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String Theory

The tension created by the stretching of a dollar across the length of a college education was a strumming of the elementary particles, hitting just the right notes. It was all music to the ears of employees of a favorite guitar string producer.

By Sid Robinson

Not unlike many of her fellow Coachella Valley High School classmates, Bethzaira Peña wasn’t quite sure how she could ever afford a four-year university education. In a region with a smaller percentage of the adult population holding college degrees than most in California, and far below the state and national averages, the odds of Bethzaira continuing her education were certainly not in her favor.

At Coachella Valley High, Bethzaira had posted a 3.7 grade point average. But her initial applications for financial aid still weren’t enough to cover all of her college tuition. Then they heard the music.

Or rather, they heard from the “Music Man,” more commonly known to those in the music industry as Ernie Ball Inc., one of the world’s leading manufacturers of premium guitar and bass strings. The Coachella-based company, named after the late musical instrument and accessories entrepreneur, is now helping its employees and their family members pursue a college education by funding scholarships to Cal State San Bernardino’s Palm Desert Campus.

“You can tell how great a parent is when you meet their children,” says Sterling Ball, the son of...
Future Construction Awards for Inland Empire

McGraw Hill Construction reported on April contracts awarded for future construction in the metropolitan statistical area of Riverside-San Bernardino-Ontario, consisting of Riverside and San Bernardino in California.

According to Dodge Research and Analytics, the latest month’s construction activity:
- Nonresidential buildings include office, retail, hotels, warehouses, manufacturing, educational, healthcare, religious, government, recreational, and other buildings.
- Residential buildings include single family and multifamily housing.
- Nonbuilding construction includes streets and highways, bridges, dams and reservoirs, river and harbor developments, sewage and water supply systems, missile and space facilities, power utilities and communication systems.

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Indian Wells and Rancho Mirage Win EPA Awards

EPA Southern California Field Office Director Steven John praised the work of both cities and said it could spur energy-efficient adjustments in municipalities across the Coachella Valley.

The two cities, through a CVAG “Green for Life” program, worked with Southern California Edison and Southern California Gas Company to measure their energy performance. Per the program, each city implemented an energy action plan, and over the past year-and a half, made various changes to their city halls, such as installing LED lighting and high efficiency air conditioning.

The Energy Star distinction for both cities means they are not only saving energy consumption, which helps the environment, but they are also saving thousands of dollars a year in energy bills, said Barrows.

CVAG is also working with all their other member cities in the Coachella Valley and Blythe on energy efficiency. While each city has made efforts to increase energy efficiency and reduce greenhouse gas emissions, none of the others have qualified yet for the EPA Energy Star award.

Rancho Mirage received an Energy Star score of 85 out of 100 and has the distinction of being the first city to sign on with the energy savings program.
29 Palms City Council
Hands City Manager Guzzetta
His Walking Papers
By Venturi

For the second time in less than 14 months, the Twentynine Palms City Council has abruptly terminated its city manager, citing no cause. During a closed session at its regular council meeting on Tuesday, May 13, the council voted to dismiss Guzzetta. The Sentinel has learned that the vote was unanimous one, with all five council members voting to hand Guzzetta a pink slip. The board appointed finance director Ron Peck to temporarily take the helm as city manager, pending a search for an interim city manager to oversee the city while a candidate to replace Guzzetta on a permanent basis is carried out.

Curiously, Guzzetta was given two days of administrative leave Wednesday, May 14 and Thursday, May 15—after which point his separation from the city took place officially. Council members gave no reason for the firing beyond stating that they wished to take the city in “a new direction.” Guzzetta’s tenure with the city was even shorter than that of his predecessor, Richard Warne. In April 2013, less than a month before he would have marked two years as Twentynine Palms city manager, Richard Warne was shown the door. In both the Guzzetta and Warne cases, the council’s action was unilateral and caught the managers unaware. In the immediate aftermath of his sacking, Guzzetta released a terse statement claiming he was caught by surprise by the council’s action and that he was given no rationale for the move other than a generic expression of wanting to move in a new direction.

In initially announcing Warne’s leaving last year, the city issued a statement characterizing his exodus as a “retirement.” Shortly thereafter, however, reports in both the Sentinel and by the radio station KCIZ 107.7 FM, cast doubt on the retirement claim. The city agreed to provide Warne with a full year’s compensation, including his salary of $171,500, a pension contribution of $4,287.50 and another $12,432 toward his retirement fund and $16,306 to cover his health plan. The provision of severance pay to Warne undercut the representation he had voluntarily retired. His contract did not provide for severance pay in the event of his taking retirement. The city subsequently issued a clarification, which stated, “the representation that he had voluntarily retired. His contract did not provide for severance pay in the event of his taking retirement. It is not clear what form of severance Guzzetta, who was formerly city manager in Desert Hot Springs, Hemet and Corte Madera, is receiving.

At the time of his hiring, he was the general manager of the Joshua Basin Water District. He officially came aboard as Twentynine Palms city manager on June 1, at a salary of $184,000 per year, with medical benefits and a $6,000 per year contribution to his retirement fund. His contract required that Guzzetta, who lived in Riverside at the time, take up residence in Twentynine Palms by March 1, 2014.

Citing capital projects the city had undertaken under his watch and efforts to strengthen the city economically along with the relationships he had built with the Marine Corps command and the soldiers at the Marine Corps Air Ground Combat Center as well as with city staff, the council and the chamber of commerce, Guzzetta said he believed he had made tangible progress during his nearly one year tenure with the city. “Everyone in Twentynine Palms has been very welcoming, helpful, and a pleasure to work with,” he said.

Michael Spence: China’s Rising Middle
China’s middle class will increase from 230 million people today to 630 million 10 years from now, which translates into higher consumer demand.

An expert on developing economies explains how a slowing Chinese economy could be good for China — and for the rest of us.

In late April, Beijing reported first-quarter GDP growth of barely above 7%, far lower than the 10 to 11% rates typical for the last decade. The news prompted business headlines full of stark warnings about a continuing slowdown of the Chinese economy at the precise time when most of the developed world is still struggling to regain pre-crisis growth. But instead of worrying about a slower China’s effects on the precarious global ecosystem, maybe we should rejoice. Lower growth in China, it turns out, is part of the world’s biggest developing country’s shift to a more stable and sustainable pace of development that will have profound and positive effects on the Western economies as well.

That’s the view of former Stanford Graduate School of Business dean, current Hoover Fellow, and 2001 Nobel Laureate Michael Spence. And he has reason to know: Not only has Spence researched and written extensively on developing-country economies, but in recent years he has held informal advisory positions in China, working closely with some of Beijing’s top planners and economists. Spence spoke to us from Milan, Italy, where he lives. Excerpts:

Why do you say China’s slowdown is actually good news for the world economy?

Spence: China’s turbocharged growth at 10 or 11% of GDP year after year was an abnormal situation. It was a function of a lot of unhealthy imbalances in the world. Before 2009, the advanced economies were growing faster than they should have been, with leverage, asset bubbles, and that sort of thing. One result was abnormally high demand for Chinese products. Then, during the financial crisis, when exports fell off, the Chinese government reacted by opening the spigots of credit and investment, which kept growth going at a very high rate — but the Chinese policymakers knew that this was not a sustainable growth strategy. You just cannot keep growing at that rate once your economy gets to be as large as China’s is now. Advanced economies are doing well when they grow around 2.5 to 3%. China is on a trajectory to become an advanced-income country. During that transition, over multiple years and decades, China will inevitably slow down. It was never realistic to think this country could sustain 10 or 11% growth.

So the slowdown is healthy, but why now?

At least three things are happening at once. First, you’re seeing a dramatic and complex transition as China’s economy shifts from that of a very high-growth early developing country and enters what economists call the “middle-income trap,” which I can explain in a little more detail later. Second, you have a crisis in the advanced economies that really slows them down, cutting into the demand for Chinese products. Third, the Chinese government is shifting the emphasis of their policies to deal with social tensions, equity issues, and environmental sustainability. So they have prudently lowered the growth target for the current five-year plan to 7 to 7.5% and seem to be on target.

What are the specific changes in China behind lower growth?

Again, several things are going on simultaneously. Wages are rising fast, especially in the coastal areas, and that is causing major structural changes in the way the economy is put together. Companies oriented toward the most labor-intensive activities in the global supply chain will move to
# News and Features

**Michael Spence: China’s Rising Middle**  
Michael Spence explains how a slowing Chinese economy could be good for China—and for the rest of us.  

**Are Your Employees Sabotaging Your Company’s Accountability? Ten Bottom-Line-Busting Behaviors to Watch Out For**  
Authors Julie Miller and Brian Bedford share 10 employee “types” whose attitudes and actions are sabotaging your company’s accountability, costing you money, and sending customers running for the hills.  

**13 of the Biggest Mistakes Entrepreneurs Make (That May Not Seem Like Mistakes at All)**  
The costliest mistakes entrepreneurs can make are often disguised as smart business decisions. Tom Panaggio shares some of the not-so-obvious missteps to avoid as you grow your business.  

**Why Smart Employers Care About Work/Life Balance—and How to Help Your People Find It**  
When you take steps to help your people separate their personal and professional lives and reduce their overall stress, everyone wins—including your company’s bottom line.  

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**Quotations on Laziness**

**Though you may have known clever men who were indolent, you never knew a great man who was so; and when I hear a young man spoken of as giving promise of great genius, the first question I ask about him always is, “Does he work?”**  
John Ruskin  

**By nature, man is lazy, working only under compulsion; and when he is strong he will always live, as far as he can, upon the labor or the property of the weak.**  
Henry Brooks Adams  

**Laziness grows on people; it begins in cobwebs and ends in iron chains.**  
The more one has to do the more he is, able to accomplish.  
—Sir Thomas Buxton
1031 EXCHANGE INVESTOR SPENDS $16 MILLION ON MONTCLAIR RETAIL ASSET

A 97k-square-foot shopping center in Montclair was acquired by a 1031 exchange buyer for $15.9 million ($164/sf). The property is situated on just under 10 acres at 9710-9886 Central Avenue, south of I-10. Built in 1980 and remodeled in various phases over the past seven years, the property contains a total of 27 tenants and is anchored by 24 Hour Fitness and Dollar General. Other tenants include Bank of America (ATM), Burger King, Liberty Tax, Century 21 and Yum Yum Donuts. The center was 80% occupied at the time of sale.

William B. Asher of Hanley Investment Group and Frank Vora of Progressive Real Estate Partners represented the seller, Montclair Town Center LLC, based in Rancho Cucamonga. The buyer, Encino-based Montclair-ET LLC, was repped by Eric Treibatch of Ophir Management Services. “Demand remains high for value-add retail investments in southern California,” said Asher, managing director at Hanley Investment Group. “We had a significant group of prospective buyers formally offer and closely evaluate Montclair Town Center prior to securing a 1031 exchange buyer who had a history of owning and purchasing similar type assets of this size and scope. At 80% occupancy, the property provided the buyer with excellent upside potential to increase cash flow in the future.”

BARSTOW SHOPPING CENTER FETCHES $3.6 MILLION

In a recent retail sale from the SoCal city of Barstow, Los Angeles-based private investors paid $3.6 million for Barstow Plaza, a 68.4k-square-foot ($53/sf) shopping center. Located at 1303 E. Main Street, the center is in close proximity to the I-15 Freeway and across from a Vons and 99 Cent Only-anchored shopping center.

Barstow Plaza was built in 1974 and expanded in 2001 to include an additional pad location. The sellers had held the property for the last 40 years. The tenant roster includes anchors Family Dollar, Aaron’s, Wienserschnitzel, Fast Auto Loans and several small shops and services. The center is 56% occupied with some of the most desirable contiguous space still available, allowing the buyer the value-added opportunity to accommodate either a 30k anchor or to sub-divide the space for multiple sub-anchor users.

The Progressive Real Estate Partners team of Brad Umansky, Kenia Drugan and Greg Bedell represented the seller, The Steele Town Center LLC, based in Rancho Cucamonga. The buyer, Barstow Plaza Investors LLC, was repped by Victor Gausepohl of Colliers International. Progressive sold the asset by using the Auction.com online platform.

CORONA OFFICE BUILDING SELLS FOR $121/SF

Providence Capital Speed Fund II LLC purchased a 58.9k-square-foot, Class A office building in Corona for $7.15 million ($121/sf). Built in 2003, the three-story, steel-frame building is situated on 2.82 acres at 355 East Rincon Street, west of I-15 and north of the 91 Freeway. The building includes a central courtyard with serene landscaping, tables and seating areas. The property is well situated in the County of Riverside and offers easy access to surrounding and nearby counties, including San Bernardino, Orange and Los Angeles.

Avison Young Principals Dan Vittone and Alan Pekarcik represented the buyer in the transaction. continued on page 16

Oregon couple selected as SBA National Small Business Persons of the Year; Runners-up from San Bernardino and Wyoming

Burning the candle at both ends, an Oregon couple is now experiencing the sweet smell of success. Husband-and-wife team Billy Taylor and Brook Harvey-Taylor, the founders of Portland, Ore. based company – Pacifica, have been named this year’s National Small Business Persons of the Year at the U.S. Small Business Administration (SBA), National Small Business Week awards ceremony in Washington, D.C.

With Billy’s entrepreneurial spirit and Brook’s creative vision, the two founders started making candles in 1997. By 2008 they had reached $12 million in revenue. But, a change in distribution channels brought about a downturn that forced the couple to seek financing to reposition the brand and keep ownership of the firm. By working closely with the SBA they were able to secure the money they needed without compromising their ownership or vision.

A bold change in the line of products from home fragrances to beauty and perfume products has put Pacifica on a growth path to more than double their revenue over a five-year span, ending in 2014. Since 2010 they have managed to expand their staff each year and now have 110 employees.

RUNNERS-UP

First runner-up is a family team from San Bernardino—Anita’s Mexican Food Corp.: Ricardo Robles, president; Pablo “Rene” Robles, vice president/operations; and Jackie Robles, secretary/general manager.

Anita’s Mexican Food Corp. is a minority-owned, wholesale food manufacturer and co-packers. The company’s origins date back to 1958 as a flour tortilla manufacturer when family patriarch Mauro Robles founded a series of businesses now known as Anita’s. Mauro came from Mexico, earned citizenship and sought to create new products that respected Old World tastes and traditions. Today, all five of his children are owners of the company while our first runners-up—Ricardo, Rene and Jackie run the day-to-day operations.

Anita’s operates major flour- and corn-based food manufacturing offering branded, private label, and contracted products and services. The company now ships across the globe. More than 1.5 million tortillas emerge from the plant in East Los Angeles. Combined with the plant in San Bernardino, the plants produce and package chips by the ton.

The SBA is proud to have played a role in Anita’s Mexican Food Corp’s success. In 2012, to support a dramatic expansion in operations, SBA facilitated the purchase of real estate and equipment through an SBA 504 loan. Company revenue has grown over 100% the last three years and the SBA 504 loan has helped the company create jobs, with the employee count growing from 230-359 people.

SECOND RUNNER-UP

Second runner-up is Jeni Merrill, founder of Merrill, Inc. a Cheyenne, Wyo. woman-owned Class ‘A’ general contracting company specializing in site excavation, underground utilities, concrete, trenching, road construction, footer-founder excavation, building remodel/renovation, septic installation, erosion control, demolition, drainage and miscella-
Are Your Employees Sabotaging Your Company’s Accountability?

Ten Bottom-Line-Busting Behaviors to Watch Out For

Authors Julie Miller and Brian Bedford share 10 employee “types” whose attitudes and actions are sabotaging your company’s accountability, costing you money, and sending customers running for the hills.

We all know what it’s like to be promised, “I’ll get back to you on that question,” only to never hear another word. Likewise, we’ve all dealt with colleagues who draft off of others’ achievements, salespeople who don’t stand behind their products when the crap hits the fan, and bosses who pass the buck far more often than they stop it. Chances are, when you come across these situations in your daily life, you chalk them up to customer service slip-ups, leadership breakdowns, personnel issues, and poor communication.

But according to Julie Miller and Brian Bedford, you can actually trace these problems back to something much more granular but no less serious: a lack of accountability.

“When employees behave with a lack of accountability, their actions hurt your bottom line, whether that’s through low personal productivity, negatively affecting morale, alienating coworkers and customers, or something else,” says Miller, coauthor with “Bedford of Culture Without Accountability—WTF? What’s the Fix?, Miller and Bedford examine what can happen when businesses, teams, families, and individuals shrirk accountability.

The book is full of real-life stories of what accountability looks like and what can go wrong in its absence. It offers a proven process for installing an accountability-based culture, a platform for success in business and in everyday life.

Here, they share 10 types of accountability-sabotaging employees to watch out for:

The cavalry promise maker. We’ve all dealt with this person. “I’ll make sure I get back to you tomorrow.” “The product will be delivered by Thursday.” “Of course we can handle that order volume.” …Do these comments sound familiar? For the cavalry promise maker, it’s easy to promise someone the moon (especially if that promise makes the speaker look good!), but follow-through is a different story entirely.

“If someone in your organization fails to meet his commitments more than once or twice, he lacks accountability,” says Miller. “Over time, employees who fit this profile will cause your market share to drop, especially if you operate in the fast-moving consumer goods space. Customers who didn’t receive what was promised will take their business elsewhere, or even worse, take to the Internet to spread the word about their bad experience. These are the employees bad Yelp reviews are made of, and their lack of accountability will sink your business.”

The feel-good tagline sputter. “We put the customer first.” “Your best interests are our best interests.” “We’ll go the extra mile for you.” Sure, these assurances sound good, but only if they are supported by your employees’ actions. Watch out for individuals who spout platitudes while leaving customers unsatisfied.

“Employees—and by extension, companies—who put their own convenience before their customers will see a rapid migration of their customers to other suppliers,” notes Bedford. “Remember, your company’s stated values and policies aren’t worth much if they don’t match up with your individual employees’ attitudes, priorities, and behaviors. Your organization is accountable to its customers, and it’s crucial for your people to take that obligation personally. That means standing behind the product and taking ownership of any problems that crop up, regardless of inconvenience.”

The expense account swindler. We all know people who have doctored expense account forms for personal gain. (Maybe you’ve done so yourself at one time or another.) These folks are masters at justifying why they spent the company’s money for expensive meals, room service, entertainment, upgraded rental cars, and more. Sure, some of those expenditures may have been aimed at wooing a prospective client, but come on…no one really believes that the only vehicle the rental agency had to offer was a fully loaded Cadillac Escalade!

In some organizations, expense account swindling is fairly isolated, while in others, it’s an unwritten part of the culture,” comments Miller. “Either way, this lack of financial accountability needs to stop now. Employees who don’t have a problem lying about their expenses are just as likely to lie about other things, and who knows what that could cost you.”

The thunder stealer. Chances are, you know exactly who this person (or people) is in your organization. Odds are also good that she isn’t popular. After all, nobody is fond of a coworker or leader who steals others’ ideas and presents them as her own! Sure, she might say, “Brilliant idea—great job!” to your face, but the next thing you know, she has incorporated that “brilliant idea” into her presentation to the board and claimed all the credit.

“This one really drives me crazy,” says Bedford. “It’s a clear accountability breach because the person in question is breaking the trust of her colleagues and representing herself dishonestly. If you don’t nip these behaviors in the bud, you’ll lose a lot of great employees who are sick and tired of working with their thunder-stealing colleagues, and you’ll damage your bottom line in the process. Employee turnover is a huge hidden cost of doing business.”

The “indispensable” tyrant. We’ve all had this boss, too. He (or she) is the person on whom the CEO relies to get the sales the company needs to meet its goals each quarter. Trouble is, he treats everyone like dirt in the process. Screams, yells, insults, even threats—no tyrannical tactic is out of bounds. The CEO may know (or at least suspect) that this leader is overly harsh, but lets his bad behavior slide because of the mistaken belief that he is “indis-

continued on page 26
The entrepreneurial life is rife with potential pitfalls. You can pour your heart and soul (and life savings) into a venture, do all your due diligence, toil 80- and 90-hour weeks, and just when you’re on the verge of a breakthrough, a dark horse competitor sweeps in and decimates your market share. Or a key vendor declares bankruptcy. Or a partner defects with your top client. Or a new law undermines your viability.

So yeah…a lot can go wrong. And that’s why Tom Panaggio says the least you can do is avoid the not-so-obvious mistakes that have derailed so many of your brethren. (So call it the “best odds” strategy for entrepreneurial success.)

“There are certain predictable mistakes that will derail a new company,” says Panaggio, author of “The Risk Advantage: Embracing the Entrepreneur’s Unexpected Edge.” “A lot of them have to do with misguided attempts to minimize risk. Others are based on misconceptions about how the business world works, what motivates customers, and so forth. And here’s the thing—many of them seem perfectly harmless, even smart, on the surface.

“Yet when evidence shows something is a mistake—a proven mistake—you must avoid it,” he adds. “Don’t assume that because it doesn’t feel like a mistake that it isn’t. And don’t believe that your case is somehow different or special. It isn’t.”

Along with several partners, Panaggio has built two thriving companies: Direct Mail Express (which now employs over 400 people) and Response Mail Express (which was eventually sold to an equity fund, Huron Capital Partners). He wrote The Risk Advantage to help entrepreneurs face the many situations, predicaments, and crises they’ll encounter during their lives and to help formulate their leadership style and business strategy.

In other words, he has seen and done enough to know what the big mistakes are—especially those that don’t seem like mistakes. Here he identifies a baker’s dozen of them:

**Playing it too safe in general.** Yes, risk is scary. But the truth is, unless you continually embrace risk, your business will never emerge from mediocrity. Panaggio insists that risk is the only thing that can give you the edge you need to distinguish yourself from the competition and reach your full potential…and that’s worth making a few mistakes along the way.

“Experience has taught me that some of the biggest mistakes you can make are the result of overly cautious decision making,” he shares. “You might think that you’re covering your bases, or taking the prudent path forward, but in reality you’re sabotaging yourself. Sometimes that sabotage might cost you “only” a customer or a sale…but over time, a few customers here and a few dollars there can lead to your closing your doors forever.

**Holding resources in reserve.** Putting it all on the line is a frightening prospect. That’s why most entrepreneurs (understandably) want to keep some cash in reserve for a rainy day. And yes, Panaggio acknowledges that giving up your hard-earned money is the ultimate risk. To pour your life savings into an entrepreneurial pursuit is like walking the tightrope without the benefit of a safety net. But even though the commitment is substantial, you need to find the courage to take that first step into the void.

“Likewise, don’t skim on the time and energy you pour into your business,” he advises. “They are even more precious than money and even more costly to waste. Never forget that a successful entrepreneur’s commitment is personal; it includes an investment of money, time, and loss of opportunity from forgoing other opportunities. The life of an entrepreneur is not glamorous; it can be stressful, and you probably won’t be as successful as you’d like if you try to hold back, hedge your bets, and settle for “good enough.” Unless you’re willing to go all in with all of your resources, you are placing limits on your fledgling business that could keep it from staying afloat.**

**Not allocating a marketing budget.** Yes, it’s hard to know what consumers think and what their day-to-day needs are, but a business void of a long-term and consistent marketing effort is doomed. Especially in a global economy that is becoming flatter and more competitive by the day, skipping on marketing is not the way to save money, because you’ll quickly find yourself out-publicized and out-advertised by the competition.

“At RME, we actually used marketing risk as a competitive edge,” Panaggio shares. “Anyone wanting to become a potential competitor had to be willing to match our marketing investment and commitment—just doing the bare minimum wouldn’t have been enough. As a result, competitors were forced to divert resources from other areas of their business to keep up with RME’s aggressive marketing strategy. And since most of our competitors weren’t willing to embrace the risk of marketing at our level, they were never able to seize our market share.

“I do want to acknowledge that accepting marketing risk also means recognizing that some degree of failure is both inherent and necessary to find your right path,” Panaggio adds. “At RME, we knew that our marketing message was going to be received by some who were not ready to buy. Therefore we committed to a consistent, ongoing strategy to ensure that our message got in front of prospects when they were ready to buy. You can’t accomplish this by sending a single message and hoping prospects individually remember you and then respond months later.”

**Keeping it all business, all the time.** Many protective business owners live by the mantra “It’s not personal; it’s business” because they assume that customers have unreasonable expectations, or that their demands will increase once you open the door of a relationship. After all, what if you start talking to them and they start wanting better pricing, extended credit, or other special considerations? That might happen with a few individuals, Panaggio acknowledges, but for the most part “getting personal” is actually one of the most effective ways to earn your customers’ long-term loyalty.

“Two small business owner who has a small number of customers, losing just one customer...continued on page 14
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Five Most Active Stocks

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Why Smart Employers Care About Work/Life Balance—and How to Help Your People Find It

If you assume that creating a healthy work/life balance is your employees’ responsibility, Dr. Carmella Sebastian would like to encourage you to reconsider that position. When you take steps to help your people separate their personal and professional lives and reduce their overall stress, she says, everyone wins—including your company’s bottom line.

The line between “work” and “personal life” has become really (really!) blurred for most American workers. Thanks to evolving technology and an unforgiving economy, we’re under constant pressure to perform. The result? Even when we’re not at our desks, we’re tethered to our devices. While we’re helping kids with homework, we’re also thinking about how to fine-tune that proposal, and while we’re watching TV, we’re checking our email. And when we’re on vacation—wait, what is a vacation again?

You might assume most employers would love this scenario—don’t bosses want their employees to be “on” 24/7? Not at all, says Dr. Carmella Sebastian (aka Dr. Carm or “The Wellness Whisperer”). Counterintuitive as it may seem, smart leaders know that when people have a healthy work/life balance they are better employees, period. And the smartest employers don’t just pay lip service to this idea; they actually take steps to make it happen.

“As an employer, you’re in the best position to help employees turn the chaos in their lives into balance,” says Dr. Carm, a WELCOA (Wellness Council of America)-certified expert in workplace wellness. At Florida Blue, she oversees the National Committee for Quality Assurance-accredited wellness program “Better You from Blue” and manages over 100 client consultations per year.

“You’re the one who will benefit from their increased productivity—and frankly, you may be the main reason their lives are out of balance in the first place.”

Very few employers overtly discourage vacations, “mental health days,” and sane work schedules, Dr. Carm admits. But still, it’s also true that few take the initiative to make sure that their people are maintaining a healthy balance. (In fact, the OECD Better Life Index, released yearly, concludes that the U.S. ranks 28th among advanced nations in the category of “work-life balance,” ninth from the bottom.) That’s not too surprising; after all, going out on a limb and encouraging your people to (gulp) stop working so hard is pretty scary!

“When you take that risk, though, you’ll find that helping with work/life balance attracts better talent and increases productivity, loyalty, and engagement,” she states. “But I want to stress that employers have to be the ones to get the ball rolling—employees might be afraid to ask for and initiate these changes themselves because they don’t want to be labeled lazy or uncommitted. High performers in particular have to be ‘forced’ to take time, whether it’s to care for themselves or even to adjust to a stressful life event.”

Here, Dr. Carm shares 11 win-win strategies to help your employees separate their work lives from their personal lives and enhance both in the process:

**First, walk the walk yourself.** If you’re serious about helping your employees achieve a healthier work/life balance, you have to be willing to set the example. This isn’t negotiable.

“If you want your people to unplug from their devices, take time for themselves, de-stress, and more, you can’t be sending them emails at 10 p.m., frantically making requests of others on their way out the door, and constantly calling in while you’re on vacation,” says Dr. Carm. “They’ll follow your lead, not your suggestions. And have you ever considered that maybe improving your own work/life balance might make you a better leader?”

**Encourage employees to take those unused vacation days.** According to Expedia’s 2013 Vacation Deprivation study, on average, Americans were given 14 vacation days but used only 10 of them. (That’s twice as many unused vacation days as the previous year.) And let’s not forget—this is paid time off we’re talking about. So why do employees leave those four—or sometimes more—days on the table? In some cases, they’re too busy. In others, they may feel that company culture discourages “too much” absence, or they may want to prove themselves indispensable. And, of course, some people are workaholics or simply forget to plan.

“As an employer, let your people know that it’s okay—and even encouraged—to take the full amount of vacation,” advises Dr. Carm. “Tell them explicitly that you believe rest, relaxation, and outside adventures make them better workers. To put your money where your mouth is, you may even want to build ‘extra’ vacation days that aren’t calendar holidays into your schedule. Either the whole company could close, or different departments could rotate having three-day weekends, for instance. You’ll be surprised by the effect this has on morale and productivity. “Keep an especially close eye on your high performers and workaholics,” she adds. “You know who they are. If you see a particular employee exhibiting signs of stress or burnout after burning the midnight oil on a tough project, step in and suggest taking a few days off. Even if they don’t realize it themselves, these folks may need your freely offered permission in order to unclench.”

**Specify that the beach is not a sandy office.** No, you may not go as far as France, which recently passed a law specifying that workers in the digital and consulting industries must avoid email and switch off work phones before 9 a.m. and after 6 p.m. But it’s still a good idea to encourage your people to back away from their devices when they’re not at work. Fair warning: This might be an uphill battle. According to Expedia, 67 percent of Americans stay connected to the office (checking voicemail and email) while on vacation.

“Tell your people to enjoy their evenings, weekends, and especially vacations,” she says. “You can use many of the tactics I share to ensure that as much work as possible is completed within the workday, and you can help individuals work ahead prior to taking vacation days. But as I’ve already mentioned, unplugging is a part of your organization’s culture that will need to start at the top. If you don’t practice what you preach, you can’t ask your employees for feeling that they, too, need to stay connected outside of work hours.”

**Teach time management.** Often, employees remain tethered to their devices at all hours, whether they work remotely or are on-site. Help them establish a work routine that includes time away from their devices. And be sure to encourage them to unplug completely when they’re on vacation.

“With the right kind of training, employees can learn to step away from their work when they need to, and they will,” she says. “It’s a matter of mutual respect.”

**Encourage employees to look at work with a bird’s-eye view.**提醒 your people to put their work in perspective. Ask them to think about how they’re spending their time and what might be a better use of it. And if they’re struggling to find time, encourage them to set aside a specific time each day for work and learn to shift priorities.

**Teach employees to be aware of and manage their own stress.** While you can help your employees find ways to reduce their stress, you can’t make it disappear. Instead, teach them how to identify the signs of stress—and what steps they can take to deal with it. This might include relaxation techniques, time management, or even seeking professional help.

“Helping your employees manage their stress is as important as helping them find time for themselves,” she says. “And it’s not just about the individual employee; it’s about the employee, the organization, and the bottom line.”

**Encourage employees to build relationships.** It’s important to foster a sense of community among your employees. And while it’s tempting to focus on the technical skills your employees need to do their jobs, it’s just as important to help them develop soft skills like teamwork and collaboration.

“Building strong relationships is key to a successful work/life balance,” she says. “When you focus on both, you’ll see the best results.”

**Encourage employees to seek out opportunities to learn and grow.** While it’s important to help your employees find time for themselves, it’s also important to help them find time to learn and grow. This might include attending conferences, taking classes, or even just reading books or articles related to their field.

“Learning is an ongoing process, and it’s important for your employees to keep on learning,” she says. “And the more they learn, the more they’ll be able to contribute to your organization.”

**Teach employees to set boundaries.** While it’s important to help your employees find time for themselves, it’s also important to help them set boundaries. This might include setting limits on the number of hours they work, or setting aside specific times each day for work and personal time.

“Setting boundaries is key to a successful work/life balance,” she says. “And it’s not just about the individual employee; it’s about the employee, the organization, and the bottom line.”

**Encourage employees to take time off.** Finally, encourage your employees to take time off. This might include short breaks during the day, or longer breaks during the week or month.

“Taking time off is key to a successful work/life balance,” she says. “And it’s not just about the individual employee; it’s about the employee, the organization, and the bottom line.”
MARKET COMMENTARY

Things That Matter and Things That Don’t

By William J “Bill” Cortus, CFP®, Thrivent Financial

One of the challenges for investors is deciding which developments are important to the financial markets and which are not. Let us take a closer look at three issues in the news lately – the crisis in the Ukraine, U.S. monetary policy, and leading economic indicators – to see which really matter to the investment outlook and why.

Russia and the West

I wrote last month that the Russian-engineered conflict in Ukraine was of little economic or market importance. That continues to be my view. Nevertheless, I thought I might add a little more insight, and note where Russia’s obstruction of Western interests actually could be significant.

Russia’s leaders view the collapse of the Soviet Union as a catastrophe for which the West, and particularly the United States, is to blame. In economic terms the collapse really was devastating for the Soviet Union, as Russia and the former Soviet states suffered severe economic decline for a decade afterward. It is only in recent years that they have begun to make progress in rebuilding their economies.

In geopolitical terms, Russia views itself as a counterbalance to the U.S., and believes that it has “privileged interests” in areas of the former Soviet Union. This explains its behavior toward Ukraine, whose Eastern half is home to a heavy concentration of Russian speakers who wish to maintain economic ties to Russia. The western half of the country leans toward joining the European Union, however, which suggests that civil unrest within Ukraine is likely to continue.

While Ukraine has little economic significance, there are areas and issues where Russia could, and perhaps likely will, obstruct Western interests. The most significant in the near-term is Iran and its nuclear program. Iran is important not only because of the threat of nuclear proliferation, but also because of its potential to block the Strait of Hormuz, through which about half of OPEC oil passes. If Iran, with tacit Russian support, were to block that body of water, the resulting energy shocks could affect global economics and markets.

U.S. Monetary Policy

Back in the U.S., investors have been carefully watching for any sign of change in Federal Reserve monetary policy since February, when Janet Yellen took over for Ben Bernanke as Fed chair. Fed policy...
## Hospitals Serving the Inland Empire

### continued on page 17

<table>
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<th>Hospital Address</th>
<th># of Lic. Beds</th>
<th>Total Staff # of R.N.s</th>
<th>Current Operating Budget</th>
<th>Specialties</th>
<th>Owner</th>
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<td>939</td>
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<td>International Heart Institute, Cancer Treatment Institute, Over 300 Other Specialties</td>
<td>Loma Linda University Adventist Health Sciences Center, Non-Profit</td>
<td>Ruthita J. Fike CEO/Administrator (909) 534-6000/534-0108 <a href="http://www.lomalindahealth.org">www.lomalindahealth.org</a></td>
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<td>St. Bernardine Medical Center</td>
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<td>1,425 400 562</td>
<td>$217 million</td>
<td>Full Service Regional Medical Center</td>
<td>Catholic Healthcare West</td>
<td>Steven R. Barron President (909) 845-6981-7902 <a href="http://www.catholichealthwest.com">www.catholichealthwest.com</a></td>
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<td>Pomona Valley Hospital Medical Center</td>
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<td>N/A</td>
<td>Cancer Treatment, Cardiac &amp; Intensive Care</td>
<td>Community BOD</td>
<td>Richard E. Vochten President (909) 865-9300/865-9796 <a href="http://www.pomahospital.org">www.pomahospital.org</a></td>
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<td>Kaiser Permanente Medical Center</td>
<td>444</td>
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<td>Kaiser Permanente</td>
<td>Greg Christian Executive Director (909) 427-7714/427-7193</td>
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<td>Desert Regional Medical Center</td>
<td>384</td>
<td>1,300 250 450</td>
<td>$178 million</td>
<td>Geriatrics, Rehabilitation, Oncology, Women &amp; Infants, Trauma/Emergency, Inpatient Surgery, Heart Services, Home Health/Hospice</td>
<td>Desert Hospital Dist., Tenet Healthcare</td>
<td>Karolee Sowle CEO (760) 323-6511/323-6480</td>
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<td>Arrowhead Regional Medical Center</td>
<td>373</td>
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<td>Family Medicine, Outpatient/Inpatient Care, Maternity, Neonatal, Burn, Kidney Transplant, Cancer, Cardiac, Orthopedics, Emergency, Trauma</td>
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<td>Neurosurgery, Child Abuse, Orthopedics, Surgery, Family, Obstetrics, Level II Adult &amp; Pediatric Trauma Units</td>
<td>County of Riverside</td>
<td>Douglas Bagley CEO (951) 486-4706-4675 <a href="http://www.ccrcmc.org">www.ccrcmc.org</a></td>
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<td>Riverside Community Hospital</td>
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<td>HeartCare, 24-hr. ER/Thuma, Inpatient/Outpatient Surgery, Intensive Care, Cardiac, Orthopedics, Emergency, Trauma</td>
<td>BCA</td>
<td>Patrick Brilliant CEO (951) 760-3000/768-3944 <a href="http://www.rcbc.org">www.rcbc.org</a></td>
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<td>Community Hospital of San Bernardino</td>
<td>321</td>
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<td>Catholic Healthcare West</td>
<td>Diane Nitta VP of Operations (909) 887-6331/867-6468 <a href="http://www.chwest.org">www.chwest.org</a></td>
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<td>Eisenhower Medical Center</td>
<td>289</td>
<td>2,218 426 643</td>
<td>N/A</td>
<td>Emergency, Cardiology, Orthopedics, Lucy Lee Care Cancer, Diabetes, Parkinson’s, Alcohol and Drug Treatment</td>
<td>Community-Based Non-Profit</td>
<td>G. Abrey Serfing President/CEO (760) 340-3011/773-1425 <a href="http://www.eimc.org">www.eimc.org</a></td>
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<td>San Antonio Community Hospital</td>
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<td>Independent Non-Profit</td>
<td>Vincent Loes CEO (909) 985-2011/985-3697 <a href="http://www.san.org">www.san.org</a></td>
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<td>Hemet Valley Medical Center</td>
<td>244</td>
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<td>Emergency Department, Cancer, Treatment, Maternity &amp; Women’s Services, Cardiac Care, Outpatient Lab</td>
<td>Valley Health Systems</td>
<td>Joel Burgerfeld CEO (951) 652-2811/653-4115 <a href="http://www.valleyhealthsystem.com">www.valleyhealthsystem.com</a></td>
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<td>LLI Children’s Hospital</td>
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<td>372 107 287</td>
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<td>Loma Linda University Adventist Health Sciences Center</td>
<td>Ruthita J. Fike CEO (909) 534-6000/534-0108 <a href="http://www.lomalindahealth.org">www.lomalindahealth.org</a></td>
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<tr>
<td>Corona Regional Medical Center</td>
<td>228</td>
<td>921 808 227</td>
<td>N/A</td>
<td>Full Service Medical Center/Rehabilitation Hospital, Behavioral Health, Comprehensive Cancer Center</td>
<td>Vista Hospital Systems, Inc.</td>
<td>Kevan Motaht CEO (951) 736-6240/736-6310 <a href="http://www.coronaregional.org">www.coronaregional.org</a></td>
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<td>Kaiser Foundation Hospital</td>
<td>215</td>
<td>3,600 400 635</td>
<td>N/A</td>
<td>Full Service Medical Care</td>
<td>Kaiser Foundation Hospitals</td>
<td>Vita Witt M Executive Director (951) 353-4000/353-4611 <a href="http://www.kf.org">www.kf.org</a></td>
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<td>Redlands Community Hospital</td>
<td>206</td>
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<td>N/A</td>
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<td>Community Non-Profit</td>
<td>James R. Holmes President/CEO (909) 353-5000/353-6497 <a href="http://www.redlandscommunityhospital.org">www.redlandscommunityhospital.org</a></td>
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<tr>
<td>Parkview Community Hospital</td>
<td>193</td>
<td>889 426 264</td>
<td>N/A</td>
<td>Inf/Out Surgery, Imaging, Bariatric Intensive Care, Cater Cancer, Cardiac Care, Level II, Occupational, Sweet Success, Emergency Care, Acute Care Hospital</td>
<td>Arrowhead Health Services Corp.</td>
<td>Non-Profit</td>
<td>Douglas Drumwright CEO (951) 353-5000/354-5427 <a href="http://www.pchmc.org">www.pchmc.org</a></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 91729-1979. Copyright 2014 by IEB.
Early on Merrill kept her day job for many years to pay the bills, and worked her business at night. For nearly 15 years her company grew very slowly. Starting in 2007, Merrill, over a two-year span took several major steps that collectively propelled her business forward.

First, she began to work full-time in her business and earned her Class ‘A’ General Contractors license. Second, she applied to participate in the U.S. Small Business Administration’s 8(a) Business Development Program. Third, she began strategically growing her firm’s bonding capacity with the SBA’s Surety bond Guarantee Program.

Merrill employed 42 contractors last year, and has a year-round workforce of 26 people. She has secured many contracting opportunities for national parks like the Grand Canyon and Yellowstone which has massively grown her business. She has grown revenue from $1.8 million in 2007 to $13.8 million in 2013.

Merrill attributes her success to the many talented people who are part of the Merrill, Inc. team. She knows first-hand that the SBA’s programs create real opportunities for small businesses. The success she has enjoyed allows her to create jobs and provide subcontracting opportunities along with giving back to the community.

NATIONAL SMALL BUSINESS WEEK

The National Small Business Persons of the Year and runners-up were selected from among the winners in 50 states, the District of Columbia, Puerto Rico and Guam.

Every year since 1963, the U.S. Small Business Administration takes the opportunity to highlight through National Small Business Week the impact of entrepreneurs, small business owners, and others from all 50 states and U.S. territories. This year’s events were held from May 12-16, in San Francisco, Kansas City, Boston and Washington, D.C., offering tips, tools and training for small businesses to start, succeed and grow.
by Bernanke as economic fundamentals have unfolded about as expected. Although the unemployment rate has continued to trend lower – it stood at 6.7% in March – the labor market remains weak-er than that number would suggest. Meanwhile, inflation has remained below the Fed’s target of 2%. All this has tempered concerns that the Fed may need to raise interest rates anytime soon.

Yellen did provide one new policy insight recently when she revealed in a speech that many members of the Fed’s Federal Open Market Committee believed that the full-employment rate of unemploy-ment – essentially, an acceptable rate of unemployment at which those who are not working are just temporarily between jobs – is now between 5.2% and 5.6%. You may recall Bernanke had previously targeted 6.5% as a full-employment milestone. If unemployment continues on the downward trend line established over the last few years, it will reach 5.6% in late 2015. Against this backdrop, data released by the FOMC show that its members do not expect it will be appropri-ate to increase short-term interest rates this year. Their median expectation is for short-term rates of 1% in 2015 and 2% in 2016, lev-els that are just a smidge higher than their median expectations when polled last November. There is no change to their expectation of 4% short-term rates in the longer run.

A key concern for Fed watchers is how the Fed’s so-called “taper-ing” program will play out, and whether the Fed will accelerate or decelerate that process. Tapering refers to the Fed’s phasing out of its securities-purchase or “quantitative easing” program, which it has been using to inject liquidity, or money, into the financial system and hence promote economic growth. I expect the Fed will continue to wind it down, completing the process by year-end. The bigger ques-tion is when and how it will unwind the massive holdings it has accu-mulated. Although the Fed has pumped huge amounts of money into the financial system through its security purchases, a very large per-centage of that money has been deposited right back with the Fed, where it now counts as excess reserves on the Fed’s balance sheet. The risk is that if banks reclaim those reserves to boost their lending activities too quickly, the rush of reserves back into the financial sys-tem could ignite inflation. Exhibit 4 shows the growth in the Fed’s balance sheet since 2008 and how much smaller it would be without those excess reserves.

Some investors also are concerned that the Fed will drive up intermediate- and long-term interest rates if, in its bid to withdraw liquidity from the financial system, it sells off its securities portfolio too quickly. The Fed actually has a variety of ways to drain liquidity while minimizing the impact on longer-term rates. One is by using the repurchase agreement or “repo” market, a large and well-devel-oped part of the short-term money market that is used primarily by money market funds and other institutional investors. A “repo” is basically a short-term investment collateralized with securities; it allows institutional investors to invest their cash for short periods of time with little risk. The Fed is prepared to take the other side of those trades, using its securities as collateral to borrow money which it will just hold. That will take liquidity out of the short end of the credit markets rather than the intermediate or long sectors.

**Leading Indicators**

The Leading Economic Indices reported by The Conference Board are important indicators of economic health around the globe. In the U.S., the U.K., Europe and China they have been rising. In Japan they have shown some weakness. In the U.S., the LEI rose sharply in March for a second consecutive month, marking the third consecutive monthly gain overall. “After a winter pause, the leading indicators are gaining momentum and economic growth is gaining traction,” Conference Board economists reported. “And, for the first time in many months, the consumer outlook is much less negative. The March increase in the LEI suggests accelerated growth for the remainder of the spring and the...”
13 of the...
continued from pg. 7
tomer has a significant impact on organizational health,” he explains. “If you lose a customer due to price or other circumstances beyond your control, then fine. However, losing a customer because they felt unappreciated or underserved is excusable; it indicates serious flaws in your internal business processes. The easiest way to avoid customer churn is by continuously reaching out and communicating; in other words, making customers feel like more than a number. The best news is, getting personal doesn’t have to be time consuming or expensive. A short thank-you note after a customer places an order, or sending birthday or holiday cards, can go a long way.”

Refusing to hire people who are smarter than you. Of course I shouldn’t hire people who are smarter than me, you might think. That would undermine my authority and make me seem redundant in my own organization, where I’m supposed to be the boss! Not so, says Panaggio. Yes, an employee might know more than you about a particular aspect of your business, but that doesn’t mean she and the rest of the team won’t respect you as a leader (as long as you earn their respect, that is!).

“The best advice I got when I became the CEO of RME was to hire people who were better and smarter than I was,” Panaggio shares. “At first I thought it was a condescending suggestion, but the more I thought about it, the more sense it made. Just like in sports, your ability to win depends on surrounding yourself with a solid, capable team who can perform without your constant oversight. By spreading the workload among team members who, yes, might be smarter or more accomplished than you in some areas, you can maximize strengths, reduce weakness, and minimize stress. So stop worrying about your ego and look for people whose talent and expertise complement your passion and goals.”

Being cheap about the wrong things. As a small business owner, of course you’re going to try to cut costs and stretch the budget wherever possible. And for each dollar you save, you (justifiably!) pat yourself on the back. But according to Panaggio, if you get too carried away with saving money, you might end up losing opportunities and customers. To put it another way: You can’t save your way to greatness.

“I’m not saying you should waste money or go into more debt than necessary; I’m just warning you not to be cheap about the wrong things,” he clarifies. “When you’re mulling over how much money to spend, think about how your decision might affect the customer. For instance, it’s fine to fly economy and stay in a budget hotel on a business trip, but don’t take the client you’re meeting out to a cheap chain restaurant. Likewise, you can furnish your back office with the bare minimum, but make sure your retail space is attractive and comfortable.

“In particular, don’t be cheap with your people,” he specifies. “What I mean is, be willing to pay for top talent, and don’t skimp on training. Never forget that your employees—especially those on the front lines with customers—can make or break your business, so investing in their development is always the right decision.”

Treating technology as a magic bullet. In so many ways, technology has made it easier to connect with customers. Used wisely, it can draw in potential buyers, cement the loyalty of existing customers, facilitate referrals, answer questions, and solve problems. So it’s understandable that many business owners automatically assume that more technology is always better. But if you’re not careful, technology can also be used as a barrier that keeps customers at arm’s length. Or, on the opposite end of the spectrum, it indicates serious flaws in your internal business processes. The easiest way to avoid customer churn is by continuously reaching out and communicating; in other words, making customers feel like more than a number. The best news is, getting personal doesn’t have to be time consuming or expensive. A short thank-you note after a customer places an order, or sending birthday or holiday cards, can go a long way.”

“Treating technology as a magic bullet. In so many ways, technology has made it easier to connect with customers. Used wisely, it can draw in potential buyers, cement the loyalty of existing customers, facilitate referrals, answer questions, and solve problems. So it’s understandable that many business owners automatically assume that more technology is always better. But if you’re not careful, technology can also be used as a barrier that keeps customers at arm’s length. Or, on the opposite end of the spectrum, it indicates serious flaws in your internal business processes. The easiest way to avoid customer churn is by continuously reaching out and communicating; in other words, making customers feel like more than a number. The best news is, getting personal doesn’t have to be time consuming or expensive. A short thank-you note after a customer places an order, or sending birthday or holiday cards, can go a long way.”

Refusing to “try, try again.” It’s a fair bet that at some point in time, you’ve employed a business tactic that just didn’t work. Maybe you allocated a large part of your budget to producing a television commercial, for instance, but barely noticed any increase in your business. Or maybe you offered an online deal to new customers, only to realize that the discount you advertised was a little too generous and wouldn’t allow you to make any profits. So now, if you’re like many business owners, you’ve vowed never to try again.

“Business is far from certain, and sometimes even the best ideas don’t have the desired results—but that doesn’t mean they don’t have merit,” Panaggio says. “Just because you weren’t able to break into a new market the first time around doesn’t mean that you’ll never attract those new cus-

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RESTAURANT REVIEW

The Best Dining in OUR Area
By Bill Anthony

One important asset of an area is its offering of dining. Here are some of the best in our area:

**SUNDAY BRUNCH**
- JW Marriott Desert Springs Resort & Spa in Palm Desert
- Taps Fish House & Brewery in Brea and Corona
- Orange Hill Restaurant in Orange

**ENTREES**
- Le Vallaurs Restaurant in Palm Springs
- Pomme Frite (French and Belgian cuisine) in Palm Springs
- Europa Restaurant at Villa Royale Inn in Palm Springs

**STEAKS**
- The Sycamore Inn in Rancho Cucamonga
- Flemings (various locations)
- Porter’s Prime Steak House in DoubleTree Hotel in Rancho Cucamonga
- The Magic Lamp Inn in Rancho Cucamonga
- Cask ’n Cleaver Steakhouse in Riverside

**BREAKFAST**
- The Original Pancake House (various locations)
- Embassy Suite Hotels
- Tack Room Tavern in Empire Polo Club in Indio
- Corky’s Homestyle Kitchen & Bakery in Rancho Cucamonga

**MID-PRICED EATERIES**
- Ken’s Japanese Restaurant in Rancho Cucamonga
- Le Rendez-Vous Restaurant in San Bernardino
- BJ’s Restaurant & Brewhouse in Rancho Cucamonga
- Market Broiler in Riverside and Ontario

Bon Appetit!

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**FINANCIAL NEWS & TALK**

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**Timothy Rutland Named Executive Director of Sales and Marketing at La Quinta Resort & Club and PGA WEST, A Waldorf Astoria Resort**

La Quinta Resort & Club and PGA WEST, a Waldorf Astoria Resort announced the appointment of Timothy Rutland as executive director of sales and marketing. Rutland will be responsible for repositioning La Quinta Resort & Club following a multi-million dollar renovation set for completion in late 2014, early 2015. He will also drive all aspects of group and leisure sales, events/catering and key branding and marketing initiatives for the renowned desert resort featuring 620 guest casitas and suites and 98 one-, two- and three-bedroom villas, Spa La Quinta®, three restaurants, 23 tennis courts and famed PGA WEST which includes five award-winning public golf courses.

A veteran of the hospitality industry with nearly 25 years’ experience, Rutland previously served as director of sales and marketing at the coveted Stein Erikson Lodge Deer Valley—Utah’s only Forbes 5-Star/AAA 5-Diamond property—in addition to management of three additional portfolio properties, the Chateaux Deer Valley, The Chateaux Residences and Stein Eriksen Residences. During his continued on page 32

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Things That... continued from pg. 13

My views on economic growth have not changed. I continue to expect growth in the U.S. to be near 2% this year, about equal to the average of the last few years. I expect growth in Europe and the U.K. to continue to improve to 1% to 2%, following the shallow but extended recession in Europe and barely more than 0% growth in the U.K. over the last couple of years. I remain very skeptical of Japan's future economic growth, despite that country's newly aggressive monetary and fiscal policies, due to extreme demographic headwinds and massive government debt.

China is harder to peg. While data from China are always suspect, what we have indicates an improving outlook. Near-term growth appears to have risen to an 8.5% annual pace from 7% just a month or so ago. Still, we must take all economic information about China with a grain of salt.

The Bottom Line

As I wrote last month, almost nothing has changed in the outlook for monetary policy or economic growth. We expect the Fed to continue the slow winding down of its securities purchases. We anticipate modest economic growth in the U.S. and most other significant economies. In the financial markets, it is increasingly difficult to find any asset classes that seem like bargains, as valuations seem pretty full. The price/earnings ratio on the S&P 500 stock index remains about 17x, for example, which while not extreme does lean to the full side. Still, corporate earnings have continued to advance even as sales increases have been modest. With about half of earnings reports in, profits for the S&P 500 companies were up 6.1% in the first quarter on sales growth of 3.9%. Excluding financial companies, earnings were up 6.4% on sales growth of 5.0%.

We continue to prefer stocks of large companies with global businesses over shares of small and mid-sized companies, and stocks of large European companies over their domestic counterparts. Shares of small and mid-sized domestic companies have outperformed shares of large companies over the last couple of years, but their valuations now seem high relative to those of large-company shares. We expect stocks of large European companies to perform relatively well as Europe recovers from its recent shallow but prolonged recession, with higher dividend rates on European stocks acting as a small tailwind to performance.

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About Thrivent Financial

Thrivent Financial is a Christian, Fortune 500 financial services membership organization helping its nearly 2.5 million members to be wise with money and to live generous lives. Thrivent Financial and its affiliates offer a broad range of financial products and services. As a not-for-profit organization, Thrivent Financial joins with its members to create and support national outreach programs and activities that help congregations, schools, charitable organizations and individuals in need. For more information, visit Thrivent.com. Also, you can find us on Facebook and Twitter.

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For additional important disclosure information, please visit Thrivent.com/disclosures. Thrivent Financial is the marketing name of Thrivent Financial for Lutherans, Appleton, Wis. For additional important disclosure information, please visit Thrivent.com/disclosures.

Real Estate... continued from pg. 5

The seller, Rincon Holdings Inc., was repped by CBRE. “The buyer saw this as a value-add opportunity as the property was 51% occupied at the close of escrow,” comments Vittone. “The property already has an 8k-square-foot lease pending that was negotiated by the buyer during escrow. With the local office market showing signs of improvement, this acquisition was strategic and well-timed.”

“The buyer is a well-known investor, and we saw this as a value-add opportunity as the property was 51% occupied at the close of escrow,” comments Vittone. “The property already has an 8k-square-foot lease pending that was negotiated by the buyer during escrow. With the local office market showing signs of improvement, this acquisition was strategic and well-timed.”

“From the second quarter of 2011 to the end of the first quarter of 2014, the Inland Empire office market has recorded nearly 2 million square feet of positive absorption,” adds Vittone. “With decreasing available space and few new deliveries, I believe the market will continue to stabilize, and rents should maintain their moderate-but-steady increase.”

THE MAGELLAN GROUP BUSY WITH A NUMBER OF SOCAL DEALS

SoCal-based The Magellan Group has been very active of late, with recent news to report from Duarte, Riverside and Baldwin Park. The developments/sales have a combined value of over $21 million.

In Duarte, the company will begin construction in May to convert a building that once served as the location where the Tournament of Roses built parade floats. The $10.6 million project will contain 728 storage units in a 79.7k-square-foot facility upon completion in April 2015. The new storage facility is located at the intersection of Buena Vista and Duarte Road, and will be managed by Magellan Storage.

The Magellan Group has also purchased a 14-acre site in Riverside for $6.5 million. The property is located at 1869-2069 Massachusetts Avenue, near the intersection of the 91 and 60 Freeways. The site is currently improved with a manufacturing building and yard area, both of which are leased. Magellan plans to redevelop the property with new industrial space as these leases expire over the next five years. Gary Sache and Pat Scruggs at CBRE represented the company in the transaction. And in Baldwin Park, Magellan paid $4 million for a 48-acre site at 5115 Azusa Canyon. The property includes 81 acre-feet of water that was negotiated by the buyer during escrow. With the local office market showing signs of improvement, this acquisition was strategic and well-timed.”

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### Hospitals Serving The Inland Empire

<table>
<thead>
<tr>
<th>Hospital Address</th>
<th># of Lic. Beds</th>
<th>Total Staff # of RNs</th>
<th>Current Operating Budget</th>
<th>Specialties</th>
<th>Owner</th>
<th>Top Local Executive Title</th>
<th>Phone/Fax</th>
<th>E-Mail Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. Mary Medical Center 18</td>
<td>18300 Highway 18 Apple Valley, CA 92307</td>
<td>186</td>
<td>1,450</td>
<td>N/A</td>
<td>General Acute Care, CT Scan, Cath. Lab, Open Heart, Neonatal IC, Transitional Care, MRI, 24-Hour Emergency</td>
<td>Alan Garrett</td>
<td>President/CEO</td>
<td>(760) 242-3131/24-2994</td>
</tr>
<tr>
<td>Hi-Desert Medical Center 19</td>
<td>6601 White, Feather Rd. Joshua Tree, CA 92252</td>
<td>179</td>
<td>485</td>
<td>98</td>
<td>$12 million/Medical, Surgery, ICU, SRF, Subacute, Home Care, Hospice 24-hr. ER, Outpatient Surgery, Imaging, Health Care District Lab, Rehab, Behavior Health, Rehab, CISP</td>
<td>Lionel Chadwick</td>
<td>CEO</td>
<td>(760) 366-6206/366-6251</td>
</tr>
<tr>
<td>J.F.K. Memorial Hospital 20</td>
<td>47-111 Monroe St. Indio, CA 92201</td>
<td>145</td>
<td>650</td>
<td>N/A</td>
<td>Surgery, Orthopedics, OB/GYN, Gastro, Oncology, Pediatrics, Internal Medicine, Neurosurgery, Urology, 24-Hr. ER, Cardio &amp; Vascular Cath. Lab, Outpatient, Prenatal, SCS, ICU</td>
<td>Dan Bowers</td>
<td>CEO</td>
<td>(760) 775-8011/775-8014</td>
</tr>
<tr>
<td>Chino Valley Medical Center 21</td>
<td>5415 Walnut Ave. Chino, CA 91710</td>
<td>126</td>
<td>560</td>
<td>280</td>
<td>24-Hr. ER, Same-Day Surg., ICU, Transitional Care, Chest Pain Ctr., Inpatient Care, The Birth Place, Pediatrics, Acute Care</td>
<td>Prime Healthcare Services Inc.</td>
<td>Dr. James M. Lally</td>
<td>President/CEO</td>
</tr>
<tr>
<td>Canyon Ridge Hospital 23</td>
<td>3535 G St. Chino, CA 91710</td>
<td>106</td>
<td>170</td>
<td>N/A</td>
<td>Behavioral Health, Alcohol/Drug, Acute Care, Outpatient Programs, 24-Hr.</td>
<td>Psychiatric Solutions, Inc.</td>
<td>Jeff McDonald</td>
<td>CEO</td>
</tr>
<tr>
<td>Montclair Hospital Medical Center 24</td>
<td>5000 San Bernardino St. Montclair, CA 91763</td>
<td>102</td>
<td>475</td>
<td>300+</td>
<td>145</td>
<td>24-hr. ER, Family Centered Birth Program, OB/GYN, Pediatrics, Outpatient Surgery, Medical/Surgical, ICU/CCU, CT Scan, MRI, Cardio, Pulmonary, Cardiology, Interventional Radiology, Urology</td>
<td>Gregory Brunato</td>
<td>CEO</td>
</tr>
<tr>
<td>Moreno Valley Community Hospital 25</td>
<td>27300 Iris Ave. Moreno Valley, CA 92555</td>
<td>101</td>
<td>356</td>
<td>104</td>
<td>N/A</td>
<td>Spine Center, OB Services, ER Acute Care Facility, Outpatient Diagnostic Services</td>
<td>Kaiser Foundation Hospitals</td>
<td>Vita Willett</td>
</tr>
<tr>
<td>Rancho Springs Medical Center 26</td>
<td>25500 Medical Center Dr. Murrieta, CA 92562</td>
<td>99</td>
<td>500</td>
<td>250</td>
<td>WND 24-Hour Emergency, Acute Care, ICU Infusion Therapy, Inpatient &amp; Outpatient Surgery, Maternity Care, Imaging Treatment, Total Joint Replacement Program, Community Education, Breast Care Center, Outpatient Services</td>
<td>San Diego Hospital Association</td>
<td>Ken Rivers</td>
<td>CEO</td>
</tr>
<tr>
<td>Kindred Hospital 28</td>
<td>550 N. Monterey Ave. Ontario, CA 91764</td>
<td>91</td>
<td>310</td>
<td>275</td>
<td>70</td>
<td>N/A</td>
<td>Acute Care-Long Term, Intensive Care, Cardiac, Respiratory, Rehabilitation Services</td>
<td>Kindred Health Care Corp.</td>
</tr>
<tr>
<td>Desert Valley Hospital 29</td>
<td>18950 Bear Valley Rd. Victorville, CA 92395</td>
<td>83</td>
<td>780</td>
<td>201</td>
<td>117</td>
<td>$347 Million OB, Imaging, Med./Surg., Electromy., ICU, Lab., ER, Step-Down Unit, Outpatient Surgery, Diagnostic Catheterization Lab, Birth Place</td>
<td>Prime Care Services</td>
<td>Margaret Peterson, PhD</td>
</tr>
<tr>
<td>Robert H. Ballard Rehabilitation Hospital 30</td>
<td>1760 W. 16th St. San Bernardino, CA 92411</td>
<td>76</td>
<td>143</td>
<td>65</td>
<td>Physical Acute Rehabilitation, Industrial Medicine, Pain Management, Pulmonary Rehabilitation</td>
<td>Prime Healthcare Group</td>
<td>Sun Healthcare</td>
<td>Edward Palmaceda</td>
</tr>
<tr>
<td>Barstow Community Hospital 31</td>
<td>357 S. Seventh St. Barstow, CA 92411</td>
<td>56</td>
<td>255</td>
<td>76</td>
<td>120</td>
<td>WND Inpatient &amp; Outpatient Services, OB/GYN, CCU, 24-hr. Emergency Dept, Anesthesiology, Cardiology, Family Practice, Gastroenterology, Cardiology, Internal Medicine, Neurology, Obstetrics, Oncology, Ophthalmology, Orthopedics, Pediatrics, Podiatry, Urology</td>
<td>Community Health Systems</td>
<td>Michael Stewart</td>
</tr>
<tr>
<td>Palos Verde Hospital 32</td>
<td>250 N. First St. Blythe, CA 92225</td>
<td>41</td>
<td>WND</td>
<td>Full Service Comm. Hospital, Adult/ Pediatric Acute Care, Inpatient/Outpatient Surgery, Emergency, Maternity, Women’s Health, Home Health</td>
<td>Prime Healthcare District</td>
<td>Peter Khune</td>
<td>CEO</td>
<td>(760) 931-5151/821-3201</td>
</tr>
<tr>
<td>Mountains Community Hospital 33</td>
<td>29101 Hospital Rd. Lake Arrowhead, CA 92352</td>
<td>35</td>
<td>162</td>
<td>50</td>
<td>35</td>
<td>$15 Million Skilled Nursing Unit, Lab., Radiology, 24-Hr. ER, OB, Physical Therapy, Rural Clin. Med./Surg. Wing</td>
<td>Hospital District</td>
<td>Charles Harrison</td>
</tr>
</tbody>
</table>
Real Estate...

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three buildings totaling 70k square feet that are leased on a short-term basis, after which time Magellan plans to redevelop the site. Dennis Sandoval with Daum Commercial repped Magellan.

THE BOEING COMPANY INKS THREE-YEAR LEASE FOR 100K SQUARE FEET IN VICTORVILLE

The Boeing Company has signed a $1.8 million, 36-month lease for 100k square feet of space at the Southern California Logististics Airport (SCLA) campus in the city of Victorville. The aerospace company’s lease includes 10k square feet of office space and 90k square feet of hanger space at SCLA’s Hangar 678. The deal includes three, three-year options that could bring the lease total to $8.3 million over the next 12 years.

A tenant at SCLA since 2003, Boeing’s long-term occupancy of Hangar 678 enables the company to centralize three of its growing operating divisions: Boeing Capital, Boeing AOG and Boeing Flight Test. SCLA’s Hangar 678 serves as a facility for aircraft transition and modification services, including modification with upgraded electronics and inflight entertainment, as well as structural repairs for Boeing customers from around the world. Additionally, the facility serves as a hub for Boeing’s installation of buyer furnished equipment on new aircraft. The extension of Boeing’s lease represents continued growth for SCLA, also exemplified by other long-term customers such as Plastipak Packaging Inc, a global leader in product packaging, which is currently in the fifth year of its nine-year lease. Plastipak customers include Procter & Gamble, Pepsi, Kraft Foods, Kroger and Tropicana. Other notable companies located at SCLA include Newell Rubbermaid and GE Transportation.

VALHALLA REAL ESTATE BEGINS SITE WORK FOR NEW 678K-SQUARE-FOOT SAN BERNARDINO INDUSTRIAL PROJECT

Valhalla Real Estate has begun site work for a new 678k-square-foot, ground-up industrial project in San Bernardino. The company has engaged IDS Real Estate Group (IDS) as the development manager for the project, located off the corner of Palm Avenue and Industrial Parkway, immediately adjacent to the I-215 Freeway. CBRE has been retained as the leasing advisor for the new development.

The exportation of dirt from the site has commenced, with plans for a level site by the end of 2014. The project, which is known as Palm Distribution Center, will be one of the largest available buildings within 60 miles of the Ports of Long Beach and Los Angeles. Palm Distribution Center is valued at approximately $45 million and is expected to be ready for occupancy as soon as the Third Quarter of 2015. It is being marketed to tenants interested in an institutional quality warehouse/distribution/logistics warehouse facility. “Palm Distribution Center will be a state-of-the-art facility highlighting the very features companies are seeking in the distribution of goods throughout the western U.S.,” said Valhalla Real Estate CEO, Gale Anne Hurd. IDS Real Estate Group’s Senior Vice Presidents Patrick Spillane and Rob Fuelling are teaming with CBRE’s Senior Vice President Jay Dick and First Vice President Erik Wanland as the exclusive listing agents of the project.

“Large distribution buildings in the Inland Empire continue to be in strong demand. The vacancy rate for buildings over 500k square feet in the Western Inland Empire at the end of the first quarter of 2014 was just 1.8%,” says Dick. “This project is one of the largest available sites in proximity to the ports of Long Beach and Los Angeles, making it attractive to tenants looking for a strategic South-West location.” The building continues on page 23

Local Entrepreneur Provides Access to Capital to Grow Riverside County Businesses

“When banks say ‘no,’ we can find businesses the ‘yes’ they need to grow.”

Ken Cottman is not a typical financier—he’s not a banker—and that is good news for businesses in Riverside County. Cottman’s Byron Commercial Capital is providing alternatives to traditional bank financing, which continues to be difficult for many businesses to obtain from traditional lending sources.

“I spent years successfully spearheading growth initiatives for large organizations. When I talk to small business owners about their growth plans, finding the capital to reach their goals is the number one priority and challenge,” Cottman said. “Capital is the vital commodity that every business needs to grow, and for many smaller enterprises, that access is still limited, and limiting.”

Small business is the backbone of our regional and national economies. According to the U.S. Small Business Administration, small businesses represent nearly 98 percent of the employers in the country. Says Cottman: “While our local economy has recovered and is improving, we have to get capital to smaller enterprises in order to create the jobs that underpin the life of our communities.”

“The good news is that there is plenty out there if you know how to find it. That’s where we help; by connecting businesses to capital,” Cottman said. “Byron Capital helps build new relationships for those businesses, finding them the means to grow or run their operations.”

Byron Commercial Capital specializes in commercial finance with a focus on business financing. It will work with businesses to find the best types of financing available at attractive rates, and offer lending to include commercial real estate loans, equipment leasing, sale leasebacks, heavy equipment leasing or financing, accounts receivable financing, factoring, bridge and hard money loans, SBA financing, business acquisition financing, hotel financing, stock loans, portfolio liquidations, private equity and joint ventures. It can provide access to loans and other financing from $10,000 to $10 million and more.

For further information, please visit: www.byroncommercialcapital.com.

China’s Rising...

other countries, change their business model, or go out of business. Wage increases are starting to boost household income as a share of the economy, which will shift the composition of demand toward the consumer and the domestic service sectors, where growth also tends to be slower.

We’ve also seen more reports recently on business bankruptcies and debt defaults, and some economists are warning that China has a dangerous debt bubble that could collapse at any time.

Newspaper reports on debt in China have been misleading. Public sector leverage is well below most other countries. China also happens to be one of the countries where the assets on the state balance sheet are enormous, including $3.5 trillion in reserves, 90% of the shares in state-owned enterprises, a lot of the country’s land, plus tax capacity. There are some concerns with corporate debt and with China’s version of the shadow banking system, which is a set of complicated and unregulated end runs around the state-owned banking sector. But they are busy getting continued on page 20
Another Attempt To Decertify SBPEA, County’s Largest Public Employee Union

By Venturi

An effort is underway to decertify the union currently representing over 15,000 employees working for San Bernardino County. The Service Employees International Union wants to displace the San Bernardino Public Employees Association. Service Employees International, known by its acronym SEIU, has been actively testing the interest of the county’s employees to depart from the San Bernardino Public Employees Association (SBPEA) for several months.

The SEIU campaign has been timed to correspond with the association’s ratification process for a new labor contract with the county, the voting on which is set to end today. A recent posting on the SBPEA website, one headed “SEIU Promises...” outlined numerous concessions the Service Employees International Union has made in its collective bargaining efforts on behalf of employees with several governmental entities, including the state of California, the Bay Area Rapid Transit System, the cities of Hayward, El Monte, and Redwood City, the county of Riverside and the San Francisco Superior Court.

The posting further references annual dues paid by SEIU members, which are called a “per capita tax paid to the International Union” of $299,797,852 in 2012. “That same year SEIU International spent $453,148,866,” the post continues. “They can’t balance their own checkbook.” In another post, titled “Displacing The Myths” the San Bernardino Public Employees Association website seeks to defend the terms of the new labor contract, referred to as a “tentative agreement.” According to that posting, three “myths” about the agreement are that it will force county employees to pay 7 percent of their pay into the county employee pension fund and it will provide no pay increase.

Those “myths” are inaccurate, according to the posting. A third posting, “SEIU Won’t Stop,” upbraids the Service Employees International Union for using its members’ dues to run an informational campaign against SBPEA’s negotiated tentative agreement with San Bernardino County. “Did you know that SEIU has invested millions of dollars on a “Vote No” campaign that essentially discourages unit San Bernardino Public Employees Association continued on page 23
China’s Rising... continued from pg. 18

their arms around that. The question of what’s going to happen with the debt is not whether the government has the firepower, but whether mistakes get made managing it. If they pull the plug too fast, the risk might be a collapse in the real-estate sector or other contagion. Then the temptation will be to open the spigots of credit and public investment again, but they know that this is not a sustainable growth strategy.

Are there concrete examples of less leverage and shift to healthier growth — fewer airports in the middle of nowhere or ghost towns built all over China, for example?

Everyone gets worked up about the ghost towns. I think they’re mistakes and scary if they go awry, and there are too many of them, but I haven’t seen any actual inventory on how big they are relative to overall investment. More critically, local governments have had the instinct to keep building more infrastructure for lack of any better ideas, and that’s what Beijing is reining in. What they’re now trying to create is a system that screens out the bad investments but keeps the good ones, such as the high-speed train network and interstate highways they’ve built.

Explain the “middle-income trap” and why so few countries have managed to escape it.

Early-stage developing countries grow because they have access to foreign markets and foreign technology. So they focus on developing exports, and everybody gets it in their head that this is where the underlying growth is. This is a successful formula when income is $800 per capita, but when income rises to $5,000, countries start to get competitors in precisely those areas that generated the growth. So they typically do things that protect those sectors and companies, like subsidize them, control the exchange rate, all those things that never work and slow the economy down. The middle-income transition is difficult precisely because the growth pattern has to change and the policies that support it have to change. Unfortunately, there is a very strong tendency for organizations, including governments, once they find a successful formula, to stick with it beyond its useful life.

Can you give an example of how a country escaped this trap?

The best example, perhaps, is Korea. Before the mid-1980s, Korea was a high-quality manufacturing powerhouse based on low-cost labor. Around that time, people in Korea thought it was terrible that wages were rising. It was perfectly normal for wages to go up as the country grew and became richer, but now, in the mid-1980s, the Koreans had to do something else to drive the growth.

Yet in Korea, many critics said no, we have to keep doing what we’re doing, wage increases have to stop, this is where the jobs are. If the government had listened to these people, it would have been a disaster.

Instead, the government stopped targeting industries, stopped focusing on export zones and stuff like that, started investing in education and technology and all those things you associate with an advanced economy. It turned over more decision-making to the private market, including letting the old companies die off. But a lot of those companies survived by moving their low-cost activities to even cheaper countries. It wasn’t a perfect transition, but it worked.

When these companies making decent washing machines got up one morning and said, “We’re going to make semiconductors now,” people thought they couldn’t do that. But that’s exactly what they did. What the Korean policymakers understood was that in order for this transition to work, the government needed to back off from deciding which sectors would be favored, and instead let the market and innovation drive the actual structural... continued on page 23
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AAA certified member of the National Association for Information Destruction (NAID).
String Theory... continued from pg. 1

Ernie Ball who took over leadership of the business in the late 1980s, when it had just 14 employees. “I am always very proud and amazed of just how great these employees’ kids are. For our company to be in a position to invest in their families’ future through their child’s education is the most rewarding benefit we can offer.”

The company’s scholarship support is just another example of its “employee-first” approach, both at the string manufacturing operation in Coachella and the Music Man guitar and bass instrument manufacturing facility, a division of Ernie Ball Inc., in San Luis Obispo. Lunch is catered daily for the Coachella plant workers, who also enjoy gym memberships and employee assistance programs. The scholarship program has the potential to truly transform the lives not only at Ernie Ball, but also throughout the community.

“Our biggest asset is our employees,” said Holly Dragovich, general manager at Ernie Ball Inc. “We want to make their jobs more comfortable so they want to stay here. Part of that is supporting our employees and offering them a chance for a college education. We know that it’s hard for many of them, especially when there aren’t other organizations offering scholarship assistance.”

Sterling Ball had already been at the helm for many years before his father died in September 2004. Part of the business himself since he was 9 years old, Sterling’s sons Scotty and Brian have followed the family footsteps and remained working in Music Man sales and artist relations, respectively.

“Sterling is extremely generous when it comes to giving back to the community,” Dragovich said. “But as generous as he is, this is not a handout. Beth deserved it. She’s a good student and her mom is a hard worker. This is something that was earned.”

Ernie Ball Inc. will award two scholarships to CSUSB students this year, along with two more annually in following years. They are also supporting scholarships at College of the Desert. CSUSB recipients must maintain a 3.0 grade point average to keep their scholarships for up to five years each.

“We’re just thankful for all of the help,” said Bethzaira’s mother, Maria Peña, a string winder at Ernie Ball Inc., through the translation of her daughter. “Now she won’t be going far and we can give her more family support.”

When Maria told her 18-year-old daughter that she was the first recipient of the new scholarship, Bethzaira “started jumping, because at that point I didn’t have financial aid and I would have had to get a job to continue.”

“I just don’t know how somebody could be so generous in supporting my education – I’m just so thankful,” said the psychology major, who is part of the first freshman class ever at CSUSB’s Palm Desert Campus. “It’s exciting to be part of the first group of freshmen. I was originally going to go to the main campus in San Bernardino, but this scholarship is making it possible for me to enjoy our desert and live here at home.

“Plus, I want to make history as part of the first freshman class.”

Ernie Ball/Music Man has a long history of reaching out to its employees, which today number nearly 300 in Coachella and 130 in SLO. In 2000, the company incorporated the living wage policy to help full-time employees earn enough income to meet the high cost of living in San Luis Obispo County.

Dragovich said Ernie Ball’s motivation is actually two-fold. “Sterling also wants to support the Cal State San Bernardino Palm Desert Campus. He sees the cam-

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Real Estate... continued from pg. 18

will be cross-rolled, LEED-certified and fully-entitled, located on approximately 38.5 acres of land. It will feature freeway frontage, built-to-suit office space, 36’-storey office building, 129 dock high doors, three grade-level doors, a minimum of 96 trailer stalls, 3% skylights, around 550 parking spaces, ESFR K14 Sprinkler System and 185’ secured truck courts. The building will also be situated with immediate access to the I-215 and 15 Freeways, offering convenient access to the Ports of Long Beach/Los Angeles, as well as direct transportation routes to San Diego, Riverside, Phoenix and Las Vegas.

1900-ACRE SOCAL RESORT SITE LOOKING FOR A GOOD DEVELOPER

A rare SoCal development opportunity has come on the market. The property is the Arrowhead Springs resort site. It consists of roughly 1,900 acres of land, including the historic Arrowhead Springs Hotel, which was recently annexed into the City of San Bernardino. Currently there is 240k square feet of existing buildings including the historic hotel, spa resort, village dormitories, 11 bungalows (each named after a famous celebrity), chapel, pool and maintenance buildings.

The City of San Bernardino has already approved development on the site for more than 1,350 residential units, an additional 808k square feet of commercial space and conference facilities and 199 acres for a public golf course. The commercial space entitlements include 200k square feet of retail shops and restaurants, 200k square feet for a new 300-room hotel and 250k square feet for a corporate office complex. Arrowhead Springs is surrounded on three sides by the San Bernardino National Forest and has a spectacular valley view to the south across the Inland Empire. With the recent extension of the 210 Freeway, the property is now strategically located within several miles of major freeways including the 210, I-10, and I-215. In addition, a new Million Air terminal has been constructed and is operational at San Bernardino International Airport, which is located only eight miles from the property.

Throughout its history, Arrowhead Springs Hotel was a hangout for big name celebrities like Spencer Tracy, Lucille Ball, Clark Gable, Eleanor Roosevelt, Humphrey Bogart, Danny Thomas, Jerry Lewis and Judy Garland. Elizabeth Taylor spent her honeymoon in the penthouse at age 17 with Nicky Hilton. Designed by renowned architect Paul Williams, the distinctive original Art Deco elements of the Arrowhead Springs Hotel are closely reminiscent of the legendary Beverly Hills Hotel. The swimming pool was named after Esther Williams, whose movies were shot on-site. Tom Turley and his team at Jones Lang LaSalle have the market assignment for this very unique listing. “The amount of interest we’re receiving from developers and investors alike is remarkable. They see the potential and are scrambling to get in on the ground floor,” said Turley. “Not only does this site have an amazing history and offer a prime location, it also features available infrastructure and unparalleled amenities, including the natural resources of mountain spring water, natural hot springs and 1,400 acres set aside as protected watershed and nature reserve.”

388K-SQUARE-FOOT TROPHY RETAIL CENTER IN CHINO HILLS PUT ON THE MARKET

The Shoppes at Chino Hills, a 388-square-foot, trophy lifestyle center located in Chino Hills, has been put on the market. An asking price was not given out. The Shoppes is being sold by a private Southern California-based investment group that acquired the asset for $94.5 million back in mid-2010. The property, which includes 60k square feet of office space, was

SBPEA... continued from pg. 19

The prospect for the success of the Service Employees International Union play to decertify SBPEA hinges in large measure on the success of the new labor contract ratification. The contract is passed, the likelihood of decertification, already comparatively dim, would grow even more remote. Indeed, the Sentinel has obtained a copy of a mailer sent out by SEIU to San Bernardino Public Employees Association members. In that mailer it is stated that “The proposed contract would cost each county employee an average of $6,388 out of our pockets and if the premiums increase as they have in the past, up to $11,656 more in healthcare costs.” The mailer further asserts that the proposed contract would divert “7% of our paycheck for pensions,” provide “no across the board raise,” and result in “increased healthcare costs.” The mailer quotes Juana Gamez, who works in the county’s Children and Family Services division, as saying “I can’t afford a pay cut or to pay more for my retirement. I have already gone without a cost of living raise for five years.”

Oracio Diaz, who works in the Transitional Assistance Department, is quoted as saying, “We need a strong union that wins for union members—not one that negotiates takeaways.” Another of his colleagues in the Transitional Assistance Department, Maricruz Juarez, is quoted as saying, “If SBPEA can’t deliver a contract that keeps up with the cost of living, we need a new union.” Vida Walker, a third employee in the Transitional Services Department is quoted as saying, “I knew I was overworked and underpaid. Now I see that I’m also underrepresented by SBPEA.” The mailer advises recipients, “Vote no on the proposed San Bernardino County contract.”

Previous efforts to decertify SBPEA as the representative of some or all county employee divisions by agents working on behalf of the Teamsters, the American Federation of State, County and Municipal Employees and the International Brotherhood of Electrical Workers have failed.

China’s Rising... configuration of the economy.

How does this apply to China? Most of the things you expect to see, you’re starting to see. They’ve begun to let export businesses struggle, where they either find new business models or die off. Exports, which used to be a primary driver of growth, are growing very slowly now, in part because of slow growth in advanced economies. A good share of demand is now generated inside the country — including a fair amount of horsepower starting to come from private consumption, even if China is in no conceivable way yet a consumption-driven economy. Chinese policymakers are intensely curious about other countries, and they’ve studied Korea and many other cases. They have a well-articulated game plan that I think is comprehensive, credible, and pretty complete.

The previous Chinese government also announced some bold economic reforms but did not deliver on them. What will be the signs to prove that they are serious about reforms this time? More businesses failing, or changing their business models in the tradable side of the economy. A higher share of GDP going to household income. Clearer evidence of financial sector reform and regulation, including deeper and broader capital markets for corporate and municipal bonds, venture capital and private equity, more foreign competition. A liberalization of cross-border capital flows, though this would have to be gradual in a world of unusual monetary policy in the West. But again, the most important sign that the reformers are serious is that growth is
Why Smart...continued from pg. 9
ered to their devices in the evenings and on weekends because they’re worried about unfinished tasks and loose ends that might require their attention. While you might not be able to guarantee that your people can leave work at work every single day, you can help them gain the skills that will reduce their amount of “homework.”

“Training on time management, prioritization, organization, the effective use of lists, and so forth can be surprisingly effective,” Dr. Carm comments. “I can almost guarantee that all of your employees have unproductive work habits. By addressing them, you can help your team manage their workloads and be in a more comfortable place when it’s time to go home each evening.”

Teach stress management techniques, too. Unless you oversee an organization of ice cream tasters or mattress testers, there’s no such thing as a stress-free workplace. That’s not a bad thing; a small amount of anxiety keeps us alert and motivated. But too often, employees feel an unhealthy amount of stress that bleeds into and affects their personal lives, too. Believe it or not, stress costs American businesses around $300 billion each year!

“Work-related stress contributes to health problems, absenteeism, burnout, and turnover,” Dr. Carm points out. “If you offer a short workshop that teaches stress management techniques like meditation, deep breathing, or yoga, for instance, your employees will reap the benefits. And just knowing that you’re concerned about their mental health will also lift a weight from their shoulders.”

“Also, educate your employees on the benefits of getting enough sleep,” she adds. “Let them know that you want them to get an adequate amount of rest, which is seven to nine hours a night for adults. Point out that sleep is essential for focus, creativity, a positive attitude, and general health. This may discourage workaholism; after all, people can’t work till 7 or 8 p.m., take care of all of their personal obligations, and get eight hours of sleep. It’s just not possible.”

Help them understand the business cycle. As a leader, you know from years of experience that your business goes through (more or less) predictable seasons. For instance, September through December might be crunch time, but you know that after the new year things will be more relaxed. Just don’t take for granted that your employees share this understanding!

“Educate your people, especially newer hires, about your company’s natural business cycle,” says Dr. Carm. “If things are hectic and overtime is mandatory, rookies might assume that it will always be like this and worry that they’ve been off more than they can chew. You can reduce their anxiety by pointing out that in a few weeks the pace will slow down. It’s easier for people to push hard through crunch time if they know a lull is just around the corner.”

Include exercise in the workday. Exercise is one of the most effective stress management tools available. It’s also fantastic at increasing energy, improving focus, and boosting attitudes. And, of course, it’s good for your health. Best of all, exercise can be both easy and inexpensive to integrate into the workday: Think lunchtime workouts. If that’s in your budget and capabilities, it can take care of one thing on the long list of chores your employees have to complete outside of work. Of course, perks like these are expensive to institute and maintain, and simply aren’t feasible for many companies to offer,” Dr. Carm acknowledges. “And that’s okay. Alternatively, perhaps you could purchase and distribute coupons to a local dry cleaner or house-cleaning service, for instance. You can also offer time: Close the office a few hours early one afternoon, etc. Use your imagination, and if you’re lacking ideas, ask your employees what they’d like to do.

“There are several benefits to scheduling ‘fun time’ into the workday,” she says. “For one thing, these activities give people a chance to get to know each other and become friendlier, which will streamline teamwork. They break up the monotony of the workday and counteract popular ‘work is drudgery’ attitudes. And fun also boosts energy and creativity, so you’ll probably find that the ‘lost’ time is made up by subsequent spurts of productivity. Just don’t schedule work ‘fun’ outside of work hours! People don’t like it when you cut into ‘their’ time.”

Help with the housework. Some companies offer laundry services and on-site dry cleaning pick-up and delivery. Others provide their employees with free housecleaning services and take-home meals. If that’s in your budget and capabilities, it can take care of one thing on the long list of chores your employees have to complete outside of work, leaving them that much more time to relax. Of course, perks like these are expensive to institute and maintain, and simply aren’t feasible for many companies to offer,” Dr. Carm comments. “In the February 2010 issue of Health Affairs, several wellness program studies were published, revealing that medical costs fell $3.27 for every $1 spent on wellness. Furthermore, absenteeism costs fell $2.73 for every $1 spent. That is a 6:1 ROI! Harder to quantify, but just as impactful, is the fact that your investment in your employees’ well-being will jump-start their morale, loyalty, and engagement—all of which is good news for their productivity and your bottom line.”

Be flexible on when and where work happens. Depending on your field, technological advances may mean that many employees are no longer tied to their desks. (And isn’t that one of the reasons why our personal lives and professional lives have become so hopelessly enmeshed?) If possible, allow your employees to take advantage of being able to do work from their homes or from the coffee shop down the street.

“Unless it’s absolutely necessary that someone be at a desk from 9 to 5, allow them to work from home, on their own schedule, from time to time,” suggests Dr. Carm. “This will allow your employees to live their lives while also doing their work. Think about it this way: You don’t want a payroll full of clock punchers—you want people who are self-directed goal achievers. That’s the message that offering flex time sends.”

Dare to get personal. On a regular basis, try to connect with your employees in a way that doesn’t revolve around “shop talk.” Ask about their kids, what they’re planning to do over the weekend, and whether they watched the latest episode of “Mad Men,” for example.

“When you establish a personal connection with your employees, you’ll have a finger on the pulse of what’s going on in their lives and how it might be affecting them at work,” points out Dr. Carm. “They’ll also feel more comfortable coming to you with requests to attend an upcoming out-of-town wedding, a child’s recital, or a relative’s funeral. Working with employees so that they can attend to personal obligations without feeling guilty is a great way to gain their long-term loyalty.”

Play hard to work hard. Work doesn’t have to be all, well, work. That’s why Dr. Carm suggests integrating “fun” activities in the workday once a week or so: office scavenger hunts, trivia, darts, hall-putt-putt, bring-your-pet-to-work days, cookouts on a Friday afternoon, etc. Use your imagination, and if you’re lacking ideas, ask your employees what they’d like to do.

“Unless it’s absolutely necessary that someone be at a desk from 9 to 5, allow them to work from home, on their own schedule, from time to time,” suggests Dr. Carm. “This will allow your employees to live their lives while also doing their work. Think about it this way: You don’t want a payroll full of clock punchers—you want people who are self-directed goal achievers. That’s the message that offering flex time sends.”

For more information, please visit www.drarm.com.
“The New Corporate Facts of Life: Rethink Your Business to Transform Today’s Challenges Into Tomorrow’s Profits,”

By Diana Rivenburgh; AMACOM, New York, New York; 2014; 244 pages; $27.95.

Not long ago I had the opportunity of listening to several people in their late sixties and early seventies. They were discussing their differences about the differences in the workplace. Some were still working, while others had retired. As often happens, those in the sixty plus crowd who had retired couldn’t understand why their younger counterparts hadn’t already retired.

The older group would say that all the “kids” (those under 65), ought to stop moaning about how long they had to work every day. Or how much more it costs for health care and other fringe benefits.

Their counterparts would point out that neither the currently employed nor the retired men and women had the foggiest notion about the number or length of workdays. Inevitably, their discussions quickly revealed that neither of the groups agreed with each other’s problems.

Author Diana Rivenburgh isn’t necessarily on one side or the other in the push and pull of business. She owns her own large business consulting company, but she became quite sensitive to the types and extent of problems. She points out her research into: “scores of other forward-looking companies during the past several years identified seven powerful, inter-connected forces that will trigger a catalytic change in the global business landscape.”

The author goes on to note that these seven in the following briefly arranged descriptions which she calls “The New Corporate Facts of Life.”

1. Disruptive innovation
2. Economic instability
3. Societal upheaval
4. Stakeholder power
5. Environmental degradation
6. Globalization
7. Population shifts

The result of all seven of these, in the author’s view: “Like changes brought about by the Industrial Revolution, Henry Ford’s automobile provided more than horseless transportation; it launched an era of mass production and modern management techniques. It paved the way for a sprawling infrastructure of roads and fueling stations, and supported a vast array of new industries. And as it reshaped the landscape, a large percentage of the population shifted from an agricultural to an urban lifestyle.

Likewise, the Information Age has irreversibly transformed everything we do, from buying and selling goods and services to accessing entertainment, knowledge, and social communication.”

The author has brought a fresh approach to improving how people can work together and what they should be working on. Although some of the points she raises were discussed by Peter Drucker more than 30 years ago, it’s good to know that Diana Rivenburgh kept these points and added approaches that can make them work.

—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.

   Originally published in 2007, the book has become very popular.
2. “Strengths Finder 2.0,” by Tom Rath (Gallup Press…$24.95)(2)
   Spend less time fixing shortcomings, more time gaining strength.
   How women’s progress achieving leadership roles has stalled.
   How a young woman escaped a bad life and achieved a very good one.
5. “The Hunt: Target, Track, and Attain Your Goals,” by David Farbman (John Wiley & Sons…$25.00)(**)
   New skyrocketing shares his views on business growth.
   How to work together and achieve effective productivity.
   Why and how teams offer greater flexibility when used properly.
8. “Smart Tribes: How Teams Become Brilliant Together,” by Christine Comaford (Portfolio Hardcover…$26.95)(7)
   How top managers keep their teams involved and moving forward.
   One of the hottest financial and writers is at it again.
   Former head of the Federal Reserve Board has much to say.

* -- Indicates a book’s previous position on the list.
** -- Indicates a book’s first appearance on the list.
*** -- Indicates a book’s reappearance on the list.
Are Your... continued from pg. 6

pensable.”

“In this instance, the tyrannical leader is showing a lack of accountability to his subordinates and to his employer,” explains Miller. “Whether it’s codified in company policy or not, leaders should develop, challenge, and motivate their teams in a way that doesn’t tank their morale. When tyrannical behaviors are allowed to continue, disillusioned employees eventually take their talents elsewhere, costing their former employers a fortune to attract and train a successor.”

The chronic latecomer. These are the people who screw up meetings, upset customers and suppliers, and give your company a bad name because they’re consistently tardy. You don’t necessarily see the financial impact immediately, but it’s all too apparent after your clients call you unreliable and go elsewhere.

“Sure, there are legitimate reasons why even the most responsible person might be running late: a fender bender, a sick child, an unfortunate coffee spill, to name just a few,” concedes Bedford. “And yes, everybody gets a pass on this one from time to time when life’s curveballs happen. But if it happens again and again with the same person, you’ve got a problem. In effect, this employee is saying, ‘I don’t value your employer’s time.’ or, ‘It’s not important to me to honor the agreement we made.’ And that’s not what accountability looks like.”

The mistake eraser. This person might just as easily be called “the paragon of perfection,” because according to her, she never, ever makes a mistake. Over time, she has learned every trick in the book to cover up her missteps. She might tell herself, Well, last time this happened I just shredded the document, or, I’ll just delete the customer’s email again. No one noticed before.

“It’s easy to see how this type of lack of accountability can hurt your organization’s bottom line,” notes Miller. “If her self-serving behavior doesn’t immediately alienate customers and coworkers, when her deceptions come to light (and they always do), people will feel that much angrier and betrayed.”

The truth avoider. This person “just can’t handle the truth!” When someone calls her out—for dropping the ball, for behaving badly, etc.—her reaction isn’t pretty. Maybe she bursts into tears, sulks for days, stomps off indignantly, or angrily denies all charges.

“If an employee is offended instead of accepting that the other person’s ‘deflector shields’ come up immediately,” says Bedford, “Well, I was only doing what I was told,” he might say. Or, ‘I didn’t misquote the price to that customer. They must have misheard.’ If these types of excuses come out of the same employee’s mouth on a regular basis, don’t fall for them. Remember, a big part of accountability is owning up to your own mistakes.”

The blame deflector. At first glance, this employee might seem like the clone of the mistake eraser. And yes, the two of them do have quite a bit in common. But when you get right down to it, their MOs are different. While the mistake eraser pretends that nothing bad happened to start with, the blame deflector is all too happy to admit that a ball was dropped…by somebody else. It’s always someone else’s fault!

“The boss is wondering where an error originated, this person’s ‘deflector shields’ come up immediately,” says Bedford. “Well, I was only doing what I was told,” he might say. Or, “I didn’t misquote the price to that customer.” They must have misheard.” If these types of excuses come out of the same employee’s mouth on a regular basis, don’t fall for them. Remember, a big part of accountability is owning up to your own mistakes.

The white liar. When this person doesn’t want to spend time giving feedback, he says, “That PowerPoint looks fine to me,” even though he knows it’s on the bland side. Or when he knows he won’t be able to meet a deadline, he emails the client and claims to have purchased the time at a free and clear basis from a bank consortium group led by Bank of America. A year later, in mid-2011, the investment group obtained a 5.2 percent, 10-year fixed-rate loan on the property through Citigroup Global Markets Realty Corp.

The Shoppers at Chino Hills was originally developed at a cost of $135 million by Opus West in 2008. Located at 13800-13920 Village Center Drive in Chino Hills, the property is part of a larger master-planned project that includes the Chino Hills Civic Center, Chino Hills City Hall, Chino Hills Police Station and the public library.

The 94 percent leased property was designed by Altoon + Porter architects. The Shoppers at Chino Hills features outdoor shopping along landscaped streets and store-adjacent parking. One component of the project was designed as a pedestrian-only promenade with shaded seating areas and fountains. The center is anchored by XXI Forever, H&M, Trader Joes, Banana Republic, Victoria’s Secret and Barnes & Noble.

Ryan Gallagher, Bryan Ley and CJ Oshbrink of HFF have the listing on behalf of the seller. HFF handled the prior sale of this property in 2010. “This is a true trophy asset with enormous curb appeal and a great line-up of tenants. It is centrally located and well known within the region as a top tier shopping destination,” said Gallagher.

ALDI TO BUILD 850K-SQUARE-FOOT SOCAL REGIONAL DISTRIBUTION CENTER IN MORENO VALLEY

ALDI, a national grocery chain, has acquired a 55-acre site in Moreno Valley, with plans to build an 850k-square-foot SoCal regional headquarters. Batavia, IL-based ALDI recently announced plans to open 650 new stores nationwide over the next five years.

The site, located east of the 215 Freeway at Redlands Boulevard, offers high visibility from the 60 Freeway. The new distribution center will service approximately 200 stores in the Southern California area. Currently, ALDI operates nearly 1300 stores in 32 states, primarily from Kansas to the East Coast. David Prior, SIOR, Todd Taugner, SIOR, and Frank Schulz, SIOR, of The Klabin Company represented ALDI, in concert with Raymond Walker, SIOR, of Atlanta, GA, who provided consulting services for ALDI. Henry Steipel of Costa Mesa-based Garrett, DeFrenza & Steipel, LLP provided legal services on real estate matters to ALDI. Jeff Ruscigno of Lee & Associates represented...continued on page 28

been out of commission for a few days due to the flu. “Do you mind if I take a few extra days to complete the project?” he asks. “I want to make sure that I deliver the best possible work to you.”

“The white liar probably thinks he’s not really hurting anyone with his fibs, but of course, that isn’t the case,” Bedford says. “Anytime an employee’s lack of total honesty impacts the quality of his own work, someone else’s work, or a client relationship, he has shown that he lacks accountability.”

“Next time you think that a lack of accountability doesn’t have a price tag, just look at this list and think again!” concludes Miller. “When you notice any of these behaviors in any of your employees (or in yourself!), make sure to address the issue promptly. Explain why you object to the behavior and make sure the employee knows what consequences will be incurred if it continues.”

“Especially in today’s transparent business environment, your company’s accountability cannot be taken lightly,” adds Bedford. “Safeguard it as the valuable commodity it is!”

For more information, please visit www.millerbedford.com.
### Top Health Care Medical Clinics/Groups in The Inland Empire

#### Ranked by number of licensed beds

<table>
<thead>
<tr>
<th>Medical Group Address City, State, Zip</th>
<th># of Physicians Employed Contracted</th>
<th>Organization (IPA/GP/Pract.)</th>
<th>Total Employees</th>
<th>Year Founded</th>
<th>Prepaid Services</th>
<th>Urgent Care Services</th>
<th>Nat. Accredited: Surg. Centers Clinic/Group</th>
<th>Top Local Executive Title Phone/Fax E-Mail Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Arrowhead Orthopedics 1951 W. Lugonia Ave, Redlands, CA 92374</td>
<td>13</td>
<td>Medical Group Practice</td>
<td>130</td>
<td>1989</td>
<td>90%</td>
<td>Yes</td>
<td>no</td>
<td>Nahid Razouki CEO (909) 557-1600/557-1740</td>
</tr>
<tr>
<td>2. Beaver Medical Group 2 W. Firn Ave, Redlands, CA 92373</td>
<td>170</td>
<td>n/a</td>
<td>1,000</td>
<td>1945</td>
<td>80%</td>
<td>Yes</td>
<td>No</td>
<td>John Goodman CEO (909) 795-3311/796-0417</td>
</tr>
<tr>
<td>3. Cal-Care Industrial Medical Clinic 302 S. Garey Ave Pomona, CA 91766</td>
<td>3</td>
<td>Occupational Health</td>
<td>12</td>
<td>1998</td>
<td>100%</td>
<td>Yes</td>
<td>No</td>
<td>Tom Blay General Manager (909) 620-8817/620-8117</td>
</tr>
<tr>
<td>4. Choices Medical Group 18654 Hwy 18, Ste. 105 Apple Valley, CA 92307</td>
<td>5</td>
<td>IPA</td>
<td>460</td>
<td>1990</td>
<td>80%</td>
<td>Yes</td>
<td>No</td>
<td>Mammosh Nayan, M.D. President (760) 242-7777/242-0487</td>
</tr>
<tr>
<td>5. Community Medical Group of Riverside Inc. 4444 Magnolia Ave, Riverside, CA 92506</td>
<td>10</td>
<td>Multi-Specialty</td>
<td>99</td>
<td>1975</td>
<td>95%</td>
<td>Yes</td>
<td>No</td>
<td>Richard M. Finn, FACMPM Administrator (951) 682-5661/274-3411</td>
</tr>
<tr>
<td>6. Computerized Diagnostic Imaging Center 4000 14th St, Ste. 109 Riverside, CA 92501</td>
<td>10</td>
<td>MRI, CT, Fluoroscopy, Computerized Arterial Doppler, Ultrasound, Color Doppler</td>
<td>38</td>
<td>1976</td>
<td>80%</td>
<td>No</td>
<td>No</td>
<td>Kathy Fresquez Administrator (951) 276-7500/276-8161</td>
</tr>
<tr>
<td>7. Cucamonga Valley Medical Group 18465 Sierra Lakes Parkway, Ste. 300 Fontana, CA 92336</td>
<td>4</td>
<td>Prime Care, Medical Group</td>
<td>30</td>
<td>2006</td>
<td>WND</td>
<td>Yes</td>
<td>N/A</td>
<td>Amy Karp CEO (909) 428-2814/429-2868</td>
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<tr>
<td>8. Desert Oasis HealthCare 275 N. El Cielo Rd, Palm Springs, CA 92262</td>
<td>26</td>
<td>Medical Group/IPA</td>
<td>550</td>
<td>1981</td>
<td>90%</td>
<td>Yes</td>
<td>N/A</td>
<td>Marc Hofling, M.D. Medical Director (760) 320-8814/320-2016</td>
</tr>
<tr>
<td>9. Hemet Community Medical Group 1545 W. Florida Ave, Hemet, CA 92544</td>
<td>4</td>
<td>IPA</td>
<td>176</td>
<td>1985</td>
<td>N/A</td>
<td>Yes</td>
<td>N/A</td>
<td>Kull P. Chauhan CEO (951) 791-1117/791-1120</td>
</tr>
<tr>
<td>10. Heritage Victor Valley IPA Medical Group 10370 Hooper Rd., Ste. 3 Victorville, CA 92395</td>
<td>1</td>
<td>High Desert Medical Group</td>
<td>17</td>
<td>2000</td>
<td>N/A</td>
<td>Yes</td>
<td>Off Site</td>
<td>Michelle Christiansen V.P. Operations (760) 245-4747/535-7030</td>
</tr>
<tr>
<td>11. Hospitality Dental 4492, Arlington Ave, Riverside, CA 92504</td>
<td>1</td>
<td>Dental Orthodontics</td>
<td>16</td>
<td>1971</td>
<td>90%</td>
<td>Yes</td>
<td>N/A</td>
<td>Michael Boyko, DDS Owner (951) 399-4911/351-2013</td>
</tr>
<tr>
<td>12. Hospitality Dental Associates 14 W. Hospitality Ln., Ste. 14 San Bernardino, CA 92408</td>
<td>22</td>
<td>Orthodontics</td>
<td>150</td>
<td>1971</td>
<td>90%</td>
<td>Yes</td>
<td>N/A</td>
<td>Chad Tucker Administrator (909) 869-9190/884-4068</td>
</tr>
<tr>
<td>13. Inland Eye Inst. Medical Group, Inc. 1900 E. Washington St, Colton, CA 92324</td>
<td>6</td>
<td>Ophthalmology</td>
<td>30</td>
<td>1985</td>
<td>90%</td>
<td>No</td>
<td>No</td>
<td>Linda Giorgini Practice Administrator (909) 824-6500/823-4778</td>
</tr>
<tr>
<td>14. Kaiser Permanente Medical Center 10180 Magnolia Ave, Riverside, CA 92505</td>
<td>245</td>
<td>Multi-Specialty Full Service Medical Care</td>
<td>2,400</td>
<td>1989</td>
<td>100%</td>
<td>Yes</td>
<td>N/A</td>
<td>Richard Rajaratnam M.D. Area Assoc. Medical Director (951) 355-2000/355-4611</td>
</tr>
<tr>
<td>15. Lia Denisso, DDS 8325 Haven Ave., Ste. 150 Rancho Cucamonga, CA 91730</td>
<td>3</td>
<td>Dental Orthodontics</td>
<td>15</td>
<td>1988</td>
<td>90%</td>
<td>24 Hour on Call</td>
<td>No</td>
<td>Dona Jordan Office Manager (909) 989-3166/980-4072</td>
</tr>
<tr>
<td>16. Loma Linda University Health Care 13170 Anderson St., Ste. 3000 Loma Linda, CA 92334</td>
<td>400+</td>
<td>Medical School Faculty Practice</td>
<td>1,235</td>
<td>1967</td>
<td>15%</td>
<td>Yes</td>
<td>Yes</td>
<td>David Wren CEO (909) 556-2315/556-2446</td>
</tr>
<tr>
<td>17. Loma Linda University Health Care 25455 Barton Rd, Loma Linda, CA 92354</td>
<td>1</td>
<td>Medical Group</td>
<td>4</td>
<td>n/a</td>
<td>100%</td>
<td>Yes</td>
<td>Yes</td>
<td>Alfred Quan CEO (909) 433-0842/582-6241</td>
</tr>
<tr>
<td>18. Magnolia Health Care Management 9496 Magnolia Ave., Ste. 206 Riverside, CA 92506</td>
<td>181</td>
<td>IPA</td>
<td>0</td>
<td>1995</td>
<td>N/A</td>
<td>No</td>
<td>N/A</td>
<td>John Mulhurje CIO (951) 390-0779/984-6644</td>
</tr>
<tr>
<td>19. NAMM California 3990 Concord St, Ontario, CA 91764</td>
<td>21</td>
<td>IPA Multi-Specialty</td>
<td>750</td>
<td>1983</td>
<td>95%</td>
<td>Yes</td>
<td>N/A</td>
<td>Leigh Hutchins CFO (909) 655-8003/607-4031</td>
</tr>
</tbody>
</table>

NAMM California manages PrimeCare Medical Network, Inc.

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 2014 by IBJ.
Real Estate... continued from pg. 26

JOHNSON CAPITAL ARRANGES $8.6 MILLION ON CLAREMONT OFFICE ASSET

Geoffrey Arrobio, senior vice president in Johnson Capital’s downtown Los Angeles office, arranged an $8.6 million loan secured by a 79.8k-square-foot office property located on the Keck Graduate Institute (KGI) Applied Life Science Campus in Claremont. The two-story, single-tenant building is known as the Technip Building after its tenant, Technip North America, a world leader in project management, engineering and construction for the energy industry with 40,000 employees in 48 countries. The building is owned by the institute and the tenant recently signed a new 10-year lease at this location. It was built in 1983 on 7.75 acres in the southwest portion of the campus and includes 168 parking spaces.

The new 10-year loan has a fixed interest rate in the mid-5% range and has a 25-year amortization schedule. The financing was provided by EverBank. KGI plans on utilizing the proceeds to expand its on-campus pharmaceutical pharmaceuticals. The Keck Graduate Institute was founded in 1997 and is the only American graduate institution devoted to bioscience education and discovery. KGI is the seventh and newest member of the Claremont College consortium. There are four buildings including the subject property on the KGI Campus. Commenting on the transaction, Arrobio said, “The challenges to this deal were the single-tenant nature of this project in addition to the borrower being a 501(c)(3) entity. There is available capital for single-tenant projects, however it did take time to find the right source who understood the tenant’s financial credit as well as the overall goals of the Keck Graduate Institute.”

INVESTOR BUYS 42 ACRES IN UPLAND AND CLAREMONT

An institutional investor purchased a 42-acre land site in the Inland Empire cities of Upland and Claremont, for $4.8 million. The land, known as “Park View,” was sold Allied Retail Partners LLC, an affiliate of LBG Real Estate Companies LLC. Allied purchased the majority of the land in June 2011, and paid a total of approximately $12 million for the combined 42 acres.

Originally zoned open space, the land was entitled by Allied for 400 residential units and 100k-square-feet of commercial building area, prior to Allied’s 2011 purchase. “The entitlements were particularly complicated by the fact that the land straddles the city and county line, and therefore required approvals from Upland and Claremont, including certification of an environmental impact report, general plan amendments, zone changes, and adoption of specific plans, all by both cities,” said Doug Beiswenger, principal of LBG and Allied.

Land values in the Inland Empire have climbed steeply since Allied acquired the property. Allied purchased the majority of the land in June 2011, and paid a total of approximately $12 million for the combined 42 acres.

CIRE EQUITY BUYS 230K SQUARE-FOOT MURRIETA CROSSING

La Jolla-based CIRE Equity bought Murrieta Crossing, a 230k-square-foot retail center located at 39700 Avenida Acacias in Murrieta. The property was sold by Sacramento-based special servicer Bluett & Associates for $16.5 million continued on page 32

Technology in... continued from pg. 40

either “us” or “them.” Old episodes of the “Twilight Zone,” books and movies have fueled this paranoia to the point that it is now pretty much commonly accepted.

Since the development of the drones, that fear of a nuclear nightmare has come back to us. Much of the issue comes from the great advancements in computer technology since it also brings smaller size to anything in its development. If a device, the size of a kid’s radio-controlled model plane, can be built with an atomic bomb the size of a book, and it can be flown just a few hundred feet above us, how safe can we be? Add this to the thinking of the fictional tales of Tom Clancy, Clive Cussler and others.

Even the latest storyline for “24, Live Another Day” is based around the fear that drones can generate. Part of the problem is who is in control. In those books and TV shows I mentioned, somebody other than our pilots manage to hack the computer controls and redirect the bombs. They can hold us hostage, or worse, just let them drop on Washington, or London or some other vital and vulnerable target.

Of course, if we live on “what ifs” we can drive ourselves crazy. There are hundreds of ways to die without the bomb falling on us. I know that sounds grim but it is true. Many of the elements of “Big Brother” are all around us. Security cameras manage to be no bigger than a button and they can follow us just about anywhere. And what they don’t see can be recorded by somebody with their cell phone. When I first wrote about them, the drones did little more than take pictures. To that end they replaced the much more expensive high altitude spy planes like the SR-71 and the U-2. Not being manned poses. We have already seen what they bring to sport’s coverage.

There is talk of using these small drones for many other new purposes. We have TV cameras that are smaller than our smartphones (most of which have their own video capacity). These little devices can be attached to anything from a helmet to a dashboard to a surfboard. And yes, they can be attached to a drone, or even the bomb on a drone. So here is where I get confused. We know that the Air Force has been up there flying around loaded for Bear (pun intended). What is the difference if an unmanned device is up there instead?

Actually, there are reports of their use in areas like Pakistan where ground troops and even manned helicopters cannot get in. Legend has it they were part of the search for Osama bin Laden. Meanwhile companies are now making mini-drones for domestic use. These are about the size of the model planes, and they are priced anywhere from $99 to $2,000. Most are square shaped like a picture frame, with motors and propellers at each corner. Kids will want these for Christmas. You can attach a small GoPro TV camera to it. Amazon plans to use industrial strength versions for same day delivery. There is talk of using these small drones for many other new purposes. We have already seen what they bring to sport’s coverage when they were launched at Sochi. Think what they will add to police surveillance and traffic control, not to mention those high-speed highway chases we love to watch on TV.

Other uses are limitless. How about mountain rescue? Crowd control? In agriculture they can be sent out to inspect crops for bug infestation and for irrigation. They can serve us for close-up control of power lines and pipelines. The FAA has no idea how to control all of them. And the proliferation will bring about a loud buzz in the neighborhood that will drive your dog crazy. As for the paranoia issue, the chances of Skynet Terminator robots conquering us are no better than the chances of zombies... continued on page 38

Technology in... continued from pg. 40

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Even the latest storyline for “24, Live Another Day” is based around the fear that drones can generate. Part of the problem is who is in control. In those books and TV shows I mentioned, somebody other than our pilots manage to hack the computer controls and redirect the bombs. They can hold us hostage, or worse, just let them drop on Washington, or London or some other vital and vulnerable target.

Of course, if we live on “what ifs” we can drive ourselves crazy. There are hundreds of ways to die without the bomb falling on us. I know that sounds grim but it is true. Many of the elements of “Big Brother” are all around us. Security cameras manage to be no bigger than a button and they can follow us just about anywhere. And what they don’t see can be recorded by somebody with their cell phone. When I first wrote about them, the drones did little more than take pictures. To that end they replaced the much more expensive high altitude spy planes like the SR-71 and the U-2. Not being manned avoids the problems that Francis Gary Powers ran into back in 1959.

But now some of these “toys” are armed. For myself, I have no idea how safe can we be? Add this to the thinking of the fictional tales of Tom Clancy, Clive Cussler and others. Yes, they can be attached to a drone, or even the bomb on a drone. So here is where I get confused. We know that the Air Force has been up there flying around loaded for Bear (pun intended). What is the difference if an unmanned device is up there instead?

Actually, there are reports of their use in areas like Pakistan where ground troops and even manned helicopters cannot get in. Legend has it they were part of the search for Osama bin Laden. Meanwhile companies are now making mini-drones for domestic use. These are about the size of the model planes, and they are priced anywhere from $99 to $2,000. Most are square shaped like a picture frame, with motors and propellers at each corner. Kids will want these for Christmas. You can attach a small GoPro TV camera to it. Amazon plans to use industrial strength versions for same day delivery. There is talk of using these small drones for many other new purposes. We have already seen what they bring to sport’s coverage when they were launched at Sochi. Think what they will add to police surveillance and traffic control, not to mention those high-speed highway chases we love to watch on TV.

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HEALTH CARE

How Medicare Covers Hospice Care
By David Sayen

Coping with terminal illness can be very difficult, for the patient as well as his or her loved ones. That’s why I want to pass along some information about Medicare’s coverage of hospice care. Hospice is a program of care and support for people who are terminally ill. The focus is on comfort, not on curing illness. Hospice is intended to help people who are terminally ill live comfortably.

If you qualify for Medicare’s hospice benefit, you’ll have a specially trained team and support staff to help you and your family deal with your illness. You and your family members are the most important part of the team. Your team may also include doctors, nurses, counselors, social workers, physical and occupational therapists, speech-language pathologists, hospice aides, and homemakers. The hospice team provides care for the whole person. That includes his or her physical, emotional, and social needs.

Hospice services are generally provided in the home and may include physical care, counseling, drugs, and medical equipment and supplies for the terminal illness plus any related conditions. Your regular doctor or a nurse practitioner can also be part of your team, to supervise your care.

Who’s eligible for Medicare-covered hospice services? You have to meet several conditions.

For one, you must be eligible for Medicare Part A, which is hospital insurance. Also, your doctor and the hospice medical director must certify that you’re terminally ill and have six months or less to live, if your illness runs its normal course.

You have to sign a statement choosing hospice care instead of other Medicare-covered benefits to treat your terminal illness. (Medicare will still pay for covered benefits for any health problems that aren’t related to your terminal illness.) And you must get care from a Medicare-approved hospice program.

If you qualify, your doctor and the hospice team will work with you and your family to set up a care plan that meets your needs. A hospice doctor and nurse will be on call 24 hours a day, seven days a week to give you and your family support and care when you need it. Hospice’s hospice benefit allows you and your family to stay together in the comfort of your home unless you need care in an inpatient facility.

You have the right to stop hospice care at any time. Medicare will pay for a one-time-only consultation with a hospice medical director or hospice doctor to discuss your care options and how to manage your pain and symptoms.

After that, Medicare covers doctor and nurse services; equipment such as wheelchairs or walkers; supplies such as bandages and catheters; drugs to control pain or other symptoms; hospice aide and homemaker services; physical and occupational therapy; and social worker services.

Medicare also covers dietary counseling; grief and loss counseling for you and your family; short-term inpatient care for pain and symptom management; and short-term respite care.

Respite care is designed to help the caregiver for a terminal person. Often a spouse or other family member becomes the caregiver, and at some point they may need a rest. You can get respite care in a Medicare-approved hospice inpatient facility, a Medicare-approved amount. For example, if Medicare pays $100 per day for inpatient respite care, you’ll pay $5 per day.

How much do you pay for hospice under Medicare? There’s no deductible. You’ll pay no more than $5 for each prescription drug and similar products for pain relief and symptom control.

If you get inpatient respite care, you pay five percent of the Medicare-approved amount. For example, if Medicare pays $100 per day for inpatient respite care, you’ll pay $5 per day.

David Sayen is Medicare’s regional administrator for Arizona, California, Nevada, Hawaii, and the Pacific Territories. You can get answers to your Medicare questions by calling 1-800-MEDICARE (1-800-633-4227).

Advance Disposal Co. Unveils Expanded Facility

A larger and more automated Materials Recovery Facility will bring more efficient recycling to the residents and businesses in Hesperia and other communities in the High Desert.

Advance Disposal Co. unveiled the expansion to the public starting on May 29th. The multi-million dollar project will allow Advance Disposal Co. to meet the “75% diversion rate by 2020” that was imposed by the State of California in 2011 (AB 341).

The mechanical “pre-sorting” of the waste will be aided by the installation of impressive state-of-the-art equipment—towing rotating “tumblers,” or trommels, each with different sized “sifting” screens. Starting with the smallest gauge for dirt, the openings in the tumblers increase in size until only the largest items end up on the sorting floor for hand culling.

An additional 61,262 sq. ft. of floor has been added, allowing a more thorough “hand-sorting” process. These and more improvements will produce a cleaner, safer, and higher-end production of recyclables, which means less unrecyclable trash trucked to the landfill.

With an eye on the future and a dedication to the community and environment, Advance Disposal Co. is proud to have served the residents and businesses of Hesperia since 1965.

hospital, or nursing home if your caregiver needs a rest.

You can stay up to five days each time. You can get respite care more than once, but it can only be provided on an occasional basis.

If you get inpatient respite care, you pay five percent of the Medicare-approved amount. For example, if Medicare pays $100 per day for inpatient respite care, you’ll pay $5 per day.

David Sayen is Medicare’s regional administrator for Arizona, California, Nevada, Hawaii, and the Pacific Territories. You can get answers to your Medicare questions by calling 1-800-MEDICARE (1-800-633-4227).
13 of the...

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tomers, for example. My point is, don’t let your own stubbornness place limits on your potential. If you know a tactic or idea is fundamentally a good one, learn what you can from your first failure, figure out how to make improvements, and try, try again.

Developing the “perfect” plan. Let’s say that you want to move to the next level, whatever that happens to be for your business. So you begin planning, preparing for every possible scenario. You define contingencies with backup plans full of redundancies. You sometimes wonder how anyone could fail with a plan that covers all possibilities and that offers each a solution. But here’s what you’re not taking into account: While your perfect plan might prevent you from failing, it will also hold you back from succeeding if it’s never executed.

“To be absolutely clear, planning is a good thing,” Panaggio clarifies. “However, for many entrepreneurs, the solution to avoiding the risk of reality is to keep planning. After all, they tell themselves, you must have a plan to be successful; ‘winging it’ is a blueprint for failure. But the truth is, with planning as a comfort zone, you can easily replace the reality of execution with theoretical foreprint for failure. But the truth is, with planning as a comfort zone, you can easily replace the reality of execution with theoretical fore-

Confusing “invention” with “innovation.” Many business owners lie awake at night worrying that their businesses will become obsolete if they don’t innovate. And so they bang their heads against their desks each day, driving themselves crazy trying to build a new mousetrap. What they don’t realize is that all they need to do is to take the existing mousetrap and make it better.

“Yes, ‘invention’ and ‘innovation’ sound similar, but they’re two distinct concepts,” Panaggio explains. “Invention involves creating something totally new from scratch. Meanwhile, innovation takes preexisting products, processes, services, technologies, and ideas and makes them better. Think of companies like Netflix, which took our culture’s thoroughly established love of renting movies and brought the process online, or Amazon, which ‘techi-

Requiring hard evidence. Sometimes, identifying the right decision is clear as day: All of your mentors and team members are in agreement. The numbers indisputably point in a single direction. You receive an opportunity you know the competition would kill for. But other times, the right decision is murkier than the liquid in a Magic 8 Ball. How do you proceed?

“Many business leaders simply avoid making a decision at all if the information they have isn’t pointing clearly in one direction,” Panaggio says. “But in my personal opinion, that’s a mistake. You have to keep your business moving forward regardless of whether you have the hard evidence you’d prefer. Sometimes, you’ll have to bring intuition into the equation, make a gut call, and then embrace the risks that come with that move. If your gut call turns out to be the wrong one, it doesn’t mean you’re defeated—it’s simply a part of leadership.”

“Ultimately, a willingness to seek out opportunity and accept responsibility for all outcomes—including mistakes—is the mark of a true leader,” Panaggio concludes. “If you can learn to live with risk and even use it to your advantage, you’ll be setting yourself up for entrepreneurial success.”
### Top Health Care Medical Clinics/Groups in The Inland Empire

#### Ranked by number of licensed beds

<table>
<thead>
<tr>
<th>Medical Group Address</th>
<th># of Physicians Employed Contracted</th>
<th>Organization Type (IPA/GP/Corp. Practice)</th>
<th>Total Employees</th>
<th>Year Founded</th>
<th>Prepaid Care Services</th>
<th>Urgent Care Services</th>
<th>Nat. Accredited Surg. Centers</th>
<th>Clinics/Group</th>
<th>Top Local Executive Title</th>
<th>Phone/Fax</th>
<th>E-Mail Address</th>
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<td>Pinnacle Medical Group</td>
<td>8</td>
<td>Medical Group</td>
<td>50</td>
<td>2003</td>
<td>WND</td>
<td>Yes</td>
<td>Yes</td>
<td>Charles Sabbah, MD</td>
<td>President</td>
<td>(909) 421-7042/3922</td>
<td><a href="http://www.pinnaclemedical.com">www.pinnaclemedical.com</a></td>
</tr>
<tr>
<td>Pomona Valley Health Center</td>
<td>8</td>
<td>Premier Family Medicine Associates</td>
<td>36</td>
<td>1996</td>
<td>N/A</td>
<td>Yes</td>
<td>Yes</td>
<td>Gregory Dalquist, M.D.</td>
<td>Medical Director</td>
<td>(909) 469-0400/685-2982</td>
<td><a href="http://www.pvhmc.org">www.pvhmc.org</a></td>
</tr>
<tr>
<td>PVHC at Chino Hills</td>
<td>4</td>
<td>Premier Family Medicine Associates</td>
<td>46</td>
<td>2003</td>
<td>N/A</td>
<td>Radiation &amp; Physical Therapy</td>
<td>Yes</td>
<td>Gary Fantau, M.D.</td>
<td>Medical Director</td>
<td>(909) 630-7877/830-7664</td>
<td><a href="http://www.pvhmc.org">www.pvhmc.org</a></td>
</tr>
<tr>
<td>PVHC at Claremont</td>
<td>25</td>
<td>Premier Family Medicine Associates</td>
<td>50</td>
<td>2009</td>
<td>N/A</td>
<td>Yes</td>
<td>Yes</td>
<td>Karen Levin</td>
<td>Director of Operations</td>
<td>(909) 787-7633</td>
<td><a href="mailto:custserv@pvhc.com">custserv@pvhc.com</a></td>
</tr>
<tr>
<td>PVHC at Crossroads</td>
<td>3</td>
<td>IPA</td>
<td>15</td>
<td>1982</td>
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<td>Yes</td>
<td>No</td>
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<td>Prime Care of Redlands</td>
<td>3</td>
<td>IPA Multi-Specialty</td>
<td>87</td>
<td>1988</td>
<td>80%</td>
<td>Yes</td>
<td>N/A</td>
<td>Joerdelli Prasad, M.D.</td>
<td>President</td>
<td>(909) 932-1043/932-1065</td>
<td><a href="mailto:info@promedihealth.com">info@promedihealth.com</a></td>
</tr>
<tr>
<td>ProMed Health Network</td>
<td>0</td>
<td>IPA Multi-Specialty</td>
<td>70</td>
<td>1996</td>
<td>60%</td>
<td>Yes</td>
<td>No</td>
<td>Deborah Novellino</td>
<td>Executive Director</td>
<td>(951) 774-2800/774-2846</td>
<td><a href="http://www.promedhealth.com">www.promedhealth.com</a></td>
</tr>
<tr>
<td>Rainier Medical Group, Inc.</td>
<td>0</td>
<td>IPA Multi-Specialty</td>
<td>70</td>
<td>1996</td>
<td>60%</td>
<td>Yes</td>
<td>No</td>
<td>Walter Jones, MD</td>
<td>President</td>
<td>(909) 746-8589</td>
<td><a href="http://www.rainiermed.com">www.rainiermed.com</a></td>
</tr>
<tr>
<td>Rollandos-Yucapa Medical Group</td>
<td>10</td>
<td>IPA Multi-Specialty</td>
<td>50</td>
<td>2003</td>
<td>WND</td>
<td>Yes</td>
<td>Yes</td>
<td>Judy Carpenter</td>
<td>President/CEO</td>
<td>(951) 787-3123/787-9749</td>
<td><a href="http://www.rymg.com">www.rymg.com</a></td>
</tr>
<tr>
<td>Riverside Medical Clinic</td>
<td>123</td>
<td>IPA Multi-Specialty</td>
<td>725</td>
<td>1935</td>
<td>50%</td>
<td>Yes</td>
<td>Yes</td>
<td>Howard Suner</td>
<td>CEO</td>
<td>(951) 784-9800/784-6006</td>
<td><a href="http://www.riversidemedicalclinic.com">www.riversidemedicalclinic.com</a></td>
</tr>
<tr>
<td>Riverside Physician Network</td>
<td>0</td>
<td>IPA Multi-Specialty</td>
<td>55</td>
<td>1984</td>
<td>n/a</td>
<td>Yes</td>
<td>N/A</td>
<td>James W. Malin</td>
<td>CEO/Administrator</td>
<td>(909) 861-8811/861-3707</td>
<td><a href="mailto:admin@riversidepm.com">admin@riversidepm.com</a></td>
</tr>
<tr>
<td>San Bernardino Medical Group, Inc.</td>
<td>25</td>
<td>Multi-Specialty Practice Group</td>
<td>108</td>
<td>1954</td>
<td>65%</td>
<td>Yes</td>
<td>No</td>
<td>Stephanie Urraza</td>
<td>Office Manager</td>
<td>(760) 243-7997/243-1510</td>
<td><a href="http://www.riversidepm.com">www.riversidepm.com</a></td>
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<tr>
<td>Stanley Trammel, DDS</td>
<td>1</td>
<td>Dental Orthodontics</td>
<td>6</td>
<td>1986</td>
<td>90%</td>
<td>24 Hour on Call</td>
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<td>U.S. Health Works Medical Group</td>
<td>1</td>
<td>Occupational &amp; Industrial Medicine</td>
<td>4</td>
<td>1991</td>
<td>100%</td>
<td>Yes</td>
<td>No</td>
<td>Carmen Wells</td>
<td>CMO</td>
<td>(951) 651-5260/653-2440</td>
<td><a href="http://www.riversidepm.com">www.riversidepm.com</a></td>
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<td>U.S. Health Works Medical Group</td>
<td>15</td>
<td>Family Practice, Industrial Medicine</td>
<td>35</td>
<td>1983</td>
<td>35%</td>
<td>Yes</td>
<td>No</td>
<td>Alpine Jackson</td>
<td>Medical Director</td>
<td>(909) 621-3626/3681</td>
<td><a href="http://www.riversidepm.com">www.riversidepm.com</a></td>
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<td>U.S. Health Works Medical Group</td>
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<td>Occupational Health, Industrial Medicine</td>
<td>22</td>
<td>1980</td>
<td>100%</td>
<td>Yes</td>
<td>No</td>
<td>Joseph Balatarin</td>
<td>CMO</td>
<td>(909) 921-4080/901-6704</td>
<td><a href="http://www.riversidepm.com">www.riversidepm.com</a></td>
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<tr>
<td>Western University Medical Center</td>
<td>0</td>
<td>Dental Family Practice Group</td>
<td>16</td>
<td>1963</td>
<td>90%</td>
<td>Yes</td>
<td>N/A</td>
<td>Carol Hune</td>
<td>CMO</td>
<td>(909) 865-2562/868-2955</td>
<td><a href="http://www.riversidepm.com">www.riversidepm.com</a></td>
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N/A = Not Applicable  WND = Would not Disclose  n/a = 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 2014 by IEBJ.
Real Estate... continued from pg. 28

Murieta Crossing offers I-215 Freeway visibility and is centrally located in the retail hub of the Temecula/Murrieta Valley. The property is anchored by Ace’s Comedy, Anti-Gravity, Easy-Life Furniture, Mor Furniture and Sit’n Sleep. It also contains Miguel’s Jr. Mexican Restaurant and In-n-Out.

“Our leasing team was able to reposition the asset, taking it from 16 percent to 91 percent occupancy during the past two years,” said Shauna Mattis, senior vice president of WCRE. “As a result of our leasing efforts, we were able to increase the property’s value from $9.3 million to $16.5 million.” Mattis and Geoff Tranchina of WCRE represented the seller, Sacramento-based special servicer Bluett & Associates.

The buyer represented itself. Mattis went on to say that the Inland Empire retail market is continuing to show positive signs of recovery. 2013 End-of-Year market studies report a total vacancy rate in the IE of just over 10% (10.1%) and average asking rent for all retail space of $22.80 square foot up more than $5.51 square foot over the preceding six months. Over 2 million square feet of big box retail space was absorbed in the market from 2012-2013.

Timothy Rutland... continued from pg. 15

tenure with SELMC, Rutland was credited with a series of major accomplishments including generating $1.2 million in group revenue for the new Stein Eriksen Ballroom, boosting mobile and integrated Web booking by $1.2 million and annually outpacing sales projections by up to 124 percent. Rutland also held executive positions at a number of prestigious California-based properties including The Beverly Hilton and Raffles L’Ermitage in Beverly Hills and dedicated 19 years to the Ritz-Carlton Hotel Company, holding multiple posts throughout the U.S.

“With a resort-wide renovation set to launch, Tim’s diverse background and stellar capability set will ensure success for La Quinta’s treasured product and mission,” notes Paul Cherrett, managing director of La Quinta Resort & Club. “His vision and top-line ability to drive revenue, along with his demonstrated knowledge of all aspects of the hospitality industry, are an invaluable asset to the La Quinta team.”

Legislation... continued from pg. 1

legislation is the bipartisan solution the Legislature and Governor need to solve this long-festering problem once and for all.”

The BOE has already spent roughly $60 million of the taxpayers’ money for building repairs and remediation. Total costs related to repairs and relocation during construction are estimated to be between $106 and $115 million, which does not include lost employee productivity.

“After years of repairs, costing the state $60 million to date and forcing our employees to work in an unstable environment, I am pleased that this fiscally and morally responsible legislation is moving forward. I fully support Assembly Bill 1656 which authorizes the Department of General Services to secure an alternate site that will consolidate and relocate the BOE Headquarters operations into one central location.”

The building on N Street only has enough working space for 2,200 employees. The other 750 Sacramento-based BOE employees work in satellite offices located throughout the Greater Sacramento area.

Archived at... continued from pg. 1

end of the month. In the meantime, if you find any errors or omissions, please contact Jill Vassilakos-Long at jvlong@csusb.edu.

The archive will be updated as new issues are released. The paper issues remain archived in the Special Collections section of the Pfau Library.

For information regarding access and/or inquiries about the IEBJ archive, please contact Jill Vassilakos-Long at jvlong@csusb.edu.
China's Rising...

continued from pg. 23

But what about the 300 million additional workers moving from the countryside into the cities? Doesn’t China need high GDP growth to provide employment for them?

Ten years ago, the big employment engine was the low-cost export sector. As that manufacturing becomes more capital-intensive and higher value added, it will need less labor. So what’s going to replace the old employment engine? If the urban population grows from 50 to 80% of the total population, and cities grow and expand, there are a ton of service jobs that go along with urban life, from subway drivers and dry cleaners to shops and restaurants. That’s going to be an important employment engine. In other words, it’s not GDP growth we should be looking at, but changes in the composition of the economy to where these new jobs are going to be created.

What does your study of middle-income countries tell you about political change in China?

In most countries, as people get richer and more comfortable materially, they want to have a voice — that is, a political voice — in the way the place is run. In cases like Japan, Korea, and Taiwan, you had dominant single parties kept in power by structures that made it very unlikely that another party would ever get elected. All of these have evolved into genuine multiparty democracies. No one knows what version of this change will occur in China. There is no question that most people think — and I would agree — that economic development is accompanied by the evolution of and change in political and social institutions. Even if that happens in an idiosyncratic Chinese way.

How will China’s reforms change the world economy?

China has been a growth engine, and now it’s also a huge market. According to McKinsey Global Institute figures, China’s middle class is 230 million people now, going to 630 million people in 10 years. This is an economy with an enormous amount of growth in purchasing power. What happens in a middle-income transition is that people get rich enough to buy certain things, like cars, larger homes, appliances. The whole developing world is going to have a big market in China to sell to. It positively affects everybody.

Even if the reforms transition China’s economy to slower growth?

What we should probably worry about is not whether it maintains the old rate of growth, but rather whether Chinese growth drops below the country’s sustainable rate of 7 to 7.5%. Or whether an accident happens, or they don’t complete the reforms, or a group that doesn’t want a market-based economy gets the reins of power. A lot of these and other things could happen. But we should not worry excessively about China successfully making a transition to a middle-income country, which is going to come inherently with a less explosive rate of growth.

—Standard Graduate School of Business

have historically had to choose between going to Arizona or someplace else in California to go to college,” Grenrock said. “But now they have the Palm Desert Campus as an option, and as the campus continues to grow and the region becomes more of a college destination, why wouldn’t they stay here, and why wouldn’t people from other areas want to come here to the desert?”

New or current CSUSB students must have a parent or parental guardian currently employed with Ernie Ball Inc. to qualify for the funding. In just the short time since the scholarship program was announced, Dragovich says, “I grew so much more respect for our employees. So many of our employees have such intelligent children. It just blew me away. That’s the stuff you just want to support.”
Biz2Credit Identifies 2014’s Best Small Business Cities in America

**Riverside has been named #11**

Biz2Credit.com has identified San Jose as the Best Small Business City in America, based on a weighted average that includes annual revenue, credit score, age of business (in months), cash flow, debt-to-income ratio, incorporation (C-Corp or LLC vs. sole proprietorship), and business owners’ personal credit scores.

“San Jose remains the center of innovation and new job creation in the U.S.,” said Biz2Credit CEO Rohit Arora, one of the nation’s leading experts in small business finance, who oversaw the research. “Surprisingly, Detroit-Dearborn scored very well in large part because of the auto industry’s rebound and the growing technology sector in the area.” Meanwhile, despite being the nation’s financial hub and a city with a thriving economy, the New York City metro area ranked only seventh in the Biz2Credit’s Best Small Business Cities ranking because of the high cost of doing business.

“When revenue figures are usually higher for New York-based companies, so are the costs of operation. The minimum wage is higher, and now Mayor DeBlasio has expanded paid sick leave. This hinders small business owners,” Arora explained. “When fixed and marginal costs are high, it impacts cash flow significantly. There is also some fallout still from Hurricane Sandy and its impact on small businesses. This, too, hurt New York’s ranking.”

Houston dropped from the top spot last year. The oil boom in Texas has slowed a little, and business growth is not at the pace that we saw last year.

For this analysis, Biz2Credit defined “small businesses” as companies having fewer than 250 employees or less than $10 million in annual revenues. The Top 25 Cities for Small Business in 2014 are:

1. San Jose-Sunnyvale-Santa Clara, CA
2. Detroit-Dearborn, MI
3. Denver, CO
4. Los Angeles-Long Beach-Anaheim, CA
5. San Francisco-Oakland, CA
6. Las Vegas, NV
7. New York metro area
8. Atlanta, GA
9. Washington, DC metro area
10. Miami-Fort Lauderdale-West Palm Beach, FL
11. Riverside-San Bernardino, CA
12. Tampa-St. Petersburg, FL
13. Sacramento, CA
14. Indianapolis, IN
15. Houston, TX
16. Chicago, IL
17. Portland, OR
18. Dallas-Fort Worth, TX
19. Phoenix-Scottsdale, AZ
20. Charlotte, NC
21. San Antonio, TX
22. Seattle-Tacoma, WA
23. Jacksonville, FL
24. Philadelphia, PA
25. Orlando-Kissimmee, FL

The Top 10 metro areas by Annual Revenue were: Riverside-San Bernardino, CA; Portland, OR; Jacksonville, FL; Los Angeles-Long Beach-Anaheim, CA; and Detroit-Dearborn, MI.

“Centers of technological innovation are booming. Cities like Portland and Jacksonville are taking advantage of their slower pace, lower costs and good standard of living offered to residents,” Arora says.

When sorted by Age of Business (in months), Philadelphia was the leader.

“The small number of months in business indicates more startups in an area. Philadelphia, San Antonio, Sacramento, and Orlando were among the leaders. These cities are places where immigrant businesses are growing,” Arora explained. “Meanwhile, Washington benefits from Federal investments. The city also is a magnet for young people.”

When sorted by Credit Score, San Jose was the leader. Rounding out the Top 10 were: Denver, Las Vegas, Los Angeles-Anaheim, San Francisco-Oakland, San Jose, New York metro, Detroit-Dearborn, Tampa-St. Petersburg, Sacramento, and Portland.

“Small businesses in areas where technology is booming, such as San Jose, Denver, Las Vegas, Los Angeles, San Francisco, and New York, tend to have higher credit scores,” Arora said. “They are also areas with a long history of innovation and thus have well-established companies with higher credit scores.”

For the complete Top 25 ranking by Annual Revenue, Credit Score, or Age of Business, visit: (www.biz2credit.com/research-reports/2014-best-small-business-cities-in-america)

**About the Biz2Credit Best Small Business Cities in America Study**

Biz2Credit analyzed 12,000 businesses with less than 250 employees and less than $10 million in annual revenues from across the country that have been in opera-
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<td>4336 Torrey Pines Dr.</td>
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<td>Sincere Secret Studio</td>
<td>18031 Outer Hwy 18 STE. C</td>
<td>Apple Valley, CA</td>
<td>92307</td>
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<td>Sirenz Pleasurez</td>
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<td>Twisted Images Ink</td>
<td>15455 Cajon Blvd.</td>
<td>Devore, CA</td>
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<td>Vector First Aid</td>
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<td>The V. M. Project</td>
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<td>Waterman Automotive Service Center</td>
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<td>Common Sense Financial</td>
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<td>Evergreen Landscape and Maintenance</td>
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<td>CAKE IT FRESH</td>
<td>2793 Avenue Balboa</td>
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<td>Action Surveillance</td>
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<td>Get It Write Editorial Services</td>
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<td>WoodcreekBooks.com</td>
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<td>Nightingale Home Healthcare</td>
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<td>Carl's Jr Restaurants</td>
<td>72875 Fred Waring Dr. STE. C</td>
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<td>Napa Restaurant</td>
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<td>Sierra Avation Group</td>
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Independence Bank

Commitment to community and personalized business banking...The Power of Independence

Founded by highly experienced bankers from Orange County, Independence Bank is a community-based institution that specializes in providing personalized, personalized financial solutions for individual and business customers.

Independence Bank is a full-service commercial bank, providing its customers customized personal banking, business banking, and commercial lending solutions that include conventional business financing, commercial real estate lending and SBA loans. Its customers enjoy the many advantages that a mutually beneficial and long-term banking relationship offers: attentive service, flexible programs that can be adapted to one’s needs and a genuine customer-focused philosophy. Independence Bank is dedicated and passionate about customer service and prides itself in providing prompt and personal attention to each individual customer.

Headquartered in Newport Beach, California, customers can bank at any of Independence Bank’s six regional offices in Orange and Riverside Counties—located in Newport Beach, San Juan Capistrano, Fountain Valley, Tustin, Riverside and Corona. Customers can also opt to bank online from home or office, or on-the-go with a mobile device via Independence Bank’s personal and business online banking services.

In 2014, Independence Bank completed its acquisition of and merger with Premier Service Bank of Riverside. This transaction combined two locally-founded community banks, possessing a common customer-first philosophy, and now provides customers in the Inland Empire market with the enhanced line-up of lending and deposit products available from Independence Bank. Along with its well-established presence in Orange County, Independence Bank is now poised to meet the increased demands and needs of its diverse client base in Riverside County, building upon the foundation and strength of Premier Service Bank.

The Independence Bank team consists of experienced and knowledgeable ‘Business Bankers’ in the truest sense. They have significant experience in manufacturing, wholesale, distribution and service industries. Independence Bank also successfully banks many professional medical services, architects, engineers, attorneys and CPAs. The bank is also very proud of providing banking relationships to many leading non-profit organizations and several local charities based in Southern California. Those partnerships go hand-in-hand with Independence Bank’s strong commitment to community service and reinvesting daily in the communities they serve.

All of the Independence Bank team—from corporate personnel to regional office staff—shares a company-wide culture of exceptional service to their customers and communities. A spirit of community involvement and volunteerism runs deep at Independence Bank, with many of the bank’s officers and staff being involved with various community and charitable organizations. “Many of our officers serve on charitable and non-profit organization boards of directors, providing countless hours of service back to the community. This is a principle we stand by every day, in all that we do at Independence Bank,” says Kerry Pendergast, regional president.

Commercial lending services are also a significant part of the Independence Bank business model. The bank provides commercial and industrial loans as well as commercial real estate lending, with a strong emphasis on establishing and maintaining long-term banking relationships.

Construction... continued from pg. 2

About McGraw Hill Construction:
McGraw Hill Construction's data, analytics, and media businesses — Dodge, Sweets, Architectural Record, and Engineering News-Record — create opportunities for owners, architects, engineers, contractors, building product manufacturers, and distributors to strengthen their market position, size their markets, prioritize prospects, and target and build relationships that will win more business. McGraw Hill Construction serves more than one million customers through its trends and forecasts, industry news, and leading platform of construction data, benchmarks, and analytics, including Dodge MarketShare, Dodge BuildShare, and Dodge SpecShare. To learn more, visit www.construction.com.

About McGraw Hill Financial:
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doing the same thing. We are all better off not worrying about what this technology might do to us. We just have to figure out what part of it we can take advantage of for our own purposes. For myself, I am more afraid of getting hit by a bus than something up in the sky. Currently, buses have a worse track record.
A Non Vegas Vegas Trip  
By Brian Hoerning

April in Southern Cal is very predictable—hotter than the Arctic the next. With that in mind, and with a week of vacation scheduled, we got in the car and headed to the spring warmth of Las Vegas. Now I know many could easily fill the week just spending time on The Strip—but not us.

We decided to do a “Non Vegas Vegas Trip.” There are many advantages to using Vegas as a base of operations—great places to stay and great meals at a great price (or a great meal at a ridiculous price if you so choose).

For those who do the time-share route – RCI lists 23 timeshares in the Vegas area, (www.rci.com/resort-directory/list-view) almost all of which are Gold Crown resorts. We stayed at The Cliffs at Peace Canyon (RCI # 6389) a lovely timeshare about 15 minutes west of The Strip and right off the 215 Freeway and Flamingo. The timeshare was a Gold Crown resort and lived up to its billing.

Our goal, as I said, was to use Vegas as our base and to see the incredible sites in the surrounding areas. The North Rim of the Grand Canyon, Lake Mead, Zion and Brice National Park are all within reach.

Our first excursion—The Hoover Dam. (www.usbr.gov/lc/hooverdam/service_DamTour.html). We’d been there years ago and were surprised by the new additions to the tourist side of this amazing work of engineering. We took the Power-plant Tour, (be sure to ask for the senior discount) which was amazing. An elevator took us from the top of the dam down to the bypass tubes and then to the Power Plant itself. The temperature dropped about 30 degrees, and we walked through tunnels cut out of solid rock. Other tours are available—one called the Hoover Dam Tour continues where our tour ended and includes exploration of some of the lesser-known areas of the dam.

Zion National Park
The next day we set out for Zion National Park. The trip is an easy three-hour drive from Vegas straight north on the 15 Freeway and then east on Route 9. During the drive you leave Nevada, enter Arizona and very quickly find yourself in southern Utah and the charming town of St. George. From St. George you are within 45 miles of the gateway to Zion National Park.

Before you reach Zion National Park, visit a charming little town called Springdale. If at all possible, stay overnight, which is an experience unto itself. We stayed at the Majestic View Lodge (www.majesticviewlodge.com) and its name perfectly describes it. Our views were of unobstructed majestic mountains that reminded me of Sedona. Springdale has one main street (Zion Park Boulevard) that ends at the entrance to Zion National Park. This street is several miles long and is serviced by a free shuttle. Along the street are dozens of lodging choices and restaurants. No fast food or chain restaurants here.

Having arrived in Springdale around 3 p.m. we decided to stay for two nights, which turned out to be a wonderful idea. We had dinner on evening #1 at The Spotted Dog Café, which turned out to be an excellent choice.

After a wonderful breakfast at the Majestic View we took the shuttle to the entrance of the park (www.nps.gov/zi-on/index.htm). Zion encompasses 148,000 acres and is best thought of as a small compact valley through which the Virgin River has cut its way through shear cliffs that rise as high as 8,000 feet. The park attracts three million visitors each year. I suggest a spring or early fall trip to avoid the heat of summer and the cold of winter.

Zion is a hiker’s paradise. Unlike the Grand Canyon where the shuttle drives you very close to the actual attraction, the Zion shuttle brings you to the beginning of a trail that leads to the attraction. Zion is best known for “The Narrows,” an area where the Virgin River cuts through shear cliffs that are at times only 50-100 feet apart.

If you do nothing else, do this. It’s a tough walk, but you will be rewarded with an experience not to be found in many other places in this world.

At the end of the day we were extremely glad we had booked a second night at our hotel, as the hiking had really turned our legs into jelly. That evening called for takeout pizza from the Zion Pizza & Noodle Company.

The following morning we made our way back to Vegas and spent the rest of the week enjoying the mild weather.

Next Vegas trip – Brice Canyon!!!
ONTARIO CHAMBER OF COMMERCE HIRES NEW CEO
Peggi Hazlett takes the lead as President

The Ontario Chamber of Commerce Board of Directors announced the hiring of Peggi Hazlett to assume the responsibilities of president and chief executive office of the Ontario Chamber of Commerce. “When I look at all of the exciting things happening or about to happen in our community, it was critical that we find an outstanding individual to lead our chamber” said Steve Eckerson, Ontario Chamber of Commerce chairman of the board. “We are happy to have her on board!”

Peggi Hazlett brings experience, education, professionalism and zeal to lead the Ontario Chamber of Commerce. She grew up in the Ontario/Chino area and currently resides in San Bernardino with her children. As former director of business for the Public Safety Academy and over a decade representing two mayors of San Bernardino, Hazlett has insights into the relationships between government and business. She believes that Chamber of Commerce leaders need to be in the forefront of pushing for strong involvement in their communities and being the conduit for businesses to become more engaged.

The role of Ontario Chamber of Commerce president and CEO involves the day-to-day operations and leadership thru education, advocacy, and innovation to promote and develop economic prosperity for local businesses.

Peggi Hazlett has been project leader, school administrator and teacher, and has held a leadership role in several local organizations. She has a communications and event organization background that will benefit the fund-raising efforts of Ontario Chamber. Hazlett started her new role as president and CEO on April 20, 2014.

LYNN VALBUENA NOW REPRISING ROLE AS SAN MANUEL TRIBAL CHAIRWOMAN

By Venturi

Lynn “Nay” Valbuena, who served as chairwoman of the San continued on page 33

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The Technology in the Sky
By J. Allen Leinberger

It has been about 15 years since I first wrote about UAVs (Unmanned Aerial Vehicles). Today they are referred to as simply “drones.” And many people speak of them with fear and trepidation. Since the late fifties and the launching of Sputnik and Echo there are those who have believed that nuclear devices can be found orbiting the earth in satellites sent up by... continued on page 28