas in various configurations both along the coast and lining the golf course.

We extended our walk by taking the trail along Palos Verdes Drive that took us north to the Point Vicente Lighthouse and Interpretive Center which offers not only great trails and exhibits about the natural features of the peninsula, but also an excellent vantage point for whale-watching. While the typical time to view the migration of the gray whales is winter, we were fortunate enough during our fall visit to spot blue whales that were making an unusual appearance in the strait between the coast and Catalina Island. There was also great whale-watching from several vantage points at the resort itself.

We didn’t get a chance to try the resort’s destination restaurant, Marr’sel although we heard it was excellent, featuring produce grown right in the resort’s own vegetable garden. But we did have dinner at the Catalina Kitchen. With its location just above the resort’s main pool, be sure and opt for the outdoor dining here with an atmosphere and view that makes you feel like you are truly on vacation in a tropical paradise. We enjoyed the seafood linguini with just the right combination of clams, shrimp, mussels, chorizo, fennel and a chicken saffron broth. The New York strip steak was equivalent to what you are served in the finest steakhouses—perfectly broiled and spiced, tender and juicy. The Catalina Kitchen could be a destination all its own, and prices are reasonable given the quality.

continued on page 38