

# SAN FERNANDO VALLEY BUSINESS JOURNAL

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## Up Front



This star probe could get grounded by earthly doings. **PAGE 3**

## News & Analysis



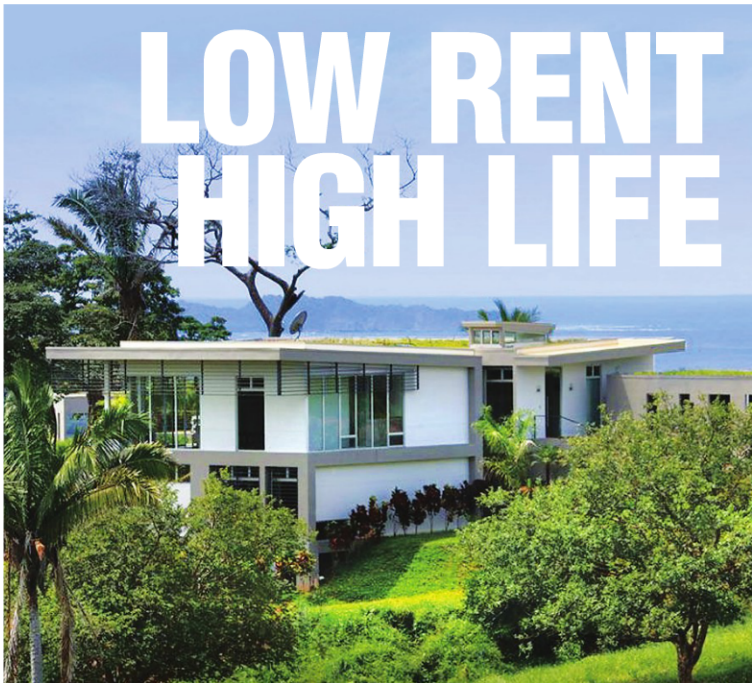
Your stomach probably owes Bill Flynn some thanks. **PAGE 5**

## OpEd



Business group argues hotel wage hikes hurt workers. **PAGE 70**

MAIL TO:



# LOW RENT HIGH LIFE

Hot Property: A Nicoya Peninsula vacation home owned by Bellazo on Costa Rica's Pacific Coast.

## Vacation club tries Costco approach to luxury

By **STEPHANIE FORSHEE** Staff Reporter

Imagine reclining by an infinity pool outside a luxury home, shaded by palm trees swaying in the coastal breezes – all while sipping an alcoholic beverage prepared by the hired help. A little out of your price range, perhaps? After all, that's an iconic image that's the staple of glossy magazine ads promising your own personal nirvana in some faraway destination. But in the same way **Costco Wholesale Corp.** collects an upfront fee from a high volume of consumers in order to provide deep discounts, **Bellazo** is working that angle to allow travelers to stay in

luxury homes in exotic locales at a reasonable price. The Woodland Hills luxury destination club is one of fewer than 20 vacation clubs worldwide, and it's just recently started to find its bearings after five years in business. The club allows its affluent – but not necessarily uber wealthy – clients to enjoy unlimited stays at its flagship properties in Costa Rica, as well as in 48 destinations as close as a five-bedroom home in Agoura Hills. Other properties are located in places such as Thailand, Seychelles or Mykonos. "We do not apply additional fees or make certain

Please see **TOURISM** page 67

## Up in Smoke For Pot Firm?

**INVESTMENTS:** GrowLife trades halted by manipulation fears.

By **ELLIOT GOLAN** Staff Reporter

Trading of shares in **GrowLife Inc.**, a Woodland Hills seller of marijuana growing supplies, has been halted by the SEC amid questions about the firm, which has been on an acquisition spree.



The Securities and Exchange Commission stopped trading on April 10 as it probed the money-losing company for what it called "potentially manipulative transactions."

Despite losing more than \$20 million last year, **GrowLife's** market cap has risen from less than

Please see **INVESTMENTS** page 68

## Apollo Climbs Industry Peak

**HEALTH CARE:** Glendale doctors manager expands under reform.

By **JOEL RUSSELL** Staff Writer

A flurry of deals in the last two months promises to reinvent **Apollo Medical Holdings Inc.** as a managed care organization ready to prosper under the post-reform health system.

The Glendale company originated as a hospitalist group providing physicians who specialize in overseeing care to inpatients at hospitals and nursing homes. And even though that market continues to prove lucrative, **Apollo** plans to leverage its expertise managing doctors to build a business managing care for Medicare patients. On March 14, the company launched a

Please see **HEALTH CARE** page 6

## No Such Thing as Women's Work

**ENTREPRENEURS:** Local firms prosper in non-traditional industries.

By **ELLIOT GOLAN** Staff Reporter

When **Annie Safoian** came to the United States in 1987, she had never seen a personal computer. But within about a dozen years of settling in Los Angeles from Armenia, she had founded **SADA Systems**, an information technology firm in North Hollywood now focused on the growing industry of cloud computing. Safoian started her business the way any of her many male counterparts might: buying a computer. "I started out of home. We didn't have couches or any other furniture, but we had a brand new computer," she said. "When I hear about Google and Amazon starting out

### THE LIST

Women-Owned Businesses **PAGE 11**

of garages, I think of **SADA Systems**. We started there too." And the company has been growing, hitting \$28 million in revenue last year, up about 50 percent from 2012. The company has 96 employees and counts the Los Angeles Unified School District, Chicago public schools and **Ixia**, a publicly-held technology firm in Calabasas, as its clients. **SADA Systems** is No. 8 on the list of Women-Owned Businesses, which is ranked by employee count.

**SADA Systems'** success underscores a growing number of women owning businesses in fields you

Please see **ENTREPRENEURS** page 10

### SPECIAL REPORT REAL ESTATE QUARTERLY



**LIFE AFTER LENO:** "The Tonight Show" no longer films in Burbank, but shed no tears for its Media District, where developer **Jeff Worthe** has big development plans.

**BEGINNING ON PAGE 13**

2014

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# Entrepreneurs: Experts Projecting Diversity Growth

Continued from page 1

might not expect.

Long known as proprietors of shops, professional service firms and other "typically" female businesses, women in the greater Valley region are running everything from civil engineering firms to architectural glass manufacturers.

Among others on the list is No. 11 **Perillo Industries Inc.**, a Newbury Park manufacturer of power supplies; No. 19 **Wagner Engineering & Survey Inc.**, a Northridge civil engineering and land surveying firm; and No. 21 **UltraGlas Inc.**, a Chatsworth architectural glass manufacturer. In all, there are about 15 women-owned businesses operating in fields traditionally dominated by men – or roughly a third of those on our list.

There are a variety of reasons for women growing into these fields. But for the most part, it's just a natural evolution, said **Darya Allen-Attar**, founder of **Broads Circle**, an L.A.-based women's business networking group.

"All of these successful businesses are individual stories, but you have had a generation of women getting involved in a broader range of things and gaining comfort," she said. "It's an evolutionary change."

## Access to capital

One reason women have had trouble breaking into male-dominated industries is a lack of access to capital, including difficulty in obtaining loans from commercial banks.

While starting the business was relatively inexpensive for **Safoian**, who spent about \$3,500 on a computer and other equipment, certain industries require far greater capital investment to get off the ground.

**Jane Skeeter**, founder of **UltraGlas**,



Safoian



Skeeter

remembers the challenges she had in 1987 when starting her company.

"It was difficult at the time. Women couldn't finance things," she said. "When I started **UltraGlas I** needed to borrow money, so I had my husband co-sign."

**UltraGlas** evolved from a company she previously ran that produced architectural art glass and glazing, and it grew rapidly from garage beginnings to leasing up about 5,700 square feet in Northridge by 1991.

Skeeter took the leap to buying a 25,000 square foot building in Chatsworth in 2001. She declined to discuss acquisition costs, but did say she was able to take out a loan for the purchase.

**UltraGlas** now manufactures and works in all facets of glass use, including walls, windows, doors, showers, flooring and more. The company's revenue last year rose more than 25 percent to \$1.9 million.

Much of that revenue increase came from a single job: the installation of a 250 foot long glass wall made to look like molten lava in the Honolulu International Airport.

**Stephanie Wagner**, founder and president of **Wagner Engineering**, graduated from **Nicholls State University** in Louisiana in 1977 with a civil engineering degree, the first woman to do so.

"There are a few more now, but still not much. It's very perplexing. Not enough women know about how good an opportunity civil engineering is," she said.

She started her company in 1990 after quitting her job at now defunct **Engineering Technology Inc.** in Sherman Oaks. Financing was indeed a challenge. "I did everything they tell you not to," Wagner said. "I quit my job and I used my 401K as seed money. And that was very little – about \$18,000."

It worked out being that she now has 22 employees. Wagner would not discuss detailed financial information aside from noting last year's revenue was about \$3 million.

While starting a business in any industry is a challenge, there are mixed-feelings about whether it's any harder for a woman. **Safoian**, who owns **SADA Systems** and is listed as chief financial officer, runs the company with her husband, **Hovig Safoian** as chief technology officer, and her son **Tony Safoian**, as chief executive. She scoffs at the very notion that being a woman has made owning a business more difficult. In fact, she sees it quite the other way.

"I think women can be even more successful than men. We are more organized and better managers," she said, adding that being an immigrant also is an advantage. "There are things about immigrants, like work ethic and desire to succeed."

## Different standards

Skeeter wouldn't go as far as to say it's been easier or harder as a woman, but she does believe females are judged differently.

"In the '80s, I would show up at a job site with glass on my truck and be the only woman around," she said. "But I think where being a woman has really helped is opening doors for me. People have been curious to see who I am and what we do. But

then you're held to higher standards."

**Mina Trujillo**, executive director at the Los Angeles chapter of the National Association of Women Business Owners, said more women could be joining Skeeter in running manufacturing businesses soon, as women are more interested at an academic level.

"More and more women are coming out of college looking at construction and architectural fields," she said. "That's a new trend and I expect it will continue."

For **UltraGlas**, business is on the verge. Skeeter said the future for her firm may be in building-integrated photovoltaic glass panels for building exteriors. These panels work much like solar panels seen on the roof of single-family homes, but also function as window glass on large commercial structures.

Skeeter said the new glass could mean a quantum leap in revenue for **UltraGlas** this year, as the company expects to receive a large contract for the exterior of a hospital overseas.

**Wagner Engineering** is focusing on the transportation industry to fuel future growth. "I see transportation as good for me because it's one of the major problems here," Wagner said. "Civil engineering is very economy based. When things are bad, all the private clients close up."

For **Safoian**, revenue isn't about bidding for jobs, but more about retention. Most of **SADA's** business is renewals, such as with its first customer, **All Valley Dealers Auto Auction** in North Hollywood. It has been maintaining the company's IT and infrastructure since 1987. And with the growth of cloud computing, **Safoian** believes this year **SADA Systems** could hit revenue of hit about \$40 million.

"Cloud technology is growing so fast and companies are willing to spend to keep up," she said.

## Advertising Feature

# People on the Move

Hirings, promotions and special accomplishments in local business

## NONPROFIT

Exceptional Children's Foundation (ECF.net), which has been serving children and adults with special needs since 1946, is pleased to announce the appointment of two Board Members. **William Basel**, Certified Financial Planner, is a financial advisor for Northwestern Mutual and brings his 14 years of investment experience to the Board. **Chell Chelliah**, CEO of C&A, Inc., specializes in business turnarounds, operational and financial restructuring, and has over 32 years of financial management experience. ECF welcomes both men to the Board and looks forward to their service. Learn more at [facebook.com/ConnectwithECF](http://facebook.com/ConnectwithECF).



Basel



Chelliah

## REAL ESTATE

Real Estate veteran **Peter Becronis** has formed **Wembley Realty Advisors** to provide outsourced real estate portfolio consulting and strategic real estate services. Becronis brings a quarter of a century of commercial real estate expertise to advise companies, syndicates and investor groups on their real estate holdings, and to manage or advise on site searches, negotiations, due diligence, financing and development. Prior to forming **Wembley Realty Advisors**, Becronis was at **Kaiser Permanente**, where for the previous eight years he managed nearly thirty capital transactions and approximately a hundred lease renewals for much of Kaiser's Southern California portfolio. Prior to joining **Kaiser Permanente**, Becronis managed development, leasing and portfolio management for real estate syndicates and investor groups for fifteen years.



Becronis

## ARCHITECTURE

**Wolcott Architecture Interiors (WAI)** is pleased to announce new leadership changes.

**Scott Johnson** has been named Principal. With

over 30 years of **Johnson** experience in all aspects of architectural interior design and lighting design, Scott heads up **Brilliant**, Wolcott's in-house specialty lighting studio. As Design Principal since 1996, Scott provides the firm's design teams with mentoring and encouragement of collaborative efforts to deliver a wide range of architectural, interior and lighting designs.

**Tim Gajewski** is now the Design Director, bringing over 26 years of experience as a registered architect and designer contributing to and directing teams in developing all aspects of interior architecture. Tim's designs have received several AIA and IIDA design awards, and his design and project work has been featured in *Contract Design* and *Interior Design Magazine*.



Johnson

Gajewski

## HEALTHCARE



Zolfo

**Barlow Respiratory Hospital (BRH)** is pleased to announce the appointment of **Suzanne Zolfo** to head the **Barlow Foundation** as Executive Director. She was appointed in January 2014. Zolfo is a dynamic leader with more than a decade of experience in fundraising. She most recently served as Senior Director of Development and Interim Chief Development Officer at **Doheny Eye Institute**. Prior to **Doheny**, Zolfo served in a number of capacities at **Braille Institute of America**, Los Angeles, culminating in her directing the planned and major gifts programs.

## ARCHITECTURE



Barry

**AC Martin** is pleased to announce that **Donna Barry**, AIA has joined our exceptional team as our new Design Principal. Donna brings nearly 30 years of design experience and leadership and will focus on advancing our vision, promoting innovation and stretching our creative capabilities. Recognized by her clients and peers for her sharp intellect, thoughtful approach, design vision and collaborative process, her award winning body of work includes **Higher Education**, **Justice**, **Performing Arts** and **Sports**.

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