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Health of the Inland Empire Financial Institutions

Before President George Bush even took the oath of office on January 20th of this year, he had already singled out the Savings and Loan crisis as a number one priority. The crisis has been developing over the past few years, in part, because the Federal Savings and Loan Insurance Corporation, which insures Savings and Loans deposits up to $100,000 was insolvent. There has simply not been enough money to maintain stability in the industry.

Gerry Findley, who himself has helped start several banks, and who publishes reports on the health and stability of banks and savings and loans out of his Brea company, is not convinced the Administration's approach will solve the problem. He feels for whether they're up to the challenge of the people to know they're playing the game and get a feel for whether they're up to something." Findley emphasizes that even the most thorough examination of the books and computer records cannot substitute for this kind of face-to-face judgment.

Moreover, two other factors have contributed to the S & L crisis. One is the bottom falling out of the oil industry in Texas and neighboring states. Oil prices dropped dramatically and then real estate values plummeted. That caused millions of dollars of losses at financial institutions, not just in the Southwest, but all across the country.

The other unfortunate factor is outright fraud -- the very thing Gerry Findley says is so difficult to detect. At least 25% of the savings and loans which have closed their doors have been engaged in

Gambling Could Raise $500,000 In New Taxes For Cathedral City

With over 28,000 residents, Cathedral City is the 10th fastest growing city in California. But Mayor George G. Hardie would like to see it grow much bigger and a lot faster. He has a plan, as a matter of fact, to make that happen which would mean certain advantages for George G. Hardie.

Hardie is managing partner and general manager of the Bicycle Club in Bell Gardens, California, the world's largest card casino which currently generates gross revenues of $30 million annually. Hardie conceived and developed the club in 1981 and continues to monitor all aspects of the club's business which has 1,700 employees. He prides himself in running an honest and smooth operation.

What does this have to do with Cathedral City? It is very simple. If George G. Hardie can pull it off, he will build a 220-room deluxe hotel and resort complex which will include a 7500 square foot country club style card gaming area. The proposed resort hotel would feature banquet facilities accommodating up to five hundred people, a 24-hour restaurant, a rooftop gourmet restaurant complete with strolling violinists, a cocktail lounge, a health club with indoor video golf driving ranges, various shops and beauty salons, and to top it all off a radio studio broadcasting from 10 p.m. to 2 a.m. The price tag -- $25 million dollars.

All Mayor Hardie needs now is a special election to approve his plan. Last week, the Cathedral City Citizens for Progress wheeled 4,500 signed petitions into City Hall requesting the special election. The petitions call for two initiatives. One would repeal the ban on card clubs and the other would set up regulations for the gaming operations.

City officials must now sift through the petitions to see if at least 15 percent of Cathedral City's 10,140 eligible voters are among the gathered signatures. That is the minimum requirement for a special election. The Registrar of Voters in Riverside County must then determine if there are enough valid signatures from registered voters. The earliest date an election could be held would be September, 1989, according to Acting City Clerk Kammy Hill.

The Cathedral City Citizens for Progress proposed resort would generate new jobs. The new facility would be constructed on land where Hardie now operates a hotel and golf driving range. Mayor Hardie was questioned regarding his proposal which has, of course, raised some eyebrows not only because of the gambling casino

Continued on page 3

Developers offer sewer fund monies

A consortium of developers operating in eastern Riverside County has recently approached the Eastern Municipal Water District (EMWD) with a proposal to accelerate sewer plant expansions in the area. Jim Fergus, RANPAC Engineering, Inc., Vice President for Residential Development explained in an interview with the JEWH why his company is spearheading the effort on the part of several development and construction firms.

"As we looked at all our timetables here, perhaps [building] as many as 20,000 new houses over the next three years, we began to realize that there was no way sewerage plant construction could keep pace. So we approached first the staff and then the Board members of the Eastern Municipal Water District to ask: What if we funded the design and then the construction of the necessary facilities? We could then get our money back by already having credit for fees that would normally be charged us at the time of building permits.

Fergus named Kaufman and Broad, Barratt, First City, and Newport Beach's Gary Cook's Green Valley project as among the developers involved in the consortium. He also mentioned that Bill Sweeney and John Buchanan, owners of the Rancho Nuevo Development...

Continued on page 5
**INSIDE**

**SAVINGS & LOAN**
How stable are financial institutions in the Inland Empire? Page 1
An in-depth report on the health of Inland Empire banks and savings and loans along with observations by independent experts on the S & L crisis.

**CLOSE-UP**
Inland Empire Close-up Page 13
Senator Robert Presley of Riverside and Chairman of the powerful Senate Appropriations Committee expresses his views on the Inland Empire's opportunities and problems in the face of rapid growth.

**SPECIAL REPORT**
Casino card gambling in Cathedral City? Page 3
Cathedral City Mayor George G. Hardie wants to replicate his successful Bell Gardens' Bicycle Club Casino. Prominent residents go public with their support and collect petitions for a special election.

**CAREER'S**
Inland Empire's Successful Businesswomen Page 22
Profiles of three very successful women in business ... Judy Furtado, Owner/President of Furtado Fashions, Inc., and Baker Personnel Services in Upland ... Deborah Mandelbach, Director of Marketing for The Arrowhead Health Care System in San Bernardino ... and Diane Zak, Director of Administration for The TOMO Co. Irrigation Division in Riverside.

**ONTARIO COMM CENTER**
Office Alternatives Page 23
The new Ontario Comm Center offers the smaller business large corporate amenities. Leasing Manager Emil Regard says, "You name it, we'll do it ... even a secretary will cost you more."

**GLOBAL TRADE**
The Japanese Market Page 8
A number of suggestions on how your business can penetrate capital-rich Japan.

**REAL ESTATE**
Tenant Representation Page 15
Scott Grubert reviews the history of how business tenant representation has developed over the years as clients increasingly need both a real estate broker and representation in negotiations between that broker and a potential lessor.

**TURNAROUNDS**
Business Tips Page 7
Rick Lamprecht shows how turnaround strategies for companies in trouble are also excellent ways for emerging firms to prevent future troubles.

**ADVERTISING**
Sales Promotion Page 4
Two Chicago marketing executives show how the sales promotion business is coming back full-circle to its original focus of 30 years ago. They present a planning checklist for self-evaluation.

**EDITORIAL**
Prevention and treatment of alcoholism and alcohol abuse, not higher excise taxes on alcoholic beverages, is the answer to the staggering social cost of abusive drinking. Page 12

**BUSINESS MEETINGS**
Twelve Steps to a Successful Meeting Page 16
Donna Alim, San Diego Convention Center Communications Manager, suggests 12 ways you can ensure a successful business meeting.

**THE LISTS**
Industrial Space in the Chino-Ontario area Page 14
The 75 Largest Employers in the Inland Empire - ranked by how many people are actually employed at Inland Empire locations. Page 10
The Largest Hotels in the Inland Empire - ranked by number of rooms, as well as conference and meeting accommodations. Page 19
33 Inland Empire Independent Financial Institutions - ranked by return on assets Page 25

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**EDITORIAL**

EDITOR
Robert Kemp

MANAGING EDITOR
Ingrid Anthony

CORRESPONDENTS and COLUMNISTS
William Robinson, Bud Frankel
Robert Montano, Rick Lamprecht
Steve Dickinson, Donna Alim
Scott Grubert, Robert Kemp, Ph.D.
Emil Regard, William

**ADVERTISING**

ACCOUNT EXECUTIVES
Prim Shea
Bob Kemp
Ronda Densman
Jeff Einstoss

COMPTROLLER
Robert C. Bordwell

DESIGN
Diane Skillman

PRODUCTION
CompArt

---

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Resort Hotel ... Health Club ... and Card Casino

Continued from page 1

but also because Mr. Hardie, as Mayor of Cathedral City, clearly would benefit from the project.

Q: How can Cathedral City benefit from this new operation?
A: This will be a first-class resort complex. It will provide more than half a million new tax revenue dollars every year and offer over 600 new well-paying jobs. I intend for the additional revenues to be earmarked for civic programs such as childcare centers, paramedic services, boys' and girls' clubs, and senior citizens centers. Also, it will attract to Cathedral City a large number of tourists eager to spend a lot of money during their stay. This cannot help but provide a tremendous boost to the business community here.

Then there's the construction plan. It will cost in the neighborhood of $25 million and will employ local craftsmen for the electrical, plumbing, landscaping and a host of other building trades. Once built, the resort will boost business for vendors throughout the Coachella Valley. Food and beverage vendors and repair and maintenance concerns are only the most obvious examples of the businesses the new resort will help.

Q: Given the controversy surrounding the Card Club, why not just build the complex minus the gaming room?
A: The hotel and resort industry has not done well recently in the Coachella Valley. A lot of our properties have changed hands, gone into conservatorship or are up for sale. We need to offer more attractions to bring in more tourists. Quite frankly it is becoming more and more difficult for hotel operators to compete with all the new construction and amenities going on down valley. If we were in Cathedral City we are to stay at all competitive, we've got to offer unique, exciting attractions.

Q: What exactly is a Card Club?
A: The club offers players a chance to enjoy a recreational card game in a relaxed and well-managed environment. A player simply pays a rental fee to sit at one of the gaming tables. The players play against each other. The "house" has no financial interest in who wins or loses. We would even offer classes for people who want to learn the variety of games offered.

How are we? Continued from page 1

unscrupulous practices. Reviving the FSLIC cannot solve that problem.

Nevertheless, by this coming summer, Bush's plan to recapitalize the system, with $157 billion raised through tax revenues and bonds sales, is expected to have passed both houses of Congress. Once in operation, the legislation will make it possible to liquidate or arrange the sale of nearly 530 insolvent S & L's across the country while protecting limited to such a list does exist within one organization.

Business Journal discovered that have either closed, merged, gone insolvent and Loans.
Sales promotion business goes full circle

By Bill Robinson and Bud Frankel

The following is an article as reprinted from Sales Promotion Monitor, September 1987.

The sales promotion business as we know it today really began back in the 1950s. We can characterize the '50s, '60s, '70s and '80s as follows:

- The '50s were the decade of "show". All you had to do was show the consumer that you had a product and you sold it. So the heavy downbeat in the '50s was on point-of-sale.

- The decade of the '60s we can call the "tell" decade. Companies spent 50% of their revenues on advertising to make a major impact and garner new media activity. We were finding that taste, social, economic, and political differences are changing the selling environment. With retail scanners and other new technology, the future of the business is again at point-of-sale.

- The '70s, people caught on that if you showed it and you sold it, you were successful.

- The '80s can be considered the marketing decade, when people discovered that there were issues like segmentation and targeting and needs recognition, and that there has to be a way of differentiating your product from the next company's product.

Promotion Planning

Marketing management has suddenly come to grips with the fact that they are spending more money in the non-media marketing areas than they have ever spent before and they are looking for professional help. The break is about 65% non-media activity and 35% in media. They're looking at a brand and saying, "We're spending $4 million in advertising and we've got this very heavy-breathing sophisticated advertising agency out there. We're spending $10 million in non-media marketing, and we're leaving in that in the hands of the brand assistants — shame on us! We've got to use that money smarter and better!"

How can you do that? The answer is in PLANNING. This checklist should help.

1. Market Situation. You must know what's happening in the marketplace, what your client is doing, what the competition is doing. You have to understand the demographics, and you have to understand the distribution.

2. Problem to be Solved. You have to identify the problem and dig beneath the surface to get to the source.

3. Objective. You need to develop specific measurable and non-measurable objectives. At this time you start asking questions. Who is the target? What are you trying to motivate them to do? What markets are you talking about geographically and demographically? What are the channels of distribution?

4. Strategies. Do they meet the objectives?

5. Tactics. Do they support the strategies? Do they work? Are they practical? Are they measurable? Are they affordable?

6. Timeline. What is the sell-in deadline? How long will the promotion run? What is the evaluation deadline?

7. Budget. Establish an anticipated budget. Is there a set limit? What is the estimated availability? Be sure that you include all costs here.

8. Pre-Evaluation. How will the promotion be evaluated? Pre-testing, market test, or consumer groups? What audiences do you want to test with? What are you looking for? How will you evaluate whether to go with the promotion or not?

9. Post-Evaluation. How do you manage success? The real business is the bottom line. Was there an increase in volume? Share? What was the response? How was participation?

Where Do You Go From Here?

In some ways we can say that we're going back to the '50s ... the point-of-sale era. The trend is toward regionalization and away from national marketing.

We're finding that taste, social, economic, and political differences are changing the selling environment. With retail scanners and other new technology, the future of the business is again at point-of-sale.

The promotion business has come of age. In many cases today, we are equal partners with the advertising agencies. The important message is that the client, the advertising agency, and the sales promotion agency plan and work together as three partners to get the product into the channels of distribution and finally to the consumer.

William A. Robinson is president of Chicago-based William A. Robinson, Inc., a 25-year old marketing services agency. He has written numerous columns and books on sales promotion as well as conducting marketing and advertising seminars throughout the world.

Bud Frankel, president and founder of Frankel & Co., located in Chicago, is one of the pioneers in the marketing services industry with more than 30 years experience in sales and marketing. He is nationally acknowledged as an expert on sales promotion.

Special to the Inland Empire Business Journal by Bill Robinson, Bud Frankel, and Sales Promotion Monitor.
Developers offer sewer fund ...

Continued from page 1

response," said Fergus, as he described EMWD Board members' first reactions. "We ourselves have 600 acres in the Lakeview Nuevo area we'd like to get going on."

Bill Plummer, Assistant Chief Engineer for EMWD, stated that as he understood the initial proposal it would not be in the form of a loan but rather buying capacity into expanded or new sewerage treatment plants. “There are two ways this is usually done,” Plummer said. "We can build a plant of 'X' amount capacity and then offer opportunities to buy into what we call 'access rights.' That can speed up the process. In this case a select group of developers has just now come to us to build new capacity for them. If this goes through, that's another way things can happen faster."

Plummer noted that the Sun City and Perris plants could be expanded, while a new facility could be constructed at Winchester.

Eastern Municipal Water District Board members are Dick Kelly, Chairman, Roger Siems, Chet Gilbert, Bill Aldridge and John Coudures. Each member is elected to a four-year term.

No Board member except Coudures was available for comment. He called the proposal "a novel idea but only one of many options open to us. To the best of my knowledge no such blending of the public and private sectors has taken place anywhere out here in this particular region. There are no free lunches. I'd have to examine all of the particulars before coming to any decision on the matter."

Coudures' father helped create the EMWD, and in 1951 Coudures himself served on the Advisory Council. He is the senior member of the EMWD Board, now in his sixteenth year of service.

RANPAC's Fergus seemed by far the most enthusiastic about the proposal, which Board members will formally receive and begin deliberation on during the week of May 22. “The whole concept of blended public-private projects is exciting in and of itself,” he said. "I hope this particular project turns out to be a profitable partnership between the private and public sectors."

New Magazine To Link California Real Estate Sellers With Japanese Buyers

The introduction this month of a new magazine designed to promote California real estate to potential Japanese buyers has been announced by its publisher, Guy Torelli.

California Real Estate Guide, with a circulation of 2500, will feature advertisements of California real estate for sale by brokers, owners, developers and syndicators. Their Tokyo office distributes the magazine free throughout Japan to real estate companies, major corporations, banks, insurance companies, and individuals. The magazine will include all types of real estate -- homes, condominiums, apartment complexes, office buildings, shopping centers, industrial buildings, and land. It features color photographs of each property with the description translated and typeset in Japanese. In addition, there are easy-to-read maps to locate each property anywhere in California.

Stater Brothers opens remodeled store in Riverside

Recently Stater Brothers markets re-opened its store on Arlington Avenue in Riverside after a major four-month remodeling effort. Customers will find the store fully modernized and upgraded from a new floor, ceiling and pastel decor to state-of-the-art energy conservation equipment.

Jack H. Brown, Chairman of the Board, President, and CEO stated, "Stater Brothers is committed to providing quality merchandise to our customers ... and to maintaining our position as the Number One supermarket chain in the Inland Empire."

Stater Brothers will open a new supermarket in late summer in South La Sierra, bringing the total number of Riverside County Stater Brothers stores to 31.

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Tapping Overseas Market

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You're a manufacturer of "middle market" size with $5 million to $50 million in annual sales. Your product has enjoyed a modicum of success in the U.S. market, and you're thinking of going international. You want to tap the overseas market. You want to export. What do you do?

One of the first things an exporter must do is arrange export financing. There are various ways to do that.

In an export transaction, as in a domestic sale, the selling terms can range from cash in advance to long-term financing. While most exporters - indeed, most manufacturers - would prefer the cash in advance, liberal terms will ensure a greater likelihood of the sale taking place.

Offering flexible terms is among the most effective marketing tools. The key is to strike a balance where the importer accepts the preferred terms, and you, the exporter, feel comfortable from the credit risk and liquidity standpoints.

In exporting, besides the commercial credit risk there also is the element of political risk; i.e., adverse changes in the foreign government or inconvertibility of the importer's local currency to U.S. dollars. For a variety of prudent reasons, many middle market exporters are unwilling to accept such risk.

What to do? Fortunately, help is available. For one thing, it may be possible to insure your foreign receivables against non-payment by taking out an export credit insurance policy with the Foreign Credit Insurance Association (FCIA) or other private insurance entities. Insuring foreign receivables not only reduces risk, but can be a liquidity enhancer, since insured foreign receivables are easier to borrow against or sell to your commercial banker.

However, it must be remembered that export credit insurance is insurance and not a guarantee. The policyholder must understand and comply with the terms of the coverage in order to keep that coverage in effect.

To arrange the financing of your sale, it is extremely helpful to work with a commercial bank such as First American which has expertise in the export finance field. The earlier the export finance banker is involved, the better. At the early stages, an evaluation of the importing country can be obtained and specific credit information on the borrower procured. Further, the export finance banker can give helpful suggestions on how export finance terms may be structured.

One important factor in determining what financing terms are available is the nature of the goods themselves. Non-capital goods items are traditionally sold on terms up to 180 days, sometimes 360. Capital goods items can be financed on a medium-term basis with key factors being the value of the export items and the estimated useful product life.

For short-term items, the sales can be documented in various ways. A relatively safe method is to sell on a confirmed, deferred payment letter of credit basis. While this article is not intended to delve into the intricacies of letter of credit, keep in mind that a letter of credit arrangement substitutes credit provided by a commercial bank for direct payment by an importer. Exporters must remember that the documentation and timing requirements of the letter of credit must be strictly adhered to in order to assure protection.

A less-safe selling method, but one in which some degree of documentary control is maintained, is export financing on a documentary collection basis. Do your homework prior to selling on this basis, especially with a new customer. In either of the above short-term methods, there is an excellent chance your banker will be able to provide financing.

For medium-term financing involving capital goods, your export finance banker may be able to provide you with an invaluable service: non-recourse export financing.

Under such an arrangement the exporter would receive a commitment letter outlining the terms and conditions of the financing, including availability date, tenor, rate, fees and required form of indebtedness.

Typically, the exporter is required to obtain promissory notes issued by the importer, which are sold by the exporter to the bank once the export takes place. Thus you, the exporter, are able to grant medium-term financing to the importer while simultaneously knowing that the notes generated upon shipment can be sold to your export finance banker. As a result, your own working capital can be preserved.

In order to make the transaction "bankable," your export finance banker may structure the transaction in one of several ways. If the notes are issued by a strong buyer or an acceptable bank has guaranteed the notes, the financing may be done on "a forfait" basis, basically a straightforward purchase of the note at a previously agreed-upon purchase price. It might be the bank needs additional protection in order to be willing to undertake the financing. In such a case, export insurance or an export credit guarantee may be obtained. The guarantee may be obtained from the Export-Import Bank of the United States, which is actively "Continued on page 26"
Turnaround strategies are compulsory for firms in trouble. The greater the crisis, the more urgent the cure. However, turnaround strategies may be equally good medicine for emerging companies to prevent trouble, increase control, and to improve profits.

How does your company rate on each of these preventative strategies?

Clear Plan to Follow: Run the business by deciding what needs to be done. Then start doing it. Without a plan you cannot even get lost intelligently.

Planning is one of top management’s most arduous tasks, and it is the most important. Planning is a task that has no end point; it is never over. It is an activity which is explicit, being set apart from day-to-day regular business discussion and problem-solving.

Lead with Leadership: Leadership without followers is anarchy. Leaders can lead only as far as followers choose to follow.

Personal character, ethics, charisma, and integrity, both inside and away from the office weigh heavily on whether followers commit to follow. Bad leadership will always overpower one’s professional and technical skills.

Realize continually that the greatest single asset of the company is the confidence the followers have in its leaders. Be aware of the efficiency with which confidence is spread from the executive leadership.

Cash Credibility: Cash is king, queen, prince, and all the other royalty combined. Preserve cash. God, save the queen!

The rental cost of cash is one of the greatest single expenditures the company pays. Increase resources to improve cash inflows from receivables. Control purchase commitments which become tomorrow’s payables.

Be aware of the company thief. These are operating expenses that occur over budget. Define expenditure limits by budget line item; define only one person who can spend in each budget line item.

Good Communication: Employees would rather work with an organization than for an organization.

Per Boardroom Reports, the “feeling of being in on things” ranks third in a list of the ten most important motivating factors to employees according to the employees. Interestingly, managers ranked it tenth. By contrast, “good pay” was ranked as the number one employee motivator according to managers, but was ranked fifth by employees.

Capitalize on your employee’s desire to know and to help. Build trust. Hold frequent, regular group meetings with all employees where non-threatening dialogue can take place. Share your objectives and openly solicit their suggestions and concerns. Discuss, don’t preach. You will be positively surprised by their creativity and commitment to become part of the solution.

Management Productivity:

Set performance objectives and insist they be met. Hire-and-fire assertively; the enterprise is greater than the sum of its parts. Each unnecessary employee also carries his 25% fringe benefit baggage.

Demonstrate your impatience with the status quo. Insist on significant incremental improvements toward plan goals from managers in addition to their regular task responsibilities.

Make sure the managers are working just as hard as their subordinates are. Too often a manager’s being busy is a smoke screen around his disorganization. Being busy reduces his guilt of being ineffective. In the end, contribution and performance are the only measures.

Exception Reporting Should Be Exceptional:

Insist on knowing what is going on everywhere. Frequently walk through the operation; ask lots of questions to learn. Acknowledge employee contribution.

Conduct your own productivity.

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Fleetwood reports record sales

Fleetwood Enterprises, Inc., of Rancho Cucamonga, announced earlier this month record preliminary sales figures for its fourth quarter and full fiscal year ending April 30th. Fleetwood sales were up approximately $210 million over the previous year, an increase of 15 percent. Last year's sales were $1.41 billion compared to $1.62 billion for the fiscal year just completed.

The company's recreational vehicle group topped the $1 billion mark for the first time ever, contributing to the overall company's profitability. At the same time Fleetwood announced that it would reevaluate its stock purchase program, which has already received Board approval.

In making the announcements, Fleetwood President Glenn Kummer said that, "We are extremely pleased that our recreation vehicle group achieved its first billion-dollar year in fiscal 1989. The longer-term outlook for RVs looks positive, and our market share continues to grow."

Commenting on the planned stock repurchase, Kummer said, "At recent prices, Fleetwood stock is a good value and an excellent place to invest some of the company's available cash."

Japanese market: Opening rapidly to world products

Most U.S. businesspeople still see Japan as a closed market. This attitude is scaling down. As a Tokyo resident, I saw the Japanese market opening rapidly to foreign competition at a rate that suggests there will be substantial transformation of the market within the next five years. The key question is whether U.S. businesses will compete, or sit on the sidelines while these changes happen.

Of course, the traditional Japanese manufacturers, farmers, and retailers are not enthusiastic about this transformation. But their resistance is being overpowered by pressure to change from politicians, business leaders and consumers.

Economic and political pressure felt

Leading Japanese officials in government ministries, financial institutions and industries have recognized that protecting the domestic market will not stop Japan from becoming dangerous. Japan is now the richest nation in the world, and with that status comes new responsibilities. Japan's high visibility at the Toronto economic summit, the organization that the United Nations often looks to, is due to this leadership role.

In addition, they appear willing to make the difficult domestic changes necessary for the country to assume that role. In recent years, Japanese business leaders have demonstrated a general awareness that their country cannot continue to export without accepting corresponding imports.

Pressure from consumers growing

Japanese consumers are increasingly willing to accept high prices for goods as the cost for fueling the Japanese export-driven economy. Even though Japan has become a rich nation, the average middle-class family in a tiny condo does not feel rich.

Traveling abroad and seeing firsthand the lower cost of goods elsewhere is adding to the discontent of the middle class. It is one thing to simply read in the newspaper that foreign products are cheaper.

Personally seeing the difference in prices in Hong Kong, Singapore, New York or London is another. The disparity is hard to take. In fact, Japanese travelers have found their country's products to be cheaper overseas than at home.

Japanese corporations are starting to realize, and their government is responding to the pressure. In a recent report, the Japanese Economic Planning Agency confirmed that, overall, price competition is significantly higher than prices for similar products in all other developed countries. This was old news. The agency went on, however, to recommend elimination of restrictions on foreign imports and reformation of Japan's archaic distribution system as two means for reducing product prices for Japanese consumers.

Attitudes changing

Retailers are beginning to respond by providing inexpensive, quality imported goods. In the fashionable department stores on the Ginza in Tokyo, foreign products are still confined to the exorbitantly priced luxury goods section. However, suburban Japanese versions of K-Mart or Sears are increasingly providing low-cost imported clothing and electronics from the U.S., China, Hong Kong and other Asian countries. This trend is spreading around the country.

As Japanese consumers are exposed to foreign imports, the pace of change will certainly increase. The old excuse for the lack of imports was that the demanding Japanese consumer shopped for name and quality rather than the price. Of course, because Japanese consumers are starting to choose shopping for cheaper imported products, this myth was not put to the test.

The introduction of lower-cost foreign products is changing the Japanese consumer's preference to show they are like consumers everywhere; if the price is right, they will buy the product, regardless of brand name or country of origin. The housewives and single salarymen in the suburban Tokyo neighborhood showed little reluctance to purchase the bargain imports that filled the shelves of our local discount retailers. Realizing that customers are eager to buy, aggressive discount retailers are working hard to provide more imported products.

The increasing exposure of foreign products is changing the traditional Japanese attitude that imported products are inherently inferior. Consumers have found that expensive electronic goods imported from other Asian countries to be of high quality. As a result, the sale of those goods has increased.

Even manufacturers' evaluation of foreign manufactured goods is changing. In a recent survey in which manufacturers rated goods produced in other Asian countries, telecommunications from Taiwan, sportswear from Korea and ball-bearings from Thailand were rated superior in quality to their Japanese counterparts. Even more important, the manufacturers predicted the quality of more than 40 other Asian-manufactured products, ranging from video recorders to cement, would equal or exceed those from their own factories.

Time to enter Japanese market

Japan is a country that operates on consensus. Public opinion is clearly building that the Japanese market should be opened to foreign goods. Once the consensus becomes firmly settled, the rate of economic change is likely to be swift. Any company planning to enter the Japanese market should be taking steps to get in now.

Companies that don't act quickly to get into the Japanese market may be left behind. Many U.S. companies don't seem to realize that they are competing with businesses from other countries which are also interested in penetrating the Japanese market. American businesses that delay may find the niche for their products has already been filled by a business from Taiwan or Germany which has established marketing and distribution channels for a similar product. Thus, the U.S. business may be left at a permanent disadvantage in the Japanese market.

For the U.S. business that is confident of its market opportunity and the potential for its product in Japan, the best method for entering the market is to simply contact prospective directly, either in Japan or at representative offices in the United States. "The Japan Company Handbook" (published by Toyo Keizai Shinposha, Ltd., Tokyo, Japan, with correspondent office in New York, N.Y.) is a useful source that provides essential information about major Japanese companies, including foreign offices. The handbook is available at many public libraries.

Steve Dickinson

Steve Dickinson
Mr. Steve Dickinson is an attorney with the law firm of Garvey, Schubert & Barer, which has offices in Portland, Oregon; Seattle, Washington; and Washington, D.C. He recently completed an assignment to Matsuo & Kosugi, a Tokyo law firm associated with Garvey, Schubert & Barer.

Assistance available

For most U.S. businesses, however, taking the first step toward contacting a potential customer or business partner is somewhat intimidating because of differences in language and business customs. Fortunately, there are a number of sources of assistance for initiating business contacts in Japan:

1) The Japan External Trade Organization (JETRO), which has established trade promotion offices in Japan. These offices can provide valuable assistance and advice concerning the Japanese markets for products from their state. Also, state trade offices are often under-utilized.

2) JETRO (Japan External Trade Organization) recently became active in promoting trade opportunities.
Your Business Efficiency Ratio

\[ e = \frac{P}{E} \]

Efficiency = \frac{Productivity}{Energy Used}

Discover The Most Advanced Executive Office Facility
In The Nation and Redefine Productivity and Efficiency.

- Telecommunications terminal in each suite
- 4 Line telephone
- Professional word processors, telephone operators, and receptionist
- Video displayed telephone messages
- On site management
- Conference, audio visual facilities
- Luxurious lobby and lounge
- Fax, photocopying, telex, electronic mail, electronic dictation equipment

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Phone 941-0333

"Short-term programs available for traveling executives."
## 75 Largest Employers in the Inland Empire

### Continued on page 11

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name, Address &amp; Telephone</th>
<th>No. of Employees on Site</th>
<th>Gross Sales on Site ($00000)</th>
<th>Total No. Employees Company-Wide</th>
<th>Gross Sales Company-Wide ($00000)</th>
<th>Nature of Business</th>
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N/A - Not Available
Higher taxes not the answer to alcoholism and alcohol abuse

The March 1989 issue of the Journal of the American Medical Association reported that alcoholism and alcohol abuse costs society 48¢ per ounce of alcohol consumed, while each ounce is taxed at about 23¢. The study reported in the Journal of the American Medical Association was conducted by Willard Manning of the University of Michigan and Ennett Keebler of the Rand Corporation through a grant by the National Center for Health Services Research.

Every year, the article says, 7,400 people are killed by drunk drivers. This is but a tiny percentage of the true cost of alcoholism and alcohol abuse. Alcoholism refers to a disease recognized by the American Medical Association since 1956, while alcohol abuse refers only to those people who occasionally drink too much. When treatment costs of alcoholism, lost productivity on the job, and treatment of disturbed family members are included, the real cost of the misuse of alcohol runs into the billions.

The Journal of the American Medical Association study noted that cigarette smoking does not cost society nearly as much, simply because so many smokers die at a relatively young age and injure only themselves.

The article goes on to argue for a substantial increase in taxes on alcohol to help defray the societal cost. Many experts express concern about the number of problems with this proposal.

For one thing, medical research has conclusively demonstrated that alcoholism is not a disease peculiar to every smoker. That is far from the case with alcohol consumers. The very highest estimates of the alcoholism rate among all drinkers is approximately 10%. This number does not include the occasional abuser who also contributes to the social cost.

The truth, however, is that only a tiny percentage of the drinking population causes almost all of the damage. To tax the person who enjoys a cocktail now and then, or an occasional glass of wine with a meal, is to put an unnecessary burden on people who are not in any way contributing to the problem.

The facts are these: Based on a 1983 National Academy of Sciences Institute of Medicine study and research results reported in Rashi Fein's authoritative book, The Price We Pay (Care Institute, 1984), the total annual cost of alcoholism and alcohol abuse is somewhere between $33 billion and $120 billion. The different figures reflect the different ways of calculating the costs. For example, the indirect costs in terms of time lost from work and reduced productivity while on the job, resulting from heavy drinking, are difficult to calculate. Equally difficult to determine are, for example, property loss and the cost of incarceration.

In summary, liquor taxes may or may not need to be raised. But let us not kid ourselves. The staggering cost of alcohol abuse will diminish only when enough alcoholics have been identified and are successfully recovering from their illness.

If alcohol taxes should be raised, the additional revenue would best be spent on treatment and prevention programs. Alcohol problems would not go away until we effectively deal with the disease of alcoholism.

Public + Private = Balance

by Robert Kemp

The first American to win the Nobel Prize for Economics, Paul Samuelson of M.I.T., has labelled our economy as "mixed," meaning that the United States has struck a balance between the public and private sectors. Ownership, innovation and management are, according to Samuelson, more or less equally divided between government and private enterprise.

One wonders, however, if the balance has shifted too far toward government. This question is especially relevant to the Inland Empire as we experience unprecedented growth. As Senator Presley puts it so well in the interview with him in this issue, we are becoming a metropolitan area in our own right. Where better to redress the balance between the private and the public sectors than right here in a region in the process of creating a new metropolis within Southern California?

A front-page story in this issue of the Journal reports on the efforts by a consortium of private developer and construction companies to fund the development of a commuter rail system linking central Orange County with Ontario, Riverside, and San Bernardino. The public sector plan is to find a way to use the State's Rail and Fe Edison rights-of-way. But what if a private company (or companies) bought that right-of-way and built the commuter line itself? The proposed bullet train between the Santa Ana-Anaheim area and Las Vegas is, after all, the brainchild of a Japanese company.

What we do want to stress is that perhaps the Inland Empire now has the opportunity to demonstrate once again the creativity and dynamism of the private sector.

LETTERS TO THE EDITOR

Dear Inland Empire Business Journal,

Opportunity ... What better resource can a City provide to the business professional actively seeking the opportunity to succeed? The City of Rancho Cucamonga provides tremendous opportunity to business opportunity born of careful, visionary planning.

Recognizing that a clean slate in Rancho Cucamonga is one of our greatest assets, we have created a dynamic General Plan which promotes an environment highly conducive to economic growth, but which safeguards the value of existing investments in the local economy. This General Plan is the tool that ensures that we achieve a balance in development: a balance that provides equally for the needs of residents and business people.

Results of our efforts indicate that we are beginning to achieve our goal. The City has been recognized by the Center for the Continuing Study of the California Economy twice as a leader in balanced growth. The City is one of the most new business friendly communities by virtue of our quality, yet affordable housing. The City has one of the highest household income levels in San Bernardino County, and new commercial development is underway to meet this increased demand.

There are many examples of quality commercial development occurring in the City including the specialty center currently under construction at the Thomas Brothers Winery site, the Terra Vista Towne Centre (a 71 acre community commercial center), and the Victoria Gardens Mall (a 100 acre regional shopping center).

Rancho Cucamonga is a young, vibrant city with many opportunities for success. With careful planning and hard work, its success is inevitable.

Join us.

Sincerely,

Dennis L. Stout

Mayor
State Senator Robert Presley is a very busy man, but he relishes every minute of it. You can feel his excitement as he talks about his work. He is in his element. Problem-solving is his passion.

His workload is staggering, enough to keep four men occupied. Ninety-two percent of all senate bills go through Appropriations, even if the legislation is intended to save, not spend money. “I haven’t seen one of those in a few years,” the Senator chuckles.

As if that were not enough, Senator Presley chairs the Senate Select Committee on Children and Youth and the Joint Committee on Prison Construction and Operations. In the past he has served as Chairman of the Senate Natural Resources and Wildlife Committee, and he currently is a member of four other committees; Judiciary, Local Government, Agriculture and Water Resources.

A World War II Combat veteran, with over 125 days of front line duty, he was awarded the Bronze star for heroic achievement in action while serving with the 5th Army in Italy. Senator Presley has received the highest honors from groups concerned about the issues on which he has worked since he was first elected to the State Senate in 1974. The National Assembly of Governmental Employees named him one of Ten Outstanding State Legislators across the country. In 1982, the Sierra Club honored him with their First Annual Distinguished Legislative Achievement Award. A graduate of the FBI National Academy in Washington, D.C., Senator Presley has several times been honored as Legislative of the Year by the California Peace Officers Association and other statewide associations as well.

Senator Presley is a man of national reputation who devotes himself to serving and leading the people of his district and throughout California. He holds a firm conviction that legislators should lead, guide, and educate their constituents, as well as represent their wishes and interests.

The Inland Empire Business Journal recently interviewed Senator Presley from his office in Sacramento.

Inland Empire Business Journal (IEBJ): “Senator Presley, what do you and your constituents see as the major issues facing the Inland Empire today?”

Sen. Presley: “Our number one problem is growth – fast growth. Growth is good and it’s bad. It creates jobs and new communities of people and drives commerce, but if growth occurs too fast, it brings all sorts of problems that we cannot hope to solve in some ultimate sense. Realistically, our goal has to be to mitigate their effects.”

IEBJ: “Could you be more specific about these problems, and, perhaps, rank them in order of their severity or importance?”

Sen. Presley: “Yes, I think I can do that. Transportation is more and more a critical issue all over the state, but especially in the Inland Empire. We have an imbalance in jobs and housing. People are moving into less costly housing in the Inland Empire, while the jobs have been, for the most part, in Los Angeles and Orange County. The situation has gotten so critical, that the Riverside County voters recently approved a one-half cent sales tax increase by almost 80% of the votes cast suggesting that people realize they are going to have to do something about transportation, and that they are willing to pay for it.

“They then come to the question of education. People keep coming to the Inland Empire, they have families. We can’t build schools fast enough to keep up with the school-age population. The reason we have done as well as we have is that we have been through General Obligation Bonds, which the voters have supported, but since, for most people, there is a psychological barrier at $1 billion, we have been doing it $800 million to $900 million at a time. Now this is to build the schools. Then we have to face the whole question of hiring enough qualified teachers to staff the schools.

“Third, there’s the problem of crime. People in my district are very concerned, and for very good reason. For example, we tend to think of gang activity as something limited to Los Angeles and certain isolated parts of Orange County. That is not true anymore. For a couple of years now we have had a very noticeable rise in gang activity in our area, stimulated, no doubt, by the increase in drug trafficking.

“Fourth, there is air pollution. We’ve done a lot to reduce smog through the Southern California Air Quality Management District (SCAQMD), but all the tests show that we are barely keeping abreast now, and that is about it. There are just more and more cars using our roads and additional industry continues to move in the basin.

“And, finally, there’s the issue of water and water quality. At this point, while we’re all concerned about the water table and a plentiful supply of water, what is a real concern is that, as the water table rises, it brings pollutants, fertilizers and pesticides, for example, into our area and threatens the huge undergrounddone. It is a question of getting the federal government to clean up a mess it has already made.”

IEBJ: “What is being done or ought to be done about all of these problems, and of course, others not mentioned?

Sen. Presley: “Well, first of all, we’re up against some roadblocks. For one thing, there is the Gann Spending limit of 1979, which puts a cap on state spending based on a formula of population and inflation. Ten years later, it is now very unrealistic. Many of these problems will require public expenditures. We have 100,000 new California students entering our schools every year. People, quite understandably, want to see all criminals behind bars, but our prisons are pushing capacity right now.”

“What we need is not a repeal for the Gann Spending Limit, but rather a modification of it, making it more flexible and, perhaps, including the percentage of personal income growth in the adjustment formula. That would allow us to do so much more before the problems get worse.

“At the state level, we should have an increase in the gas tax. If the problem is congested freeways, roads and highways, then what purer user tax could there be? That has been the historic way of dealing with such matters. It is a lot more cost-efficient than going into debt such as bonds for transportation purposes. Unfortunately, the Governor wants to put that issue directly to the people, and I am pessimistic about the results. A 10-cent increase in gas tax will probably pass out of both the Senate and the Assembly, but I doubt if the Governor will

Continued on page 24
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BEHIND EVERY PRETTY FACE
Traditionally, commercial real estate brokerage has been conducted in a single facility format. The primary focus was representing landlords or developers of commercial buildings by finding new tenants, or persuading current tenants to renew their lease. In marketing their client’s product, the broker’s responsibilities also included making presentations to potential lease candidates, negotiating terms and conditions, and assisting in the document preparation phase.

The attitude of the typical tenant was to view the real estate process as a necessary evil whose importance was low on the list of company priorities due to the inexpensive cost of occupancy in relationship to the tenant’s operational budget. (Occupancy costs were 2% to 3% of gross revenue as recently as two decades ago). If a company had to relocate or needed additional space, they simply contacted the leasing agents of the respective buildings they liked. The leasing agent as a guide whose function was to point out the advantages of the respective buildings. However, the tenant was not as sophisticated an expert at rent analysis as it came to the leasing process with respect to comparisons of lease rates, lease concessions, lease escalations, operating expenses, and the inherent tenant improvement allowance and many other financial considerations.

In recent years, the cost of leasing space dramatically increased and it has escalated to capture a significant portion of the tenant’s operational budget. A recent survey reveals that a typical Fortune 500 company spends between 15% and 25% of their assets in real estate, with corporate America’s real estate investments estimated to be worth between $3 billion and $5 billion dollars. Many corporations and corporations are taking a serious look at real estate and its relationship to profitability. The escalation of costs has led to a search for new programs to research, analyze and evaluate the leasing process in assembling the correct information required to make the right move. The combination of the tremendous amount of growth in most cities throughout the nation and rising costs of leasing commercial space has provided an overflow of expansion and restructure the flow of work or roles opportunities to tenants. These factors have contributed to creating advantageous situations for tenants in many real estate markets.

In addition to the willingness of tenants to increase profitability and take advantage of favorable real estate markets, the need for tenant representation developed. In part to the small and mid-sized companies lack of in-house real estate departments. Even larger corporations could benefit from commercial real estate companies specializing in tenant representation because although many have in-house real estate departments, they are frequently understaffed particularly for peak periods of demand. In addition, the lack market knowledge in a particular geographic area terms of availability of space and actual rental rates, and a company, whose sole responsibility is tenant representation, can provide the corporate client an impartial market survey without bias or conflict of interest.

**Development of Tenant Representation**

Many real estate companies recognized the desire of clients needing tenant services and gravitated towards providing such services by forming tenant-broker divisions within the organization. Ideally, the tenant representative and product representative were to remain independent of all operating roles; however, on-going relationships resulted in conflicts of interest resulting in a lack of effectiveness. The most important reason for the lack of effectiveness was that brokers would merely “change hats” depending on who the client is at that time. When talking to a developer, a broker is landlord-oriented and when talking to a tenant, the broker is a “tenant representative.” How can a broker who takes listing and leasing business interests in both roles interest in representing both sides of a transaction? Some other problems include the vested interest a broker has when guiding their client/ landlord or developer. Even if his company has the listing and fiduciary responsibility to the landlord, how can anyone expect a tenant to deal aggressively with a landlord or developer, when that broker will seek future business from them by taking listings on new projects.

**What to expect from tenant representation**

Many firms offer pure tenant representation and it is important to evaluate the merits of each program. The tenant representative’s role is to function as the user’s corporate real estate adviser and must maintain strict allegiance to the tenant’s interest by effecting a deal that serves the landlord’s or developer’s interests.
Twelve Steps to Meeting Success

By Donna Alm
Communications Manager, San Diego Convention Center
Special to Inland Empire Business Journal by San Diego Executive

Whether you’ve done this a thousand times or have just been asked to produce your first meeting, here is a simple check list to ensure that consideration is given to factors important to success — both for you and for your meeting.

1. Your Scope of Authority. Understand from your decision making body — whether it’s the boss or a board of directors — what is expected from this meeting. Outline your meeting plans with such objectives in mind. If costs are a factor, and they usually are, know your limits — and don’t exceed them.

2. Group History. Prior to starting any planning for your meeting, produce a written history of previous events held by this group for reference. Include actual numbers in attendance, types of activities, costs, what succeeded and what didn’t, etc. This document will provide a good starting point for your meeting agenda and establish site selection criteria.

3. Legal Documents. Pay careful attention to the drafting of legal documents for meeting space, food functions, floral arrangements, printing, etc. Communicate clearly your needs prior to the development of documentation. Document your understanding of all provisions agreed to and any changes to initial documents.

4. Budget. A detailed budget carefully crafted in the beginning will help to prevent costs overruns in the end. Your budget should list staffing and planning costs, facility rental, surface transportation, food costs, equipment and labor needs, registration and other printed materials, attendance promotion and advertising. Pre-arrange billing with the facility and others involved with the production of your meeting. Keep careful track of all costs as they are incurred.

5. Facility. Check our several facilities to identify the one suited to your needs. The more involved your meeting agenda, the more flexibility you will need in a facility. Prior to final selection, an early on-site visit is critical. Get to know the facility’s event manager and tour the building, noting levels of cleanliness and areas most and least desirable for your group’s needs. Check signage in and around the facility. Another site visit closer to the meeting date will help set and confirm details.

6. Site. Select a city that offers quality entertainment and attractions most desired by your audience (but not so distracting to keep them away from the meeting). Be sure the time of year is conducive to any outdoor plans being considered.

7. Hotels. Assess probable hotel needs to attendees. Research availability of nearby hotel rooms as well as cost. Pre-booking a block of rooms can provide discount rates and encourage higher attendance.

8. Transportation. Check into air and ground service to your destination city. Remember, attendees need to get from the airport to their hotel and then on to the meeting facility, so a variety of sources may be needed. Don’t forget parking accommodations for those that choose to drive.

9. Program. With your objectives in mind, select timely topics and interesting speakers to maximize attendance. Arrange for speakers early and keep backup individuals in mind. Those speakers scheduled for morning presentations should arrive the evening before. Prepare a complete agenda with all staffing and equipment needs included.

10. Food. A captive audience becomes unpleasant if not fed occasionally. Be sure on orders can increase your final bill. Menus provided by the facility will help determine costs of meals and type for your audience.

11. Meeting Needs. Prepare a written inventory of all equipment needed, at what locations and times for delivery. Coordinate these details with your speakers and others on the agenda. Keep in mind that it is important to order such items as audio/visual equipment, water services, room setups, etc., in advance. Add-on orders can increase your final bill.

12. Audience Promotion. Consider several avenues to get out the message about the dynamic, fun-filled meeting you have arranged, including advertising, public relations and direct mail. Attendance pays the bills. Besides, you’ve worked hard to assure a great meeting. Invest the required effort to ensure good attendance as well, and a real success.

INLAND EMPIRE BUSINESS JOURNAL

May 19 - June 18, 1989
Japanese market ... Continued from page 8

ities for imports into Japan. The Tokyo office is particularly helpful in explaining the Japanese trade system for U.S. and other foreign businesses.

3) Japan's MITI (Ministry of International Trade and Industry) recently established several working groups to encourage cooperative business arrangements between Japanese and U.S. companies in the areas of construction, consumer goods and food production. Businesses in these market areas can contact MITI directly in Japan or through trade representatives at the Japanese Embassy or local consulates in the United States.

4) The Japanese consulates in the United States and the U.S. consulates in Japan include trade promotion personnel as part of their permanent staffs. These consulates can often provide information and guidance for trade in specific market areas.

5) International trade fairs are frequently conducted throughout Japan. These trade fairs represent an excellent way to contact potential customers and business partners in a specific market area. Trade associations in a specific industry have up-to-date information on trade fairs throughout the world.

6) A number of U.S. law firms, accounting offices and specialized trade consultants with experience in Japan are available to provide information, market research and other advice about entering the Japanese market. These firms are often useful in facilitating initial contacts with potential customers or business partners.

7) One of the best ways to penetrate the Japanese market is to team up with a Japanese partner. There are a number of small, aggressive Japanese businesses seeking to improve their market share in Japan by marketing U.S. or other foreign products. Such businesses can make good partners because they are willing to take a chance on a foreign product in order to compete against larger, more established rivals. Another good source of partnerships is major companies moving into new market areas to diversify. The major Japanese steel companies are an example of such businesses. A suitable partner will provide the information and advice necessary to adapt the U.S. product for the Japanese market. Of course, finding a suitable partner is not easy. Frequently, it will save time to employ a law firm, accountant or other consultant to perform the initial search.

In the end, the Japanese trade surplus in foreign goods may show a radical decrease on a worldwide scale, but will show little change in relation to the United States unless U.S. business moves now to take advantage of the active Japanese market.

Now, more than ever, U.S. companies have the opportunity to compete within the Japanese marketplace. To do this, a knowledge of the Japanese market and the ability to adapt the product to the needs and interests of the Japanese is necessary to succeed.

History of tenant representation ... Continued from page 15

and unbiased inventory of all available space is essential. This allows the tenant representative to visit, inspect and perform preliminary analysis of the suitability of each potential site in order to present a recommended list of primary alternatives.

The next step would be to tour the facilities with the client to choose the best alternatives. When the list is narrowed to two choices, or possibly three choices, negotiations can begin with the tenant receiving the benefit of leveraging competing landlords against one another for the best possible deal. The tenant representative's role is critical in the preparation of proposals and counter-proposals in the attempt to agree to a binding letter of intent.

Achievement of a letter of intent and commitments by tenant and landlord lead into the next step which is preparation and execution of the lease document. The tenant representative must be involved in this process to ensure all pre-established documents and business terms are met. Once the lease is executed, the tenant representative has the responsibility to stay involved in order to ensure that any problems that crop up can be solved.

Tenant representation evolved because of the demand and needs of corporate clients. The traditional methods of leasing agents representing landlords proved to be inadequate and could not meet the needs of tenants. Tenant representation is a concept whose time has come, providing valuable services for client companies enabling them to take advantage of an ever-changing real estate market.

Grubert is a Corporate Real Estate advisor with Charter Commercial Brokerage specializing in representing tenants in San Bernardino and Orange Counties.

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Lake Arrowhead shows classics

More than 60 wooden runabouts are expected to return to Lake Arrowhead June 2-4 for the fifth annual Antique and Classic Wooden Boat Show and Parade, hosted by Lake Arrowhead Yacht Club.

The show's first day is a time for boat owners to launch their 1939 model boats.

Lake Arrowhead is scheduled for 6 p.m. for owners of Lake Arrowhead Yacht Club.

Boat Show and Parade, hosted by the Lake Arrowhead Yacht Club, will offer a variety of awards to owners exhibiting the latest offerings.

The shows first day is a time for boat owners to launch their 1939 model boats.

Day in the Vineyards:

Schransberg to host exclusive picnics

Visitors to California's famed Napa Valley long ago discovered the wine country's idyllic scenery and world-class wines. Now, guests of Schramsberg Vineyards can enjoy the best of both experiences at gourmet "Picnics in the Vineyards" in a private grove on the Napa Valley champagne house's renowned estate.

To kick off their upcoming 25th anniversary as America's finest champagne proprietors in the Napa Valley, Schramsberg's Jack and Jamie Davids will host a series of lunches featuring elegant wine country fare from July through October.

The series of exclusive picnics will be held on July 8, August 19, September 16 and October 7th on the premises of the historic Schramsberg Estate in Calistoga and available by advance arrangement only.

For reservations and further information on the Schramsberg Picnics in the Vineyards, contact: Jeri Mehelec at (707) 942-4658. For further information on the "Save the Opera House" campaign, contact: Napa Valley Opera House, Inc. (707) 226-5772 or write, P.O. Box 6287, Napa, CA 94558.

Free Tour Information

Mendocino Coast's vacation homes, B&Bs, whale watching, camping and horseback riding information is given in new brochures from the Mendocino Coast Chamber of Commerce. A map/guide to the area of Mendocino (where the last episodes of TV's "Muder, She Wrote" were filmed), plus a calendar of events, will be sent with them.

Send a stamped, self-addressed envelope with 45 cents postage to the Mendocino Coast Chamber of Commerce, A map/guide to the area of Mendocino, (California). Mendocino Coast's vacation homes, B&Bs, whale watching, camping and horseback riding information is given in new brochures from the Mendocino Coast Chamber of Commerce. A map/guide to the town of Mendocino (where the last episodes of TV's "Muder, She Wrote" were filmed), plus a calendar of events, will be sent with them.

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<th>Amenities</th>
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<th>Corporate Rate</th>
<th>Concorde</th>
<th>Complimentary Continental Breakfast</th>
<th>Complimentary Cocktail Hour</th>
<th>Corporate Rates</th>
<th>Fitness Facility</th>
<th>Golf Course</th>
<th>In Room Movies</th>
<th>Free Parking</th>
<th>Non-Smoking Rooms</th>
<th>Pool On Site</th>
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This column is written for the business person who finds travel a necessity, as well as for those who believe that eating a fine meal with a very pleasant wine is a reward of travel and even life.

Each month we shall comment on different restaurants, in the various cities that, I believe, are most often visited by business persons from the Inland Empire. These restaurants are chosen strictly on merit. We did not accept or receive gratis meals, and all restaurants were personally visited. I plan to offer you brief surveys, in lieu of long reviews.

California Culinary Academy - 625 Polk Street, San Francisco, 771-3500. This is a school for aspiring chefs and restaurant personnel. And because they try harder, the results are every bit as good if not better than you might find at a regular restaurant. I like to sit on the balcony with the great overview of the dining area below and the classes taking place across the hall from you. Service is friendly yet professional. The wine list is small but well thought out with reasonable prices. The menu on the balcony is less complicated than the one offered below. Look both over before deciding where to sit. Lunch and dinner Monday through Friday. Closed on weekends. Ask about the special buffets when calling for reservations.

John and Carol Muir have returned the Madrona Manor to its original splendor after six years of detailed restoration. Located at 1001 Westside Road in Healdsburg. The Madrona Manor is a beautiful Victorian Inn with splendiferous suites, coach house, gardens, and a world class restaurant located on a beautiful old Sonoma County wine country road.

The menu makes optimum use of the fresh products of local purveyors of duck, boar, lamb, vegetables as well as homemade breads. Great menu ... great food ... great service ... reservations at least 10 days in advance a must for dinner ... reservations for the Inn two months in advance during the months of January and February, and on Friday, Saturday and Sunday the finest chefs of Europe fly in to create a true culinary masterpiece. Reservations: (707) 433-4231. Dinner for two (not including wine) $85-$110.

No vacation or visit to Palm Desert would be complete without dinner at Andreinos ... 73098 Highway III, Palm Desert. There is one complaint that I must voice, and that is that host and owner Michael Castelli does overbook and a reservation means you will be seated thirty minutes after your reservation. I believe that even the best restaurant cannot continue that policy, and as for me the next time it happens will be the last time. Now for the positive: very good service and the food - try the "OSSO BUCCO", well good enough to "knock your socks off" ... excellent wine list ... and desert is a must. Dinner for two without wine $75 ... beer and wine only ... reservations (619) 773-3863 ...

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Inland Empire Businesswomen

By Robert Kemp

Judi Funtas
Owner/President, Baker Personnel in Upland

Eleven years ago, Judi Funtas went to work for Baker Personnel Services in Upland as a sales representative. Over the next eight years she did literally everything in the office from receptionist to payroll. She learned every aspect of the business.

Three years ago she purchased the thirty-one year old firm from its founder, Frank Balansiefer. Now as owner/president, she runs the largest personnel agency in the area.

A TWA stewardess in the late 1960's, she left the trade to become a housewife and mother to three daughters. She and her husband, Gary, have been married 23 years. Gary is Regional Manager of Biersdorf, Inc., in Rancho Cucamonga. Their daughters, Larrisia, 22, and Jennifer, 19, attend Arizona State. Nicole, 17, will be a senior next year at Alta Loma High School.

Funtas admits to considerable surprise when she joined Baker in 1978. "Being a homemaker for that long, I wasn't sure I could make it," she acknowledges.

Not only has Judi Funtas "made it," she has made it in grand style. As Baker Personnel enters the fourth decade under her leadership, the company continues to enjoy a reputation for professionalism, stability and innovation.

I asked Mrs. Funtas what was the biggest change she had observed in the personnel service industry over the last decade. Her response was immediate. "The greatest change has been a movement away from just providing temporary 'fill-ins' to what we call 'temtoperm' employees, that is, people who work for a company on our payroll for a while and then are hired permanently by the firm they are working for. About 70% of our people now are in that category."

"What that has meant is that we, as a personnel agency, have to do a lot of in-depth training of our employees. They need to know, for example, how to use Wordperfect or Wordstar or Lotus before they go out on a job."

"Another big change is that we now offer our employees a benefit package so that we can attract the best possible people. Also, the company doing the hiring does not feel the pressure to do that until they hire the person permanently. That, frankly, has paid off in more business for us."

"We emphasize quality, not quantity. We have only seven permanent staff here at our headquarters, but in any average week we have about 80 temporaries working with client companies. About five per week are converted into permanent employees."

"The emphasis keeps us on our toes. We have to be more service-oriented and more personal with our client companies. When big clients move out of the area, it hurts. It takes time to replace their business. But we've had several clients move leave and try the national agencies and come back to us just because of the quality we offer."

When asked how she and her family spend their time together, Mrs. Funtas mentioned that at one time her husband had been in the Oakland A's farm system. "We are a very athletic family," she commented. "We enjoy tennis, boating and water skiing at Lake Havasu especially.""To work for Baker Personnel Services in Upland as a sales representative. Over the next eight years she did literally everything in the office from receptionist to payroll is general manager. She learned every aspect of the business.

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Local small companies get "Fortune 500" support

American Comm Center Corporation, a San Francisco based technology and real estate development company, has built the ultimate office building of the future in Ontario.

The Ontario Comm Center, the second Comm Center built in California (the first in Richmond CA called the Hilltop Comm Center), is the perfect office environment for 1-4 employee companies or satellite offices of larger companies. Finally these operations can have the same advantage in office automation technology traditionally only afforded by "Fortune 500" companies.

"Our objective is to provide independent business people with a first class office building that, from ground up, has been custom designed to save them money and increase their productivity," said Frederick C. Ellsworth, President and CEO of American Comm Center.

The Ontario Comm Center is a one story reflective glass building with a 10,000 square foot garden style courtyard, incorporating 46 individual suites. Each suite has an expansive window space and is equipped with an AT&T computer terminal that serves as a four line telephone with auto dialing, conferencing and call forwarding capabilities as well as accessing dictation equipment and the buildings power and computer. Through the central computer, a client can access video displayed telephone messages, electronic mail, rolodex and calendar systems. Also available is popular business software such as spreadsheets, word processing, accounting and communications applications.

All of this would still not be sufficient without a complete administrative staff. The Ontario Comm Center's suite includes word processors, telephone operators, a receptionist, Central Manager and full time Maintenance personnel. This same state of the art AT&T office automation in answering your phone, processing all of your correspondence and handling your mail. All of these services are included in the monthly cost of the suite.

"The Ontario Comm Center is more of business services company than a commercial office building," said Emil Regard, Marketing Manager of the Ontario Comm Center. "From the sophisticated computer system to the administrative staff, building as is able to produce a working image of a true corporate atmosphere. Also important is its ability to project this image to the tenant's clients. We are planning Comm Centers in Irvine, Long Beach and Pleasanton, California and all will have reciprocal agreements. For instance, if a tenant here in the Ontario Comm Center has business in Irvine he will be able to utilize the Comm Center in that area," said Regard.

Some of the clients already taking advantage of this office of the future include Marketing Companies, Mortgage Brokers, Overland Freight Brokers, Business Management Consultants, Real Estate Investors and even a Psychologist. Some satellite offices include Skyline Displays, Avery International, Del-Tech Long Distance, NORCAL Solid Waste Management out of San Francisco, Preferred Management, NICO Industries out of Los Angeles and Falcon Homes of Boulder, Colorado.

"Without having to hire employees, I am able to achieve what I need without the burden of management overhead and administrative duties," said Mr. Craig Sadil, President of Allen Industries and a client at the Ontario Comm Center. Leandro H. Duran an attorney at the Hilltop Comm Center has this to say about the Comm Center: "A major problem facing solo practitioners and law offices in general is cost containment. Yet, no lawyer can operate without a telephone system, computer/word processor/typewriter, photocopier, etc. Moreover, a secretary or at least a receptionist is required to provide a professional appearance. The above items are only a few of the many expenses that have to be contained if an attorney is going to succeed in private practice. (At the Comm Center) one bill per month covers the cost of your secretary, telephone, receptionist, phone copying, utilities, supplies, computer equipment and more. The suite is available 24 hours per day, coffee and tea service, the conference room, Hewlet-Packard laser printers, a fax machine, photo copier, etc. are also available. Twelve individual invoices (over one year) makes accounting a lot simpler for tax purposes and eliminates the clutter as well as the responsibility of keeping track of individual receipts. Moreover, since much of the management is resolved, the arrangement makes it possible for lawyers to have more time for lawyering. Finally, the advanced equipment, staff and amenities provide "high powered" resources essential for law practice."

"I feel so good I can hardly wait to get to work in the morning," said Terri Marzella, a client in the Comm Center. "It's warm, the coffee is made and someone has been answering my phone." The Ontario Comm Center has been open for approximately four months and, without pre-leasing, is already over 33% occupied. "I would attribute this success to the efficient nature of the Comm Center," says Regard. "By utilizing our support systems the tenant is able to increase their productivity and devote all energy towards creating revenues instead of investing time and money in personnel and equipment." The Comm Center also offers remote programs for those companies that are not quite ready for all of the support but need a corporate identity and a part time office.
allow it to become law. Meanwhile, we are losing valuable time. As legislatures, we are elected representatives to resolve these problems, after all.

On the positive side, of course, Riverside County has already increased its sales tax ½ cent. That will help considerably. There are some statewide approaches that would also benefit the Inland Empire. I have supported Senate Bill 1562, which would set up a commission to take an inventory of all rail corridors and rights of way in California, because a lot of them are not well maintained and profitable. Then we could acquire the corridors and rights of way or obtain dual usage. We could then fund commuter rail lines from the Transportation Fund if additional revenues are forthcoming. We must have more balanced transportation. There is no way around it. The alternative is total gridlock given commuter rail lines from the Transcorridor, which is putting a lot of pressure on Norton Air Force Base to clean up the damage they have done out there. The results are slow, but we are getting there.

"On the smog issue, I would like to add one thing. Under current SCAGMD regulations, small Los Angeles companies would be penalized for expanding out into the Inland Empire because the move would take place within the same Air Quality Management District. We are working to change that, and it looks positive at this time. " Overall, since the SCAGMD has been reconstituted, I feel they are vigorously pursuing the air pollution problem, but it will be a long continuous effort.

IEBJ: "Everyone is talking about change and growth in the Inland Empire. What is the biggest change you foresee happening in the Inland Empire in the next decade?"

Sen. Presley: "The Inland Empire will change into another large region. The question is what kind of growth will it be? It already is bringing us problems, and we should have learned something from what has happened already in Los Angeles and Orange County. People are keenly aware of the comparison, and they know that quality growth is possible. Good quality of life can be attained. There will be cultural advantages. There may be environmental disadvantages. We all have a pretty good idea what needs to be done, now we need action."

"I have been working since last fall with the mayors and councilmen in western Riverside County on some form of regional planning. We are trying to reach a regional consensus in three areas: joint planning of recreation facilities, transportation corridors and revenue sharing. We have yet to come to a substantial agreement. Everyone thinks regional planning, with some real governing controls, is a great idea in theory, but, when it comes down to giving up some autonomy and dollars in return for planned, integrated growth, then people get nervous. This is precisely the sort of thing we have to do to manage Inland Empire's growth."

"I have introduced a bill on Regional Planning, SB 1332. These matters of transportation, crime, education, health care and all the quality of life issues require a regional approach. Growth is a given. We have to live with it. We can either plan it carefully and intelligently on a regional basis, or we can end up with the confusion, overlap and deterioration we have seen happen elsewhere."

Inland Empire Business Women ...

Continued from page 22

Inland Empire Business Women ... enjoy the banking and savings and loan business. In fact, she became Vice-President of three separate banking institutions before making a career change into the health care field.

"In the last few years, though," she comments, "there were so many mergers that generally was involved in a dozen mergers, sometimes as a merger and sometimes as the mergee. Believe me, it's better to be in the position of a merger than a mergee."

"I was also doing a lot of commuting between San Bernardino and where I worked in Los Angeles and Orange Counties. That got very tiresome after a while."

During this period of time she went back to school to receive an M.A. in Management from the University of Redlands, GRAD School of Business at Claremont.

"In the summer of 1986, an old colleague and friend approached me about the possibility of coming to work at Arrowhead Convalescent Hospital in Moreno Valley, within the next few years. The State Department of Health Services is putting a lot of pressure on Norton Air Force Base to clean up the damage they have done out there. The results are slow, but we are getting there."

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# Inland Empire Independent Financial Institutions Ranked By Return on Assets as of December, 1988

<table>
<thead>
<tr>
<th>BANK</th>
<th>LOCATION</th>
<th>TOTAL ASSETS $ (000)</th>
<th>% CHANGE SINCE DEC. '87</th>
<th>RETURN ON AVERAGE ASSETS (ROA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Chino Valley Bank</td>
<td>Chino</td>
<td>372,738</td>
<td>21.6</td>
<td>1.72</td>
</tr>
<tr>
<td>2 Ontario S &amp; LA</td>
<td>Ontario</td>
<td>119,251</td>
<td>9.1</td>
<td>1.41</td>
</tr>
<tr>
<td>3 Bank of Redlands</td>
<td>Redlands</td>
<td>168,747</td>
<td>11.7</td>
<td>1.38</td>
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<tr>
<td>4 Upland National Bank</td>
<td>Upland</td>
<td>48,229</td>
<td>29.7</td>
<td>1.31</td>
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<tr>
<td>5 Bank of Yucca Valley</td>
<td>Yucca Valley</td>
<td>48,347</td>
<td>9.4</td>
<td>1.24</td>
</tr>
<tr>
<td>6 Bank of San Bernardino</td>
<td>San Bernardino</td>
<td>59,264</td>
<td>27.0</td>
<td>1.20</td>
</tr>
<tr>
<td>7 First Mountain Bank</td>
<td>Big Bear Lake</td>
<td>26,065</td>
<td>32.9</td>
<td>1.16</td>
</tr>
<tr>
<td>8 High Desert National Bank</td>
<td>Hesperia</td>
<td>32,761</td>
<td>13.1</td>
<td>1.07</td>
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<tr>
<td>9 First FS &amp; LA</td>
<td>San Bernardino</td>
<td>146,518</td>
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<td>0.95</td>
</tr>
<tr>
<td>10 Redlands FS &amp; LA</td>
<td>Redlands</td>
<td>719,765</td>
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<tr>
<td>11 First Trust Bank</td>
<td>Ontario</td>
<td>337,513</td>
<td>10.2</td>
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<tr>
<td>12 Empire National Bank</td>
<td>Ontario</td>
<td>77,428</td>
<td>11.6</td>
<td>0.71</td>
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<tr>
<td>13 Fontana First National Bank</td>
<td>Fontana</td>
<td>24,964</td>
<td>23.0</td>
<td>0.68</td>
</tr>
<tr>
<td>14 Pomona First FS &amp; LA</td>
<td>Pomona</td>
<td>1,247,774</td>
<td>4.2</td>
<td>0.59</td>
</tr>
<tr>
<td>15 Vineyard National Bank</td>
<td>Rancho Cucamonga</td>
<td>107,726</td>
<td>22.7</td>
<td>0.55</td>
</tr>
<tr>
<td>16 Provident FSB</td>
<td>Riverside</td>
<td>494,131</td>
<td>6.9</td>
<td>0.52</td>
</tr>
<tr>
<td>17 Hemet FS &amp; LA</td>
<td>Hemet</td>
<td>510,587</td>
<td>17.3</td>
<td>0.50</td>
</tr>
<tr>
<td>18 Desert Community Bank</td>
<td>Victorville</td>
<td>55,302</td>
<td>4.7</td>
<td>0.34</td>
</tr>
<tr>
<td>18 Inland S &amp; LA</td>
<td>Hemet</td>
<td>111,328</td>
<td>17.3</td>
<td>0.34</td>
</tr>
<tr>
<td>19 Life Savings Bank</td>
<td>San Bernardino</td>
<td>66,890</td>
<td>5.8</td>
<td>0.19</td>
</tr>
<tr>
<td>20 Golden Pacific Bank</td>
<td>Ontario</td>
<td>35,759</td>
<td>8.8</td>
<td>0.16</td>
</tr>
<tr>
<td>21 Palm Savings Bank</td>
<td>Palm Springs</td>
<td>135,178</td>
<td>3.9</td>
<td>0.02</td>
</tr>
<tr>
<td>22 Secure S &amp; LA</td>
<td>Fontana</td>
<td>47,350</td>
<td>4.7</td>
<td>-0.05</td>
</tr>
<tr>
<td>23 Mission S &amp; LA</td>
<td>Riverside</td>
<td>14,783</td>
<td>-25.1</td>
<td>-1.93</td>
</tr>
<tr>
<td>24 Arrowhead Pacific SB</td>
<td>San Bernardino</td>
<td>57,220</td>
<td>-25.7</td>
<td>Not Available</td>
</tr>
</tbody>
</table>
How healthy are our institutions...

Continued from page 3

with a list of Inland Empire financial institutions, a ranking of which appears on page 25. The other financial institutions appear in the Inland Empire's "Troubled Thrift List," compiled through April 11, 1989. (See page 3).

The Bauer publication includes a list of helpful suggestions on evaluating a thrift. First, it warns that at least 25% of the thrifts that failed in 1988 were involved in fraud. Those institutions could or already might have sold depositor information to other unscrupulous institutions. Also, a 25% fraud rate amongst failed institutions suggests that depositors be wary of information supplied to them by the institution itself on the health of that financial institution.

Another point Bauer emphasizes is that a depositor's line of credit or failed institution evaporates immediately when that institution closes its doors.

Bauer suggests obtaining information through any number of independent research companies like itself. The fee is usually nominal.

In general, it appears that financial institutions in the Inland Empire are in relatively good shape. Only one "troubled thrift" appears on the Bauer list, the Arrowhead Pacific Savings Bank of San Bernardino. Otherwise, Inland Empire financial institutions appear to be doing well, especially the independent banks and S & L's.

Apparently, the overall economic experience for the last several years is reflected in the health of its financial institutions. When both housing and industry are on the rise, financial institutions can be expected to ride the crest of the area's growth.

Tapping overseas...

Continued from page 6

involved in promoting the export of U.S. goods and services through a variety of programs.

If the commercial bank chooses to have the transaction guaranteed or insured, this will usually be mentioned in the commitment letter, the guarantee/insurance fees noted. This is only a summary of export financing. Its purpose is to give an initial exposure to export finance to the new-to-export middle market company. Like many fields, it can be bewildering at first, but with study, perseverance and assistance from experienced hands, the ultimate pay-off in terms of enhanced export sales can be worthwhile.

Resort Hotel ... Health Club ... and Card Casino...

Continued from page 3

inspection at all times. Fifth, all employees will be Cathedral City residents if at all possible; they will be issued employee identification cards by the Cathedral City Chief of Police, and any violation of the code of employment will result in a suspension or permanent revocation.

These are only a few of the stringent regulations we will be required to follow.

Q: Doesn't a Card Club attract an unsavory element to an area?

A: Certainly not. We would in no way tolerate it even if they did show up. We will have our own private security force as well as the backing of the local police. Besides, we're talking about patrons playing friendly games against each other. No successful Card Club business would jeopardize its reputation by allowing unsavory characters on the premises. We require the highest standards of conduct from our clientel. After all, we want to attract substantial, respectable people to our establishment.

Hardie has a long career in the gaming industry. In 1963, he bought his first standardbred horse and within three years was driving, training and racing harness horses. He later organized and in 1973 became president of the Golden State Greyhound Association. He lobbied the State Legislature on behalf of the organization and was responsible for getting a controversial initiative on the November 1976 statewide ballot to legalize greyhound betting.

Mr. Hardie has always been active in civic and charitable organizations. He is a past president of the Bell Gardens Chamber of Commerce and a former director of the Rio Hondo Boys' and Girls' Club.

Chino Valley Bank Receives Top Award

For the eighth consecutive year, Chino Valley Bank, with 13 branches throughout Riverside, San Bernardino and Los Angeles Counties, has received the prestigious "Premier Performance Bank" award from the Findley Reports consulting group of Brea. Headed by Gerry Findley, the Findley Reports are nationally recognized for their accurate analysis and reporting of information on financial institutions.

TYPESETTING

graphics

CAMA RA

1989

N/ A - Not Available

75 Largest Employers in the Inland Empire:

Continued from page 11

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name, Address &amp; Telephone</th>
<th>No. of Employees on Site</th>
<th>Gross Sales on Site ($00000)</th>
<th>Total No. Employees Company-Wide</th>
<th>Gross Sales Company-Wide ($00000)</th>
<th>Nature of Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>61</td>
<td>First Trust Bank</td>
<td>340</td>
<td>$171</td>
<td>562</td>
<td>$279</td>
<td>Banking</td>
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<tr>
<td>62</td>
<td>Silvercrest Industries</td>
<td>310</td>
<td>$197</td>
<td>1,040</td>
<td>N/A</td>
<td>Mfg</td>
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<tr>
<td>63</td>
<td>Southwest Portland Cement</td>
<td>303</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>Cement Production &amp; Distribution</td>
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<tr>
<td>64</td>
<td>Harris Co</td>
<td>300</td>
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<td>1,200</td>
<td>$790</td>
<td>Department Stores</td>
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<td>65</td>
<td>Komfort Industries</td>
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<td>N/A</td>
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<td>$750</td>
<td>Travel Trailers &amp; Campers</td>
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<tr>
<td>66</td>
<td>LAYZ Boy West</td>
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<td>$167</td>
<td>6,674</td>
<td>$4,202</td>
<td>Furniture Mfg.</td>
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<td>Marvelle Sales Corporation</td>
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<td>$264</td>
<td>20,641</td>
<td>$20,632</td>
<td>Insulation &amp; Related Products Sales</td>
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<td>68</td>
<td>Riverside Medical Clinics</td>
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<td>580</td>
<td>N/A</td>
<td>Health Care</td>
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<tr>
<td>69</td>
<td>La Quinta Hotel</td>
<td>294</td>
<td>$97</td>
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<td>$97</td>
<td>Hotel</td>
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<td>70</td>
<td>Chino Community Hospital</td>
<td>291</td>
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<td>35,659</td>
<td>$18,729</td>
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<tr>
<td>71</td>
<td>Silvercrest Industries</td>
<td>266</td>
<td>N/A</td>
<td>700</td>
<td>$670</td>
<td>Mfgs. Mobile Homes</td>
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<tr>
<td>72</td>
<td>Doctors Hospital of Montclair</td>
<td>265</td>
<td>$499</td>
<td>19,146</td>
<td>$20,820</td>
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<td>73</td>
<td>Bianchi Leather Int.</td>
<td>250</td>
<td>$118</td>
<td>250</td>
<td>$118</td>
<td>Leathercraft Industries</td>
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<td>74</td>
<td>Cowden Metal Specialties</td>
<td>250</td>
<td>$178</td>
<td>250</td>
<td>$176</td>
<td>Metalworks</td>
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<td>75</td>
<td>Lerner Packaging Corp.</td>
<td>250</td>
<td>$220</td>
<td>340</td>
<td>$299</td>
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Koll Company acquires 29-acres in Sierra Gateway

The Koll Company has acquired a 29-acre site in Sierra Gateway Center, Fontana for development of a $22 million distribution, warehousing and manufacturing center, according to Bill Dennis, vice president in charge of The Koll Company's Inland Empire office.

Construction of the 600,000 square-foot facility, to be called Koll Gateway Distribution Center, will begin in March, Dennis said. The three-building complex, to be built in a single phase by Koll Construction Company, is scheduled for completion in January 1990.

Joint venture partner with The Koll Company for the complex is Northwestern Mutual Life Insurance Company.

"There is a strong and growing demand for well-planned distribution facilities throughout the Inland Empire, and our strategic location in Fontana places Koll Gateway Distribution Center right in the middle of the area's major freeway system," Dennis said.

Sante Fe to Move Headquarters to Tri-City Centre

For nearly a century, Sante Fe Railway has operated its division headquarters in downtown San Bernardino. Now the company has announced that, as of November 1, 1989, it will have established new headquarters at the Tri-City Corporate Centre. The announcement came from Thomas H. Shalin, Assistant Division Manager of Sante Fe's California Division.

Sante Fe's decision to relocate to the business-oriented environment of Tri-City Corporate Centre signals a dramatic change from the railroad's history of servicing the Old West from industrial locations.

Carnegie Business Center Signs Two New Tenants

Tri-City Vice President and Director of Marketing Steve Palmer recently announced that the four-building Carnegie Business Center had signed leases with two new tenants. Hunsaker & Associates has leased 12,000 square feet. The company specializes in planning, engineering and surveying services for real estate developers. Hunsaker's present Rancho Cucamonga office will be incorporated into the new Tri-City facilities.

A. L. Williams Insurance has also signed a lease for 2,405 square feet. The company is consolidating its Pomona and Rancho Cucamonga offices at the Tri-City location. A. L. Williams specializes in life insurance and investments.

The 108,000 square feet Carnegie Business Centre is represented by Mark McAdams, David Berger and Marg Berg of the Cushman & Wakefield Ontario office.

This week Kaiser Steel Resources, Inc., the reorganized successor to Kaiser Steel Corporation, reported that it had achieved a profit in its first full quarter since emerging from Chapter 11 bankruptcy proceedings in November 1988. The announcement was made by Richard E. Stoddard, Chairman and CEO.

Stoddard said that Kaiser's revenues for the three months ending March 31, 1989 were $1,329,385. Net income was $951,423 equating 34 per share.

Although there is currently no public market for the shares, trading is expected to begin on the Pacific Stock Exchange later this year. At present, there are 29,057,500 shares outstanding, of which 4,320,000 remain to be distributed to the general unsecured creditors of Kaiser Steel Corporation.

Mr. Stoddard cited two factors contributing to Kaiser's first-quarter profitability. First was the income ($794,955) derived from Kaiser's long-term water rights transaction with a neighboring Southern California water district. The second factor was a part of the initial lease payments from Mine Reclamation Corporation, which will develop Kaiser's former Eagle Mountain iron ore mine 90 miles east of Palm Springs into a non-hazardous solid waste disposal site accessed by rail.

In addition, through a partnership with Lusk Co., Kaiser intends to develop the 867-acre site of Kaiser Steel's former steel-making plant in Fontana into an industrial park.

Kaiser President Daniel N. Larson underscored the optimism within the company by stating that, "We believe that Kaiser Steel Resources has made extraordinary progress since coming out of bankruptcy. Although our current income is encouraging, the real emphasis for our company is on the development of our long-term projects like Eagle Mountain, the industrial park and our water resources.

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