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BOULDER COUNTY BUSINESS REPORT

Serving Boulder and Broomfield Counties | Vol. 28 | Issue 5 | Feb. 20 - March 5, 2009

\$1

2009 Law Directory
A collection of attorneys, firms, legal resources
Special Publication

LAW 2009 DIRECTORY

Bank loan defaults nearly double

BY DAVID CLUCAS
Staff Writer

Boulder Valley-based banks could not escape effects of one of the toughest quarters in recent U.S. economic history.

Loan defaults and foreclosures held at the seven local-based banks nearly doubled to about \$70.7 million on Dec. 31, 2008, compared to \$36.7 million at the end of Oct. 30, 2008, according to the Federal Deposit Insurance Corp.

Those figures aren't a pretty picture, considering that the seven local-based banks only increased their loan portfolios by 2.5 percent from the third to the fourth quarter.

The \$70.7 million in troubled loans on the banks' books now account for 2.9 percent of their total outstanding loans — up from 1.6 percent a quarter ago, and up from less than a percent a year ago.

■ New owners bullish on old bank, 12A

Loan defaults and foreclosures account for the troubled money at banks. The money hasn't been lost yet, but it totals the amount of missed payments and foreclosed property owned by the banks.

To cover the possible losses, local-based banks have increased their loan/loss reserves by 64 percent this past year to about \$28.4

million. It's important to note that with these loan/loss reserves, healthy assets, deposits and equity capital, local banks are still relatively in good shape.

Their continued good health depends on the future of those troubled loans.

Throughout 2008, the banks wrote off \$5.1 million in bad loans — that's money they actually lost.

The seven local-based banks used for the above figures include: AMG National Trust Bank, FirstBank of Boulder, FirstBank of Longmont, FirstTier Bank, FlatIrons Bank, Mile High Banks and Summit Bank & Trust.

Individually, Boulder-based AMG
▶ See **Defaults, 31A**

Municipalities adjust budgets with changing revenue stream

BY JENNIFER QUINN
Business Report Correspondent

Major municipalities in the Boulder Valley are revising their 2009 budgets downward by 4 percent to 11 percent to try and stem the tide of reduced income from sales and use taxes, while some smaller towns feel pretty good about their financial health.

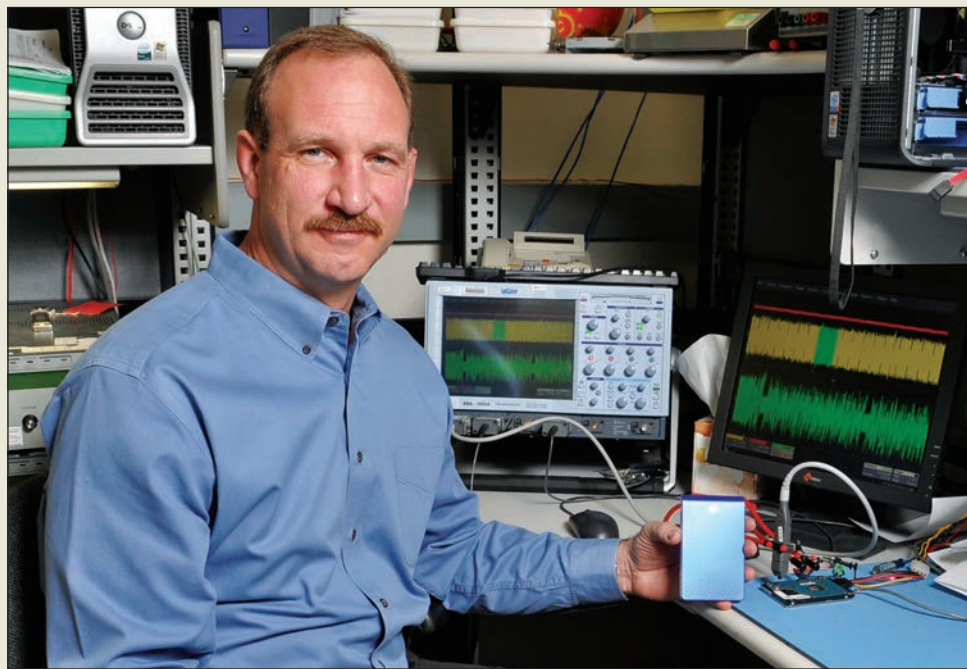
Boulder, the largest city in the Boulder Valley with a population of about 103,000, is trying to cut 4 percent to 6 percent from its budget, and Longmont, the second largest city, population 83,000, is looking for ways to tweak its budget if its revised revenue projects for the coming year indeed drop a possible 11 percent. Broomfield, population 50,000, is expecting its revenue for 2009 to fall about \$2 million short of earlier projections.

One thing in common for the big three — they probably won't be filling job vacancies.

For Erie the future isn't as bleak. The town of 17,000 people that occupies Boulder and Weld counties is still growing.

"It was a good year for us in 2008," said Fred Diehl, assistant to the administrator for the town of Erie. "We had a retail expansion of 100,000 square feet, and the town collected \$1.5 million in fees related to that."

Erie anticipated a slight increase in the 2008 sales tax numbers, which totaled
▶ See **Budget, 26A**



PETER WAYNE

Jeff Bursik, senior director of design engineering for Seagate Technologies in Longmont, helped lead the core team that developed the FreeAgent Theater HD media player. The new product makes it easy to transfer photos, videos and music from a personal computer to a television.

Seagate's Longmont engineers design high-definition media player for TVs

BY RYAN DIONNE
Staff Writer

LONGMONT — Being able to easily transfer photos, videos and music from a personal computer to a TV is a little easier now with a new product designed by engineers at Seagate Technology LLC's campus in Longmont.

Much of the FreeAgent Theater HD media player, which should be in stores the

beginning of March, was designed locally.

"For this particular product the lion's share of the technology came out of the design team here in Longmont," said David Burks, Seagate's director of product marketing for the consumer solutions division.

The theater comes in two parts: A hard drive and a TV docking station that looks like a small DVD player or gaming console.

▶ See **Engineers, 17A**

A wrap-up of breaking local business stories now published daily on the Boulder County Business Report's Web site. Sign up for our free BCBRDaily, all local e-news report sent to your e-mail each weekday. Just click on "Register for E-Newsletters" at www.BCBR.com.

Infoture becomes LENA, a nonprofit organization

BY BUSINESS REPORT STAFF

BOULDER — The owners of Boulder-based Infoture Inc. have created a nonprofit called the LENA Foundation, which will work on technology for the early screening, diagnosis, research, and treatment of language delays and disorders in children and adults.

Terry and Judi Paul, owners of Infoture, provided a gift of \$2 million and donated the assets of Infoture. Assets donated include the LENA technology, a multimillion-dollar supercomputer and a collection of more than 75,000 hours of natural language audio recordings.

Infoture employees will become LENA Foundation employees. The nonprofit will occupy Infoture's building at 5525 Central Ave. in Boulder. Infoture will become the LENA Foundation by Feb. 28, according to Mia Moe, a spokeswoman with the company.

The LENA Foundation has applied to be a 501 c (3) nonprofit.

The LENA System will be the principal product and focus of the foundation's research and development program. The system provides more than 25 different metrics for researchers and clinicians on the natural language environment of children, including estimates and per-

centiles scores for adult words spoken to the child, conversational turns and child vocalizations.

"LENA has been a dream of mine for a long time and has always been a philanthropic endeavor for Judi and me," said Terry Paul, president of the foundation and the principal inventor of the LENA System, in a statement.



Terry Paul said the nonprofit status of the organization will "make it much easier to work collaboratively with universities, child development and autism researchers and clinicians, and private and public foundations in the United States and around the world."

Infoture Inc., founded in 2004, invested millions of dollars into developing a tool to help parents measure the number of words their children take in daily. Infoture launched a pilot version of LENA in August 2007.

COPAN secures \$18.5 million

LONGMONT — Data-storage firm COPAN Systems Inc. in Longmont has secured \$18.5 million in capital financing.

The round was led by new investor Westbury Partners and includes partici-

pation from existing COPAN Systems investors Austin Ventures, Globespan Capital Partners, Firstmark Capital and Credit Suisse.

The funding will help expand the company's product development, sales, marketing and channel efforts globally in the enterprise data storage market.

Jim Schubauer, president of Westbury Partners, said COPAN's 300 series systems for data protection and archiving deliver three to 10 times the useable storage capacity at the same cost of traditional transactional storage systems at one-tenth the operating cost.

Industries using COPAN's products include health care, media and entertainment, technology, education, financial services and government.

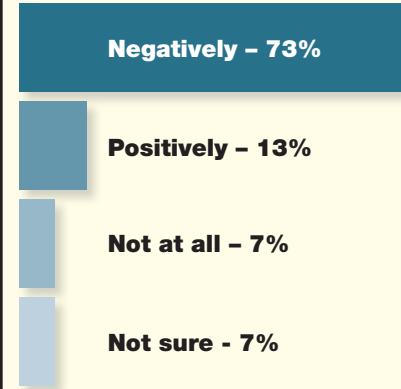
OPX raises \$12.1 million

BOULDER — OPX Biotechnologies Inc. closed a \$12.1 million series C round of financing and hopes to raise an additional \$2.9 million by the end of the quarter.

The Boulder-based biotech company, which spun out of the University of Colorado Technology Transfer Office in early 2007, plans to use the funding to increase its staff from 20 to 40 by the end of the year as well as ramp up its technology and engineering.

BCBR Opinion Poll

Our online question:
How has your business been affected by the recession?



— 15 total votes

Take the **BCBR Opinion Poll** online at BCBR.com.

OPX uses CU licensed technology that allows for faster and more efficient creation of fuel from biomass using microorganisms.

New York City-based Braemar Energy Ventures led the series C round, and other investors included Menlo Park, Calif.-based X/Seed Capital Management and Mohr Davidow Ventures.

► See **BCBRDaily, 29A**

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Merck buying Insmmed's manufacturing operation in Boulder

BY RYAN DIONNE
Staff Writer

BOULDER — Merck & Co. Inc. is acquiring Insmmed Inc.'s follow-on biologics platform that includes Insmmed's manufacturing plant in Boulder.

Merck (NYSE:MRK) will assume the lease and take ownership of the equipment in the plant at 2590 Central Ave.

Insmmed's follow-on biologics platform, which is the company's pursuit of new versions of innovator biopharmaceuticals after patent expiration, was sold for \$130 million. Of that, up to \$10 million will

be paid initially for two drugs, and the rest upon closing the transaction.

Following the purchase, Whitehouse Station, N.J.-based Merck plans to offer jobs to all of Insmmed's approximately 80 Boulder-based employees, and incorporate the development lab into Merck's follow-on biologics initiative. Insmmed no longer will have a presence in Boulder.

"This transaction will transform and strengthen our balance sheet in a completely nondilutive fashion, and provides us with substantial financial flexibility in a market where cash, especially for small biotech companies, is scarce," Geof-

frey Allan, Insmmed's president and chief executive officer, said in a statement.

As of the end of December, Insmmed had \$2.4 million in cash on hand with a burn rate of about \$1.2 million per month, according to a company press release.

The acquisition, which is slated to close March 31, will help Richmond, Va.-based Insmmed (Nasdaq: INSM) further development of its IPLEX drug. IPLEX is designed to help treat neuromuscular and metabolic disorders.

"This agreement represents a strong strategic fit for Merck as we aggressively expand and advance our portfolio

of developmental follow-on biologics," Frank Clyburn, Merck BioVentures' senior vice president and general manager, said in a statement.

Two of the drugs included in the purchase are Insmmed's INS-19 and INS-20, both of which are suspected of helping cancer patients.

After transaction-related taxes and fees, Insmmed expects to receive about \$123 million, and won't receive royalty or milestone payments from Merck.

Contact writer Ryan Dionne at 303-440-4950 or e-mail rdionne@bcbr.com.

Playback

Solving problems one act at a time

BY ILANA PIAZZA
Business Report Correspondent

BOULDER — Life is like a play. Or at least that is what the Boulder Playback Theatre turns it into.

This organization consists of actors listening to people's life stories and then going on stage to play it out for them to watch.

The theater troupe commonly is sought out by companies and organizations to try to help them first find work issues they may have and then help them fix it. This can be from obvious issues in co-worker relations, to there being a lack of productivity in a business without understanding why.

Yet it isn't only used to help people fix issues, people are interested in experiencing it for entertainment as well.

"It is quality entertainment, and it reaches to the heart," said Ira Liss, an actor and musician with the troupe.

Pamela Morrison, marketing director and actress, said performances follow a few basic "recipes." While these are the core of the workshop, it only constitutes the very base, since each group has to be treated differently according to their needs.

The Boulder Playback Theatre was introduced in Boulder in 2004 by Marc Weiss, who is the group's director and also acts. Before working in Boulder, Weiss was a member of the board of directors of the original Playback Theater in New York, which was founded by Jonathan Fox in 1975. It went international in 1990 and can be found in more than 30 countries around the world.

While the Boulder Playback Theatre branched from the International Playback Theatre, it is completely independent, not being part of a mailing list, having a membership or fees to be allowed to operate. Without having an office and with a staff of six people, the group rehearses at Weiss'



MICHAEL MYERS

The Boulder Playback Theatre will help solve problems within organizations by listening to what its problems are and then acting them out on stage for co-workers to see. Members of the consulting/acting troupe are, front row from left, Pamela Morrison and Abigail Wright, and back row from left, Rhiana Gray, Ira Liss and Director Mark Weiss.

house, or, if available, at the Highland City Club.

In 2008, Boulder Playback Theatre had around four private performances. This year, it has had one so

far, with two more lined up in the next few months. Performances are not only for companies but also for nonprofit organizations, educational

► See **Playback**, 9A

Strong Ale Fest exhibiting beer packing a punch

The Eye is strong, so it won't back down from the Seventh Annual Boulder Strong Ale Fest.

The event, featuring 60-plus beers with more than 8 percent alcohol, will be held from 4 to 10 p.m. on Friday, Feb. 27, and from noon to 6 p.m. Saturday, Feb. 28, at Harpo's Sports Grill, 2860 Arapahoe Ave. in Boulder.

Entry fee is \$25, which includes a commemorative tasting glass and 16, 2-ounce pour tasting tickets. About 25 breweries from across the U.S. will participate, including several local breweries such as Avery, Mountain Sun and Boulder Beer.



Everyone knows beer and Boulder are pretty tight, so to help celebrate Twisted Pine Brewing Company crafted a brew just for Boulder's 150th birthday.

The Pearl Street Porter recipe was revived from the one created in 1993 by Twisted Pine's founder **Gordon Knight**, and boasts a nice roasted finish.

It'll be in stores soon and is scheduled to hit the Twisted Pine tap room Feb. 20.

Three Boulder chefs, **Adam Dulye** and **Amy DeWitt** with the Culinary School of the Rockies and **Kyle Mendenhall** with The Kitchen will head to N.Y. City for a March 6 gourmet event at the James Beard House.

The \$125-165 feast will feature Colorado-raised, grown or harvested food as well as beer from Durango-based Steamworks Brewing Co.

Eight members of the **Pi Kappa Phi** fraternity at the **University of Colorado at Boulder** will cross the nation via bicycle this summer.

The 64-day trip, called the "Journey of Hope," helps to spread awareness about and raise funds for people with disabilities.

The CU team will include Andrew Crown, Nick Hoffman, Charlie Blackstock, Bobby Blackstock, Drew Gottula, Max Patnoe, Taylor Peterson and Ben Thacker.

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DOUG STORUM

Richard Fulkerson, left, retired Colorado banking commissioner, moderated a roundtable discussion among area bankers organized by The Boulder County Business Report. Mark Driscoll, center, president of First National Bank of Colorado, and Jim Cowgill of co-sponsor Ehrhardt Keefe Steiner & Hottman PC, sat in on the talks.

Bankers concerned about real estate; seek deposits

BY DAVID CLUCAS
Staff Writer

BOULDER – Area bank executives say lending likely will remain hampered in 2009.

Eight bank presidents or chief executives in the Boulder Valley gathered on Feb. 10 to share their opinions on the local market at Boulder County Business Report's second monthly CEO Roundtable held at Holland & Hart LLP's offices in Boulder.

Holland & Hart LLP and Ehrhardt Keefe Steiner & Hottman PC are sponsoring the roundtable series.

"We are constrained right now as far as our ability to lend money," said Jake Puzio, president of Colorado Capital Bank. "For the most part, we're trying to take care of our existing customer base."



The bankers said they are primarily funding new loans through deposit growth, which limits them – gone is the secondary market of investors, annuities and mutual funds clamoring to buy the banks' loans.

With less money to lend, that's causing further repercussions in the residential and commercial real estate markets.

"The availability for capital to drive values just isn't there now," said Chic Hall, market president for FirstTier Bank in Boulder.

"The biggest challenge is the real estate focus, especially commercial

► See **Bankers, 10A**

CEO Roundtables

The Boulder County Business Report conducts CEO Roundtable discussions monthly to address key issues facing companies and industries in Boulder and Broomfield counties. The CEO Roundtable is conducted in collaboration with Holland & Hart LLP and Ehrhardt Keefe Steiner & Hottman PC. The roundtables are closed to the public, but the Business Report will report on each roundtable in its print editions and post a complete transcript of each roundtable on its Web site at www.bcbr.com.

2009 SCHEDULE

Jan. 13: CEO, published Jan. 23
Feb 10: Banking, published Feb. 20
March 10: Energy & Utilities, published March 20
April 7: Natural Products, published April 17
May 19: Mercury 100, published May 29
June 16: Green-Biz, published June 26
July 14: Real Estate, published July 24
Aug. 11: Innovation, published Aug. 21
Sept. 8: Health-Care, published Sept. 18
Oct. 20: Telecommunications, published Oct. 30
Nov. 17: Bioscience, published Nov. 27
Dec. 15: Technology, published Dec. 25

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Roundhouse Spirits hits market with local liquor



COURTESY ROUNDHOUSE SPIRITS
Roundhouse Spirits first products are gin and Corretto, a coffee liqueur. Below, the company makes its products by hand using this still.



COURTESY ROUNDHOUSE SPIRITS

Attorney Alex Nelson, co-founder and co-owner of Longmont-based Roundhouse Spirits, started the distillery in his home in 2008.

Longmont distillery makes gin, Corretto products

BY BOB McGOVERN
Managing Editor

LONGMONT — In an area known for its laundry list of popular microbreweries, a new micro-distillery is making a name for itself.

Roundhouse Spirits, which opened its main distillery in Longmont in January, distills gin and Corretto, a coffee liqueur, and it looking to expand its product line. Alex Nelson, the company's co-founder and co-owner, started the business as a side project.

"It started as a hobby, and it was something I wanted to do on the side. My full-time job is as an attorney," Nelson said. "I started to wonder why there were so many microbreweries in America and around Boulder but not really any distilleries."

Nelson, who owns the business with his wife, Jen, and partner Eliot Lang, received his distilling permit in June 2008 and started perfecting his craft. He initially distilled the gin and coffee liqueur in his Boulder home, and the company's products hit the market in October.

In order to have the liquor ready for consumers, Nelson had to try a "few dozen" recipes and get objective feedback from those close to him.

"I experimented with a lot of differ-

ent ingredients and a lot of different combinations and processes," Nelson said. "It's when you like it. I had a lot of friends and family tasting it with me and giving me feedback. There's no right recipe — there's an infinite number of recipes that are going to taste good and that people are going to like."

When Nelson introduced the liquor to local bars and liquor stores, it was almost immediately accepted.

Roundhouse can be found locally at nearly 20 locations. Business grew so quick that Nelson had to hire Chris Munzer as the company's sales manager. Prior to hiring Munzer, Nelson was pitching the products on his own.

"We pitch it as being handmade — it's not put through a big industrial process. We make it with really high quality ingredients, and we're local," Nelson said.

The Kitchen, a popular restaurant and bar in Boulder, was one of the first to purchase Roundhouse's gin. It has become so popular that the bar has made it a staple in its "Corpse Reviver" cocktail.

The Corpse Reviver has Roundhouse gin, Cointreau, Lillet blanc and fresh lemon juice.

"We've definitely noticed a lot of cus-

► See **Roundhouse, 9A**

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KATIE LARSON APPOINTED TO ELEVATIONS CREDIT UNION BOARD

Elevations Credit Union's Board of Directors has appointed Katie Larson to fill an open position on the Board. Ms. Larson brings a wealth of financial expertise and qualifications to this role. For the past three years she has been employed as a Treasury Analyst for Chipotle Mexican Grill in Denver and earned her B.A. in Economics with an emphasis in Finance from St. Olaf College, Northfield, MN in 2002.

At 28 years old, Ms. Larson represents the youngest person ever appointed or elected to serve on the Board of Directors at Elevations Credit Union.

"I believe that Ms. Larson will make a strong addition to the Board at Elevations, and will represent the best interests of our members," said Eric Jones, Elevations Board Chair. "She will also provide us added perspective on the behalf of younger members. This perspective will prove invaluable as we continue to look for more and better ways to both attract and serve Gen X and Gen Y members to position the organization for future growth."

Ms. Larson remarked that "My goal as a member of the Elevations Board is to be a voice and a representative for younger members of the credit union."

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Debate over eliminating plastic bags draws mixed opinions

BY DAVID CLUCAS
Staff Writer

BOULDER — Area businesses are mixed on a proposed statewide bill that would ban large retailers from providing plastic bags to consumers by 2012.

Colorado Senate Bill 09-156, which passed its first committee review Feb. 11, proposes that the state prohibit retailers from distributing plastic bags in stores larger than 10,000 square feet that generate annual sales of more than \$1 million.

The bill is being sponsored by Denver Democrat Sen. Jennifer Veiga, and it could come up for a vote in the Senate in March.

Mary Lou Chapman, president of the Rocky Mountain Food Industry Association, which includes King Soopers, Safeway and numerous other large and small groceries in the state, said her group opposes the bill as introduced.

"At first blush, it's an odd bill because there is lack of equity in which stores are affected," Chapman said. She questioned why the bill only goes after large retail stores and groceries. "What about all those newspaper plastic bags?" she asked.

Chapman also criticized the environmental effectiveness of the bill — saying that if the state were to ban plastic bags in stores, paper bag use would increase, creating more strain on the environment.

Chapman said the Rocky Mountain Food Industry Association would rather see a bill encouraging plastic bag recy-

COLORADO SENATE BILL 09-156, which passed its first committee review Feb. 11, proposes that the state prohibit retailers from distributing plastic bags in stores larger than 10,000 square feet that generate annual sales of more than \$1 million.

cling rather than a ban. She said all of her organization's members have plastic bag recycle bins in their stores.

"We would really like to discuss this bill and try and come back with a more comprehensive bill," she said.

On the flip side, some groceries have voluntarily discontinued use of plastic bags. The most high-profile has been Austin, Texas-based Whole Foods, which has numerous stores in the Boulder Valley.

The Whole Foods plastic bag ban began on Earth Day, April 22, 2008.

"From this point on our answer to 'paper or plastic' is 'use a reusable bag,'" said Robin Burton, the green mission representative for Whole Foods' Rocky Mountain Region.

"It's gone very well," she said. "For the first few months, we had some complaints, but we've seen people change their habits, and now they're remember-

Plastic poses problem for recycling machines

BOULDER — Plastic bags not only are rough on the environment, they are rough on local recycling centers' machines.

Boulder-based Eco-Cycle Inc., which collects plastic bags at its Center for Hard-to-Recycle Materials, said the biggest bag-recycling problem comes when people toss grocery and other No. 2 and No. 4 plastic bags in with household recyclables.

Because plastic bags mixed with household (or workplace) recyclables are often dirty, wet or still have receipts in them, they go straight to a landfill.

Marti Matsch, Eco-Cycle's com-

munications director, said nonseparated plastic bags become tangled with sorting machines making them clog, which then requires manual separation and untangling and slows operations, hinders efficiency and cuts into profits.

Instead, people should bring their No. 2 and No. 4 plastic bags, which include grocery bags, newspaper bags, dry cleaning bags, bread bags and more, to a collection site such as a grocery store or the CHaRM, Matsch said.

Those bags are then recycled and, in this area, turned into decking, she said.

— Ryan Dionne

ing to bring in their reusable bags."

Burton said it isn't unreasonable to ask people to use their own bags when shopping.

"The plastic grocery bag has only been around for a few decades," she said.

Continuing its crusade for the environment, Whole Foods' next move is to change out its plastic salad containers to be compostable plastic.

So could retailers make their plastic bags compostable, too?

Yes, said Steve Kurowski, marking manager for Boulder-based Eco Products. His company doesn't make compostable

plastic bags, but several other manufacturers do, and Eco Products sells them.

The higher cost of these bags currently deters their widespread adoption, but if there was enough demand, the price would go down, he said.

Kurowski said he would be in favor of the plastic bag ban, and encourages people to use reusable bags.

"To see how much is being wasted for just a few seconds or minutes of grocery transportation is disheartening," he said.

Contact writer David Clucas at 303-440-4950 or e-mail dclucas@bcbcr.com.

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Canal's expansion keeps Panama's growth on fast track

While much of the world seems stuck in a delay mode waiting out the global economic crisis, Panama on March 3 will announce the winning bid for a new \$5.25 billion expansion of the Panama Canal.

Building the third lane of the canal, with two new locks at both ends, will nearly double the canal's capacity and allow it to handle the larger super-tanker vessels from all nations. Completion is set for 2015.

The waterway between the Atlantic and Pacific oceans, which employs some 9,000 workers, is considered one of the greatest engineering feats in history, with builders digging through nine miles of mountains at the Continental Divide. Naturally, the popular Miraflores Locks and visitor center was my first stop as I visited the country for 12 days this month.

Arriving in Panama City, one gasps at the number of high-rise projects. I counted at least a dozen cranes topping both office and condo projects. Already mired in snarled traffic and density problems, you have to ask if this is Panama in a recession, how much more will it explode when the economy improves?

Two years ago, Panama passed its Law 41, offering incentives to multinational companies to develop regional headquarters there. As a result, commercial real estate climbed 25 percent last year, and

right behind it has come residential sales.

This was my first trip to Central America, and I'd heard the days of real estate deals in places like Costa Rica were already over. Get to Panama, friends said, before the next "gringo" invasion storms in.

Talking to travelers from Nova Scotia, Iceland and, of course, California, as well as the energetic British couple who camped in their Ford van along the entire Interamerican Highway from Alaska to Panama, it became clear that "Se Vende," for sale, is now a national theme. Huge billboards tout "Lo Ultimo en Lotes!" and block the views of Panama's lush green mountainsides. Even larger signs and flags for this year's presidential election interrupt beachside condo ads.

With a rental car, we traveled west from Panama City toward David, a winter escape to the white sand Pacific beaches of Santa Clara and black sand at Santa Catalina, a tiny town adored by surfers and backpackers arriving on the daily buses. Just outside of town, however, a new small airport is being built.

Mike and Michele Shogren, an enterprising American couple from Alaska

with comfortable cabanas at La Buena Vida, just shake their heads and wonder how Santa Catalina will handle more tourists. That day high winds had blown off part of their kitchen's roof and knocked out power ... again, closing the only three or so restaurants in town. We grabbed a street-side dinner of fried chicken and plantains from some of the locals who we had hired to take us out fishing earlier that morning.

Although we skipped the Caribbean side and the popular Bocas del Tora area on this trip, no place probably epitomizes the land rush more than the mountain town of Boquete, famous for its delicious coffee and oranges but now home to a real-estate rush of American and European retirees attracted by its cooler mountain weather.

Wander into the Amigos bar off the town's plaza, and conversations of constructions fees, land prices and broker commissions fill the air. Colorado in the '70s?

One project, Valle Escondido, helped kick off the boom after snapping up 125 acres of coffee-growing land. Now, with coffee prices in a slump, the Panama Post reports the country's coffee acreage has dropped nearly 60 percent, with producers selling out for millions.

Some resorts around the country, primarily operations offering birding, rafting or hikes in the tropical forests, do seem to be getting the word out on the

value of eco-tourism, and Panama itself has watched how nature-friendly tourism boosted Costa Rica.

Jim Omer, a Coloradan with a home in Ridgway, runs Boquete Outdoor Adventures, specializing in rafting and whitewater trips but also building more saltwater fishing trips into the Golfo de Chiriqui below David.

With this unusual "dry season" storm stuck on nearby Volcán Barú, Panama's highest peak at 3,475 meters, Jim was trying to keep up with bookings without cell phone or Internet access for days. Just part of business in Panama, he said, as he set us up on a day trip to a tiny Gilligan's Island for snorkeling, beach lunch and hammock napping.

Crazy taxi driving in the bigger cities aside, I loved Panama and recommend seeing it now. I'd like to get over to the Caribbean, maybe even to the remote San Blas islands dotting the Kuna Yuna region.

Get yourself a Moon or Lonely Planet handbook, and map out your own Panama adventure. It's not much more to fly there than Mexico, and once you're out of Panama City, prices for smaller hotels and delicious seafood dinners are still a bargain.

Jerry W. Lewis is a contributing columnist. Reach him by e-mail at jwlboulder@comcast.net. He also writes a blog at www.boulderreport.typepad.com.



BOULDER LENS

Jerry W. Lewis

ON THE JOB

ACCOUNTING

Certified public accountant Mark R. Sunderland, president of **The Sunderland Group Inc.** in Boulder, has been awarded the Enrolled Agent designation by the Internal Revenue Service. An enrolled agent is authorized to represent taxpayers before the IRS.



Sunderland

ADVERTISING, COMMUNICATIONS

Metzger Associates in Boulder, a technology-focused public relations firm, has hired Lisa Greim, former technology industry reporter for the Rocky Mountain News, as a senior account executive. Greim covered real estate for the San Francisco Business Times and the natural products, food and retail industries for Natural Foods Merchandiser and BNET.com. Her PR experience includes working for the Fresh Ideas Group and as a consultant for such companies as Gateway Nutrition Products and Applegate Farms.

Boulder-based **Sterling-Rice Group** has hired Riley Gibson as a market analyst for its brand innovation group. Gibson will be responsible for the logistics of project management and the running of ideations for new and existing clients. Gibson is a recent graduate of Babson College in Boston where he earned a degree in business management with an emphasis on entrepreneurship and marketing.



LeMae

ARCHITECTURE, CONSTRUCTION

Brandy LeMae of Boulder-based **VaST** architecture recently completed an advanced kitchen and bath training class with the National Kitchen and Bath Association.

Boulder-based **OZ Architecture** has hired Jessica Ostermick for its business development team. Prior to joining OZ, Ostermick was a research economist for Development Research Partners in Littleton and a consultant for Navigant Consulting in Chicago.

BANKING, FINANCE

Key National Finance in Superior appointed Michael Boden Gay director of major markets for its lease advisory and distribution business. Gay will be responsible for all major market originations in the western half of the U.S. The company also appointed Donald A. Syn-

borski as director of major market syndications for its lease advisory and distribution group. Synborski will be responsible for developing and managing relationships with syndication partners. Key National Finance is the umbrella organization for KeyCorp's national businesses and includes Lease Advisory and Distribution Services, Key Equipment Finance, Key Education Resources and Key Auto Finance.

EDUCATION

Heidi Flammang, founder and chief executive officer of **Camp Bow Wow**, a franchiser of dog-day care centers, has joined the advisory board of the **Leeds School of Business** at the University of Colorado at Boulder.

ENGINEERING

Kristi Anseth, **University of Colorado at Boulder** professor in chemical and biological engineering, has been elected to the National Academy of Engineering, one of the highest professional distinctions accorded an engineer.

GREEN

Boulder-based **Eco-Products** named Richard Mills III vice president of sales and marketing, and Michael T. Hastings was nominated to the board of directors.

HEALTH CARE

Susan Winter has been named manager for marketing and public relations for Boulder-based **Rolf Institute of Structural Integration**.

HIGH TECH

Longmont-based **DigitalGlobe Inc.**, a provider of high-resolution images taken from satellites, has named Rafay Khan as senior vice president of international sales. Most recently, Khan was the Asia Pacific vice president of business development and sales for NAVTEQ, which specializes in digital map data. During his seven-year tenure, he drove that company's expansion in Asia Pacific, Latin America, Middle East and Russia.

HOSPITALITY, RECREATION

Joe Micheletto has retired as director of Broomfield-based **Vail Resorts Inc.**'s board of directors. Micheletto served on Vail Resorts' board since 1997 and has served in various leadership roles since then. He will be replaced at the company's March board meeting. He'll continue to consult with the board of directors through July 31.

LAW

Attorney Beat Steiner has been named administrative

partner of **Holland & Hart's** office in Boulder. Steiner will provide leadership to the office in areas such as financial management, legal services and attorney recruitment. Steiner succeeds Jude Biggs, who served as administrative partner in the Boulder office since 2004.



Steiner

NONPROFIT

Renny Fagan has been selected as president and chief executive officer of the **Colorado Nonprofit Association**. For the last two years, Fagan has served as the state director for U.S. Sen. Ken Salazar, and Sen. Michael Bennet will start in March. The association serves as the voice of Colorado's nonprofit sector, counting 1,300 nonprofits among its members and representing the interests of more than 19,000 nonprofits in the state.



Fagan

REAL ESTATE

Beth Mason with **RE/MAX Alliance Boulder** has been awarded the National Association of REALTORS' Green Designation after completing 18 hours of course work. The courses were created in collaboration with a team of industry experts from across the country; ensuring designees gain comprehensive knowledge of green homes and buildings and issues of sustainability in relation to real estate.

SERVICES

Martyn Church of **Professional Snow Removal in Boulder** has passed the CSP exam to become a certified snow professional. Church becomes the sixth person in Colorado to receive the certification. Church passed a six-hour exam covering business, legal, subcontractor, snow science, snow mechanics, and human resources, and is committed to raising the standards of the snow removal industry.



Church

Deadline to submit items for On the Job is three weeks prior to publication of each biweekly issue. Mail to Editor, Boulder County Business Report, 3180 Sterling Circle, Suite 201, Boulder, CO 80301; fax to 303-440-8954; or e-mail to news@bcbr.com with On the Job in the subject line. Photos submitted will not be returned.

Study finds 186,251 creative jobs in state

DENVER - The Colorado Council on the Arts, a state agency, found that 186,251 jobs in the state are associated with creative enterprises and creative occupations.

The findings were in its "Colorado: State-of-the-Art, Key Findings from The State of Colorado's Creative Economy" study.

Colorado's creative enterprises employed more than 122,000 individuals in about 8,000 establishments. This accounts for 3.9 percent of the state's estimated 3.2 million jobs, making it Colorado's fifth-largest employment sector, according to the study.

Employee earnings in creative jobs, including employee benefits, were about \$5 billion. Another 64,000 individuals worked in creative occupations in non-creative enterprises.

"This research clearly demonstrates that the creative sector is a large and important sector of Colorado's economy," said Colorado Lt. Gov. Barbara O'Brien, in a statement.

According to the report Colorado is ranked fifth among all states for concentration of artists. Only New York, California, Massachusetts and Vermont have a higher concentration of creative talent. Colorado also ranks second in concentration of architects, seventh in concentration of writers, designers, entertainers and performers and eight in concentration of photographers.

Lt. governor issues challenge to make your heart healthier

More and more of us are taking a step back to look at our weight, exercise routine, eating habits and overall health.

And we should.

With increasing health-care costs forcing employees and employers alike to drop plans all together, people need to focus on staying healthy. The fewer preventable trips to the doctor the better as most people hunker down in a shaky economy.

That's why Lt. Gov. Barbara O'Brien launched a health challenge dubbed Your Heart is in Your Hands. The 12-week free program promotes cardiovascular disease and diabetes prevention throughout Colorado, and our state is one of 11 that is participating in the program.



MEDICAL FILE

Ryan Dionne

"By taking just small steps to healthier habits for three months, we can establish a lifestyle that leads to lower health costs," O'Brien said in a statement.

People who participate in the challenge earn points for doing activities like walking the dog, bowling or shoveling the driveway. It ultimately doesn't matter what activities fit into your schedule because there are more than 55 activities that help you earn points — as long as you do them for 30 minutes or more.

Even things like sledding, washing the car and playing ping-pong have point values. Of course some activities, such as racquetball and martial arts, earn more points (11 and 10, respectively), while others, like easy walking and volleyball, earn fewer (three points), it's not hard to accumulate them.

"Our goal is not only to be the fittest state in the nation, but defy the trend of the rapidly increasing rates of obesity that we are experiencing just as much if not more than the rest of the country," the lieutenant governor's challenge site states.

The site also lets participants track and manage their diets (by also awarding a point value for certain foods) to further aid a healthy lifestyle.

When the 12 weeks of point counting is complete (whether for diet or activity), participants who meet the preset milestones receive a bronze, silver or gold medal. Yes, the medal is a dust collector that many adults won't want, but if you participate for the prize you're missing the point.

The program is more about the lifestyle than the medal, but the medal makes a great incentive for kids to get out as well.

While there's no talk of it being marketed toward children, kids are exactly the type who should participate — along with Mom and Dad, of course. Go for

Getting fit

PICK YOUR MEDAL

GOLD

340-500 points (Activity goal)
If you walk at a brisk pace for 60 minutes at least four days per week.

295 - unlimited points (Nutrition goal)
If you eat five fruits and vegetables five out of seven days a week.

SILVER

240-339 points (Activity goal)
If you ride a stationary bicycle for 30 minutes at least four days per week.

235-294 points (Nutrition goal)
If you eat four fruits and vegetables five out of seven days a week.

BRONZE

140 - 239 points (Activity goal)
If you walk at a brisk pace for 30 minutes at least three days per week.

180 - 234 points (Nutrition goal)
If you eat three fruits and vegetables five out of seven days a week.

POST YOUR POINTS

Points awarded per 30 minutes of activity:

Biking	8
Frisbee	3
Gardening	5
Skiing/snowboarding	7/8
Swimming laps	8
Jogging/running	7
Pushing a lawn mower	6
Roller/inline/ice skating	7
Tennis	7
Wheelchair basketball	10

For more information on "Your Heart is in Your Hands" visit:
www.ltgovernorchallenge.us

a family walk every night. Shovel the driveway together. Play each other in basketball.

It's a perfect way to get (or stay) physically fit while simultaneously ensuring a healthy relationship with your kid(s).

Since its inception in January more than 1,000 people have signed up for the challenge. That equates to more than 481,600 minutes of physical activity, according to a press release.

"It's wonderful to see this kind of response to the challenge," O'Brien said in a statement. "Just small changes in our lives can mean big health gains."

Once you complete your 12-week program and earn enough points for a bronze, silver or gold, check your mailbox. The awards automatically will be mailed along with a letter from the Lt. governor's office.

So go register. Check out www.ltgovernorchallenge.us and click on "register." After registering, head back to that page, log in and track your activity or nutrition within 10 days of completing or eating it.

Contact writer Ryan Dionne at 303-440-4950 or e-mail rdionne@bcbr.com.

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- Recognized as a Go-To Law Firm® for corporate transactions, intellectual property, international, litigation and securities by Fortune 500® general counsel

(Corporate Counsel, 2009)

- Top ranked in Colorado for corporate/M&A, environment, intellectual property and real estate: construction

(Chambers USA, 2008)

- Eighteen Colorado lawyers named "Leaders in Their Field"

(Chambers USA, 2008)



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PLAYBACK from 3A

organizations and private parties.

The troupe's fee is based on length of performance. For two hours they charge \$2,000, for half a day \$3,000 and for a full day \$5,000. Of the money received, the actors split it equally, with the person who brought the business in and the director given a little more. The six actors have full-time jobs, using the acting as a second.

Morrison said that the difference between them and other consultants is how this workshop keeps the brain moving. She said by being able to tell a story and then seeing it being acted out, people can feel it drop into the physical and emotional part of their body.

"When theater is happening, stories are happening, and when stories are happening people can relate. It's an in your guts kind of experience," Morrison said.

Liss said in addition to acting the troupe incorporates music, songs and puppets to re-enact someone's story.

The Boulder Playback Theatre offers quarterly public performances for \$5 per person. Their first 2009 quarterly public performance was offered Feb. 7, with around 30 people attending at the Highland City Club at 885 Arapahoe Ave. in Boulder.

While they mostly perform at the Highland City Club, they occasionally performed outside the Trident Café at 940 Pearl St. when the weather is nice.

ROUNDHOUSE from 5A

tomers asking for it," said Rick Compton, the Kitchen's bar manager. "We've seen a lot more people come in and ask for the gin in general. Gins, as far as spirits are concerned, are definitely taking a more popular role."

“It started as a hobby, and it was something I wanted to do on the side. My full-time job is as an attorney. I started to wonder why there were so many microbreweries in America and around Boulder but not really any distilleries.”

Alex Nelson

CO-FOUNDER AND CO-OWNER,
ROUNDHOUSE SPIRITS

Compton said Roundhouse's distinct taste and the fact that it's distilled locally were attractive to the bar.

Nelson said the company was profitable on a cash-flow basis after its first month, but he wouldn't disclose rev-

enues.

"I kept my overhead low to start off with," he said. "I'm a young guy, and I tried to bootstrap myself."

The company has plans to create several new products in the future including a tequilalike product, a honey liqueur and a bitter-orange liqueur, which will be similar to Triple Sec.

Nelson said moving to the 2,200 square feet of space at 1335 Sherman Drive in Longmont was necessary to expand the company's product line.

"We've got plenty of room for barrels now," he said.

Aside from its presence in local bars and liquor stores, Roundhouse can be found across the state in Wheat Ridge, Westminster, Thornton, Morrison, Littleton, Lakewood, Golden, Edgewater, Denver and Arvada. It is also sold in Wyoming at Jackson Hole and Casper.

After a few more months of "good sales," Nelson said he wants to hire distillers to help with the production work.

In order to sell liquor in Colorado, Nelson had to get a federal license with the Department of Treasury as well as a liquor license. The federal license was the most difficult, Nelson said, and he had to fill out a 100-page application and wait three months.

Contact writer Bob McGovern at 303-440-4950 or e-mail bmcgovern@gmail.com.

Longmont photographer searches for 'cutest kid'

BY BUSINESS REPORT STAFF

LONGMONT—Photographer Kim Balsman of Balsman Photography in Longmont is participating in the National Charity Model Search to select "America's Cutest Kid" and to raise funds for charity.

Participating photographers will submit portraits of local children, ages 18 months to 14 years, for online voting to determine the city finalist. The child voted city finalist may elect to serve as a model during the 2009 Sandy Puc Tots 2 Teens Seminar Tour at a city near their home.

City finalists are determined by online votes. Anyone may vote. Each vote is \$1, and all proceeds from each vote benefit Now I Lay Me Down To Sleep, NILM-DTS.org. Photography and modeling industry experts will determine the contest's national winner. The national model winner receives many prizes, including a \$5,000 U.S. savings bond and a Canon PowerShot G10 digital camera.

Now I Lay Me Down To Sleep is a 501 c (3) nonprofit organization committed to assisting parents and families going through the difficult time when they experience an early infant loss.

Parents who want to enter their children in the contest may do so by calling Balsman Photography at 303-678-1335.

For further information about the National Charity Model Search visit www.sandypucmodels.com.

WHY WIND? Craig Mataczynski Knows.



**Craig Mataczynski
is CEO and President
of Renewable Energy
Systems Americas (RES Americas).**



Since taking the helm in 2005, Craig supervised the construction of 12 wind farms now generating 1600 MW of renewable energy.

Renewable Energy Systems (RES) was founded in 1982 by the Sir Robert McAlpine Construction Group and RES Americas has been active in the U.S. market since 1997. Their current projects represent more than 30% of the wind capacity currently under construction in the U.S. Craig is pictured here at the Marengo Wind Farm in Dayton, Washington, where 78 wind turbines generate 140 MW of energy—enough electricity to power 1,400 homes each year.

Holland & Hart is proud to serve resourceful clients such as RES Americas because we, like them, constantly strive to provide innovative solutions for our clients. Visit our website to learn more about Holland & Hart.

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BANKERS from 4A

investment real estate," said David Manley, president of First Community Bank. "There's not enough capital in the county to support all of what needs to be built, or that wants to be built. And there's not enough activity to support the absorption of all these buildings."

"This market (the Boulder Valley) is better than others, it's deeper, stronger, but we're all beginning to worry about commercial real estate," said Mark Driscoll, president of First National Bank of Colorado. "For those of us who have lived and died by the sword, we are concerned about tenants get-

ting in trouble as the recession maybe affects them a little bit more and our borrowers start having a little more problems.

"If it's a decent piece of property and well-located, you'll have to get hit on value, but that's one to hang in there on," Driscoll said. "But a piece of junk is a piece of junk. And those are really getting hit."

As customers seek safety, the downturn is actually helping credit unions, said Jerry Agnes, president and chief executive officer of Elevations Credit Union.

"We are finding ourselves with the

opposite problem with far too much liquidity," he said. "And we are really looking to lend more and more."

Nancy Stevens, chairwoman of First Western Trust bank, sees a lot of similarities to the economic downturn in the 1980s, and it likely will take similar actions to get out.

"Rather than trying to keep these loans on life support, you need to take a sharp knife and cut them out." She liked the idea of the government setting up a "bad bank" to clear out the bad loans on banks' books.

Manley said the "bad bank" idea would be dependent on figuring out how to value the troubled assets. "Who's going to set the price, and who takes the loss?" he asked.

The good news for local banks is that they see their deposits growing.

"A lot of clients are looking for a safe haven today," said Elizabeth Dodds, president of First National Bank in Boulder. "Some are pulling out of investments because they need to sleep at night."

On the residential real estate side of things, the bankers see continued strains despite lower interest rates and an interest to refinance.

"In the last three to four months, we've seen a real slowdown in residential activity here," said Pat O'Brien, community bank president of Wells Fargo. "For the first time in Boulder, you will see some softness in prices."

The decline in home values is making it difficult for homeowners to refinance, even if they have good credit, the bankers said. Appraisals are coming in lower than what people recently paid for the home or refinanced it for, and the equity requirements aren't there to do a refinance.

All the bankers predicted that inflation will remain in check during 2009, despite the government's plans for nearly a \$800 billion infusion.

"What asset class is going up now?" Driscoll asked. The bankers said deflation is more of a concern now.

"But there is a huge risk 15 months from now if it is not handled properly, that inflation becomes a very serious problem," Manley said.

Manley said consumer confidence would be the key to a recovery.

"The only way to get the consumer confident is to have secure jobs," Manley said. "That's probably why this area has been better off."

All of the bankers agreed that more regulations will come from the federal government, and the industry will be quite different from just a year ago.

"I think we're going to see a shift in our industry to grow great, credit-oriented bankers," O'Brien said. "Internally generated cash should participate significantly in the growth of the business enterprise. And somehow in the last few years that environment got reversed. And I believe it's because we went to a sales-oriented environment, not a credit-oriented one."

Contact writer David Clucas at 303-440-4950 or e-mail dclucas@bcbr.com.

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LARGEST FAMILY-OWNED BUSINESSES

(Ranked by revenues.*)

RANK	PREV. RANK	Company Address Phone/Fax	Revenues 2008 Revenues 2007 Fiscal Year End	No. of employees in Boulder & Broomfield counties No. of employees elsewhere Headquarters	No. of employees-relatives Family name Relationship of owners	Services, product description	Person in Charge Title Year Founded Web site
1	1	THE CIGARETTE STORE CORP. DBA SMOKER FRIENDLY/GASAMAT 5303 Spine Road, Suite 101 Boulder, CO 80301 303-442-2520/303-442-0930	\$140,000,000 \$125,000,000 Dec. 31	55 440 Boulder	8 Gallagher Father, sons, daughters, nephew, grandson	Retail cigarettes, cigars and other tobacco products as well as gasoline.	Terry Gallagher Jr. President 1991 www.smokerfriendly.com
2	3	THE CAIN TRAVEL GROUP INC. 3004 Arapahoe Ave. Boulder, CO 80303 303-443-2246/303-443-4485	\$83,468,124 \$78,300,000 Dec. 31	57 0 Boulder	2 Cain Mother and son	Complete corporate travel management, discount vendor negotiations, integrated expense management software and data management and consolidation.	Linda Cain and Michael Cain Presidents 1985 www.caintravel.com
3	6	TWIN PEAKS UTILITIES AND INFRASTRUCTURE INC. 1500 Overlook Drive Lafayette, CO 80026 303-665-8785/303-665-8979	\$22,000,000 \$23,800,000 Dec. 31	86 0 Lafayette	2 Brandstatter Husband and wife	Sanitary sewer, water and storm sewer utilities.	Todd Greff Senior Estimator 1978 www.tpuic.com
4	8	ROCKY MOUNTAIN INSTRUMENT CO. 106 Laser Drive Lafayette, CO 80026 303-664-5000/303-664-5001	\$21,000,000 \$23,000,000 Dec. 31	150 70 Lafayette	3 Hahn Father, brother and Son	Manufacturer of electro-optical components, industrial laser systems and marking equipment.	Yubong Hahn and Debbie Hunt CEO and President and General manager and Vice president 1957 www.rmico.com
5	11	SAFE SYSTEMS INC. 421 S. Pierce Ave. Louisville, CO 80027 303-444-1191/303-449-0370	\$7,309,800 \$5,935,000 Dec. 31	24 30 Louisville	2 Halpern Husband and wife	Commercial and residential burglar and fire alarm company providing sales, installation service and monitoring of alarm systems.	Larry Halpern Owner and President 1982 www.safe-systems.com
6	13	PERFORMANCE ENHANCEMENTS INC. DBA PEI 5435 Airport Blvd., Suite 106 Boulder, CO 80301 303-786-7474/303-786-7822	\$5,200,000 \$4,800,000 Jan. 31	20 1 Boulder	3 Krueger Brothers	Cisco call manager and Microsoft UC, IT network infrastructure services, unified communications, security and compliance remediation, security policy, virtualization, storage networks, design, implementation and customized management.	Tim Krueger President 1988 www.pei.com
7	15	EVERY BREWING CO. 5763 Arapahoe Ave. Boulder, CO 80303-1350 303-440-4324/303-786-8790	\$5,106,000 \$3,401,000 Dec. 31	19 0 Boulder	2 Avery Father and son	Family-owned and operated microbrewery.	Larry Avery and Adam Avery N/A 1993 www.averybrewing.com
8	14	BOLDER CALLS 3220 Prairie Ave. Boulder, CO 80301 303-415-9830/303-415-9025	\$5,058,000 \$3,700,000 Dec. 31	150 1 Boulder	3 Weese Husband and wife	Outbound call center offering tele-business solutions for finding new customers and driving increased revenue. Services include lead generation, membership renewals, product sales and event registration.	Vic Weese President 1992 www.boldercalls.com
9	NR	D&K PRINTING 2930 Pearl St. Boulder, CO 80301 303-444-1123/303-444-1139	\$5,000,000 \$6,500,000 Dec. 31	36 0 Boulder	5 Bennett Husband and wife	Electronic prepress, full-service commercial printing.	Debbie Bennett and Gary Bennett Co-owner and Co-owner and President 1964 www.dkprinting.com
10	16	TURLEY'S 2805 Pearl St. Boulder, CO 80301 303-442-2800/303-447-3572	\$3,400,000 \$3,400,000 Dec. 31	90 0 Boulder	6 Turley Father and daughter	Full-service restaurant.	Paul Turley N/A 1987 www.turleysrestaurant.com
11	18	CLOSET & STORAGE CONCEPTS 117 South Sunset St., Suite A Longmont, CO 80501 303-682-4052/303-682-4041	\$2,900,000 \$3,000,000 Dec. 31	24 2 Longmont	4 Wehr, Rozek Mother, father, daughter, son	Custom cabinets for closets, garages, offices, pantries and entertainment centers. Custom-designed and built, one-day installation.	Marty Wehr Owner 2004 www.closetandstorageconcepts.com
12	10	CHRISMAN CONSTRUCTION INC. 1668 Valtec Lane, Suite H Boulder, CO 80301 303-449-0077/303-449-1273	\$2,200,000 \$6,800,000 Dec. 31	5 0 Boulder	2 Chrisman Husband and wife	Commercial construction; design to build, tenant finish and improvement, custom residential and building maintenance.	Jim Chrisman and Susan Chrisman President and CFO 1985 www.chrismanconstruction.com
13	28	FORAKER DESIGN 5277 Manhattan Circle, Suite 210 Boulder, CO 80303 303-449-0202/303-265-9286	\$2,033,000 \$1,378,000 Dec. 31	18 0 Boulder	2 Olson Brothers	Custom Web site design, Web application development, marketing and strategy.	Stirling Olson Founder 1999 www.foraker.com
14	NR	DATA NETWORK GROUP INC. 2995 Center Green Court, Suites A & E Boulder, CO 80301 303-447-8398/303-442-8946	\$1,900,000 \$1,700,000 Dec. 31	10 0 Boulder	2 Perkins/Mareth Husband and Wife	Computer consulting firm specializing in outsourced IT solutions for small to mid-sized companies.	Lynn Mareth and Michael Perkins Vice President and President 1997 www.yourITSolutionspartner.com
15	NR	BOLDER STOVE & FLOORING 2887 30th St. Boulder, CO 80301 303-442-4324/303-440-4249	\$1,722,642 \$1,266,000 Dec. 31	9 0 Boulder	3 Griffin Husband and wife	Offers a complete line of stoves and fireplaces. Sales and installation of tile, carpet, hardwood, linoleum and vinyl.	Sean Griffin and Staci Griffin Owners 1992 www.boulderstove.com
16	29	TAYLOR MOVING LLC 4949 N. Broadway, No. 110 Boulder, CO 80304 303-443-5885/720-565-2870	\$1,600,000 \$1,400,000 Dec. 31	15 0 Boulder	3 Taylor Husband, wife and mother	High-quality residential and commercial packing, moving and storage as well as Budget Truck Rental agency.	Glen Taylor and Leah Taylor Owners 1997 www.taylormove.com
17	9	RED LION RESTAURANT 38470 Boulder Canyon Drive Boulder, CO 80302-9642 303-442-9368/303-447-0986	\$1,500,000 \$1,500,000 Nov. 30	40 0 Boulder	3 Mueller Husband, wife and daughter	Bar service, private business dinners, wild game and continental cuisine. Hosting weddings.	Heidi Mueller and Chris Mueller Owners 1963 www.redlionrestaurant.com
17	NR	KARE PRODUCTS INC. 1644 Conestoga St., Suite 2 Boulder, CO 80301 303-443-4243/303-443-2522	\$1,500,000 \$1,500,000 Dec. 31	7 0 Boulder	2 Burke-Stewart Husband and wife	Ergonomic height adjustable office furniture systems, sit stand desks, computer desks, ergonomic office task chairs for all body sizes, gel wrist rests, foot rests, adaptive Kare cushions, anti-fatigue mats, general safety products and ergonomic products.	Karen Burke and Craig Stewart CEO and President and Vice President of Technical Services 1982 www.kareproducts.com
19	NR	COLORADO PLASTIC PRODUCTS INC. 1901 31st St. Boulder, CO 80301-2401 303-443-9271/303-443-9251	\$1,413,285 \$1,526,000 Dec. 31	10 0 Boulder	N/A Schwartz Married	Full-service distributor and fabricator of plastic sheet, rod, and tube; sells to wholesale and retail customers.	Anita Schwartz and Drew Schwartz Owner and President 1969 www.coloradoplastics.com
20	NR	BUCKNER CONSTRUCTION INC. 2510 47th St., Unit 209 Boulder, CO 80301 303-440-0763/303-440-8036	\$1,400,000 \$1,140,000 Dec. 31	10 0 Boulder	2 Buckner Husband and Wife	Residential remodeling and new construction.	Marisa Callaway and Matt Buckner Co-owner and President 2004 www.bucknerdesignbuild.com
21	NR	JOHN'S CLEANERS INC. 440 Black Diamond Drive Lafayette, CO 80026 303-665-9493/303-442-3716	\$1,209,000 \$1,183,000 July 31	28 0 Lafayette	4 Ellwood Father, mother, brother, sister	Full-service dry cleaning and laundry.	Wendy Ellwood and John Ellwood Owners 1993 N/A
22	32	FLATIRONS MOVING & STORAGE INC. 4699 Nautilus Court S., Unit 501 Boulder, CO 80301 303-499-1151/303-530-3003	\$1,000,000 \$900,000 Dec. 31	20 0 Boulder	2 Paul & Schaana Wetzberger Husband and wife	Full service moving and storage, packing, interstate agent for Stevens Worldwide Vanlines.	Paul Wetzberger and Schaana Wetzberger President and Vice President 1990 www.flatironsmoving.com
22	NR	PARAMOUNT REMODELING CO. 11852 Juniper St. Lafayette, CO 80026 303-828-1261/303-828-1278	\$1,000,000 \$750,000 Dec. 31	5 0 Lafayette	4 Maxwell Wife, husband and son	Specializing in basement finish; kitchen and bath remodeling; features Canyon Creek cabinets. Major additions and remodels, general contractor for new homes.	Martin Maxwell Owner 1995 www.paramountremodeling.com
24	33	BUFFALO LOCK & KEY INC. 2510 Baseline Road Boulder, CO 80305-3324 303-494-0707/303-494-0706	\$875,000 \$775,000 Dec. 31	10 0 Boulder	2 Angell Father and daughter	Automotive, residential, commercial, industrial and government; lock installation, re-key, master key, high-security and electronic locks, CCTV and wireless security systems.	Cindy Angell President 1975 www.buffalolockandkey.com
25	37	JULES GOURMET CATERING 1849 Cherry St., Suite 7 Louisville, CO 80027 303-926-1303/303-926-1403	\$448,000 \$407,000 Dec.	12 0 Louisville	5 Dunigan Brother, sister and parents	Full-service catering company.	Julie Dunigan and Joe Dunigan Chef/Owner and Business Relations 1997 www.julesgourmet.com

N/A: Not available.

*Second ranking criteria is number of employees.

SOURCE: BUSINESS REPORT SURVEY
RESEARCHED BY Beth Edwards



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Boulder investors bullish on New Frontier

Colorado Financial Holdings injecting at least \$30 million into Greeley's biggest bank

BY KRISTEN TATTI

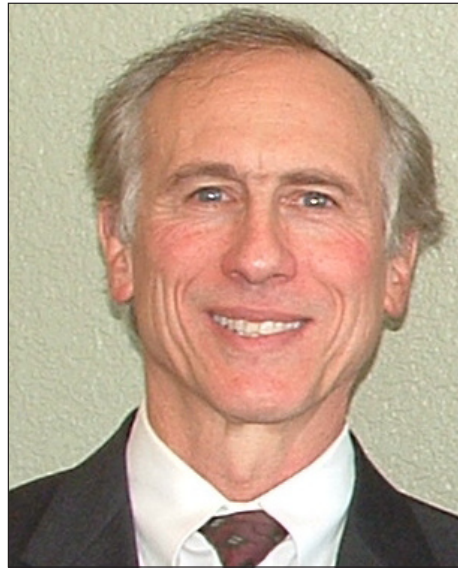
Northern Colorado Business Report

BOULDER – Colorado Financial Holdings is optimistic about the future of New Frontier Bank despite facing increased regulatory scrutiny, a tough economy and the ongoing bankruptcy of one of its largest clients.

CFH, a Boulder-based investment group headed by Mark Wong and Gary Jacobs, plans to invest at least \$30 million into New Frontier, gaining a majority of the voting shares. The investors are inheriting one of Northern Colorado's largest financial institutions, with more than \$2 billion in assets, a loan portfolio of \$1.59 billion and a tangle of issues including a regulatory crackdown.

New Frontier entered into a cease-and-desist agreement with the Federal Deposit Insurance Corp. in early December. The enforcement action was made public on Jan. 30, the same day New Frontier and CFH entered into a definitive agreement. The FDIC order requires the bank to implement corrective action on a variety of "unsafe or unsound banking practices and violations of law and/or regulations." The list of issues includes not maintaining adequate levels of capital or reserves for loan losses; having an excess number of "adversely classified assets," operating with management "whose policies and practices are detrimental to the bank," and several more.

A look at New Frontier's fourth-quarter financials is revealing, especially since the bank will have to file amended financials for the second and third quarters as



Gary Jacobs



Mark Wong

part of the agreement. For the year, the bank reported a net loss of \$11.34 million — the only net loss for the bank since its inaugural year in 1998.

Contributing to the loss was an \$11.88 million increase in charge-offs — assets deemed uncollectible — from the third quarter, for an annual total of \$24.9 million. Additionally, real estate owned through foreclosure increased by \$7 million in one quarter to end the year at \$40.4 million.

Johnson Dairy woes

Adding to the bank's woes is the Chapter 11 bankruptcy of Johnson Dairy. Bank officials declined to comment on Johnson Dairy, citing regulatory, privacy and ongoing legal issues. However, documents filed with the U.S. Bankruptcy Court in Denver detail the extent of the relationship between the bank and the dairy.

The bank claims it is owed in excess of \$42 million on several credit agreements. At the end of the year, New Frontier held \$448.7 million in loans to finance agricultural production. Johnson Dairy

also counts several New Frontier board members among listed creditors. Northern Feed and Bean, owned by Bob Brunner, and Thissen Construction, owned by Tim Thissen, are both included in the list of creditors that received payments during the 90 day period prior to the bankruptcy filing — \$1.2 million and \$373,656, respectively. Northern Feed and Bean is listed as still being owed more than \$500,000 for "minerals."

Bankruptcy filings also show that Johnson Dairy might ask for some kind of relief from New Frontier. On Feb. 2, the dairy asked the bankruptcy court for permission to retain special counsel Allen & Vellone P.C., a Denver law firm with expertise in tying and antitrust claims, which the filing stated was "necessary to represent (the dairy) against NFB."

Tying, as defined in law, is an agreement by a vendor to sell one product but only on the condition that the buyer also purchase another, usually unrelated, product. A request for comment from attorney Patrick Vellone was not

returned by press time.

As part of its financial statement filed with the bankruptcy court, Johnson Dairy claims it paid \$1 million to New Frontier Bank for bank stock "as a pre-condition to extension of credit." The filing shows the stock purchase was made on June 30.

There appears to be no formal complaint filed against New Frontier on behalf of Johnson Dairy. However, the court filing states that Allen & Vellone "has been representing the (dairy) in their claims against NFB since approximately November 2008." Since the dairy is now operating under the auspices of the bankruptcy court, it must receive permission to continue paying the firm.

Investors optimistic

Despite the litany of issues, CFH is optimistic that New Frontier will remain a leader in the region. The group has tapped Jim Slavik as the replacement for current New Frontier President Larry Seastrom, who must give up the position as part of the FDIC agreement.

"It was very fortunate that our paths crossed at this time," Slavik said. He has not worked previously with either Wong or Jacobs. "I just finished at a bank going through similar issues. This is pretty much exactly what I was looking to do."

Slavik spent almost two decades in a variety of finance-related positions at GE Money and GE Capital. From 2006 through 2008, he headed the Cosmos Bank in Taiwan, in which GE and another investment firm invested \$900 million.

For their part, Jacobs and Wong have a long history of investments in Colorado companies, including some in the financial services industry. This will be their first foray into the banking industry.

"We're committed to the state and are

► See **Bullish, 24A**

Boulder County Business Hall of Fame selects inductees

BY BUSINESS REPORT STAFF

LONGMONT – Seven men will be inducted into the Boulder County Business Hall of Fame in April for their significant business and community achievements and leadership.

Jerry W. Lewis, Jeff Schott, Lou DellaCava, Dick Herring, Jerry Lee, William Boettcher and Jay Elowsky make up the hall's Class of 2009.

The group will be honored at the 17th annual induction luncheon to be held at 11:30 a.m. Thursday, April 30, at the Radisson Hotel and Conference Center in Longmont, home of the Hall of Fame.

The hall recognizes businessmen and women who have and continue to exemplify business, cultural and philanthropic achievements that serve as the foundation of communities in the county.

As co-publishers and co-owners of the Boulder County Business Report, Lewis and Schott chronicled business developments, trends and innovations for 20 years until they sold their interest in the publication in 2008.

Together, they formed a formidable team, cementing BCBR's role as a leading force for the business community of the Boulder Valley. Their award-winning newspaper included many business innovations including special publications that provided exposure to the many local businesses and businesspeople.

17th Annual Boulder County Business HALL of FAME

DellaCava was born and raised in the Bronx in New York City as the son of a blue collar working family. He worked in the construction trades to pay for college. After service in the U.S. Army, DellaCava went to work for IBM.

In 1978, DellaCava took on executive responsibilities for a \$500 million line of products and was a key contributor to IBM's growth in Boulder County. Lou's community involvement is as impressive as his business success ... where his thoughtful, courteous but probing questions reflect his profound understanding of the Boulder

County economy.

Herring spent 25-plus years leading Ball Aerospace and Technologies. He is the original chief executive of DigitalGlobe Inc. and primary reason it is located in Longmont. He has held other CEO positions in Boulder County and has served on several high-tech boards. He also facilitated the organization of the nonprofit Engineers Without Borders. He served on engineering committees at the University of Colorado and Colorado School of Mines and has won several engineering awards. He has years of philanthropic service to the nonprofit community.

Lee was born the third of 15 children. He became president of the W.W. Reynolds Companies in Boulder before setting up Lee Real Estate in 2005. Lee's passion for running led him to partner with Danny Abshire in developing a new athletic shoe called the Newton, which is changing the way running and walking shoes are made. In addition to his church and philanthropic endeavors, Lee has served on numerous committees for the city of Boulder, including a term of more than 10 years on the Boulder Urban Renewal Board.

Boettcher arrived in Boulder in 1959 and in 1964 purchased a collection agency with his wife with only two employees. Today BC Services employs more than 125 people and counts many of Boulder County businesses as clients. Boettcher has served many community organizations such as the Longmont Area of Chamber Commerce,

Tickets to the show

Reservations for the Boulder County Business Hall of fame induction luncheon are \$55 each and \$550 for a corporate table of 10. To make reservations or purchase a table, go online to www.halloffamebiz.com, or contact Fred Kreider at 303-229-3582.

Longmont United Hospital and Longmont United Hospital Foundation.

Elowsky has been owner and manager of Pasta Jay's Restaurants for 20 years using family recipes to create "food fit for a king!" Elowsky is a huge supporter of the University of Colorado, including all sports programs, along with public schools, organizations and the community around him.

REAL ESTATE & DEVELOPMENT

Fitness center to have climbing wall, 14A



COURTESY BOULDER HOSPITALITY LLC

A 100-room Hampton Inn and Suites, seen in the rear of this architectural rendering, will be the anchor of Gunbarrel Gateway northeast of Boulder. Boulder Hospitality LLC led by Bill McDermid, wants to sell three pad sites for commercial and retail use near the hotel and is asking between \$1.3 million and \$1.4 million for each one.

Developer bullish on Gunbarrel hotel

Gateway project adds commercial building to area

BY MONIQUE COLE
Business Report Correspondent

GUNBARREL — As the gray clouds of the recession gather, one local developer sees a silver lining.

Bill McDermid of Niwot is forging ahead with plans to build a 100-room Hampton Inn and Suites at the former Hugh M. Woods lumberyard in Gunbarrel.

"The downturn's a terrible thing to waste," McDermid said. "We think our timing might be really good." He predicted the economy will be on its way back by spring 2010 — the same time he expects to complete construction.

In the meantime he's pleased with the aggressive bids he is receiving from contractors who have been hard hit by the real estate slump. "It's a win-win.

The contractors are able to keep people employed," he said.

Dubbed Gunbarrel Gateway, the 5.9-acre project sits on the corner of Lookout Road and 63rd Street near the exit from the Diagonal Highway. The plans, which are very close to final approval by the city of Boulder, include three commercial buildings in addition to the 67,375-square-foot, three-story hotel.

Under Boulder Hospitality LLC, McDermid and his investment partners purchased the site in February 2007 for \$2.5 million. He said they have been lucky raising equity, but the commercial credit they'll need for build-out has tightened up during the past six months.

"Yeah, it's tough," he said. "If we have to wait, we wait. We don't want to sit on it too long. The longer we wait, the longer it takes to sell rooms."

The partners are shopping locally for financing, hoping lenders familiar with Boulder's market will be more receptive than big national banks. An independent market feasibility study was encouraging, McDermid added, "This pencils out really well."

The developers decided to move for-

“This really is the front door to all of Gunbarrel.”

Scott Smith
FOUNDER/PRINCIPAL,
COLORADO GROUP INC.

ward with a national chain because of the loyalty programs, which tend to attract business travelers. McDermid said Hampton Inn was his first choice, but it was even more logical because there is already a Courtyard by Marriott in Boulder and a Holiday Inn Express in Longmont.

McDermid hopes the Hampton Inn will attract business travelers visiting nearby companies, including advertising agency Crispin Porter + Bogusky and Boulder's largest employer, IBM.

"We've had success in the past with hotels close to business parks," he said.

He also hopes to capture overflow visitors from central Boulder, a market, he said, that has room for more rooms. "The market, for its size, is grossly underserved."

Mary Ann Mahoney, executive director of the Boulder Convention and Visitor's Bureau, said Boulder's current inventory is 2,076 rooms. Some of those may be lost in the near future if plans — that the Golden Buff Lodge will be redeveloped into a mixed-used development, for example — come to fruition.

"We could be at a net-zero gain with those additional rooms in Gunbarrel," she said.

Her office often compares Boulder with Fort Collins, which has a similar student and resident population and 165 more hotel rooms. "Up until October, I would have said there was room to grow," she said. That was when "the recession caught up to Boulder," she said, and the market started softening.

► See **Hotel, 16A**

Developers dig deep for climbing wall in fitness center

Energy-saving designs will result in sizeable federal tax credits

BY DOUG STORUM
Editor

BOULDER — Movement Climbing & Fitness will feature a 38-foot-high climbing wall that won't violate Boulder's 35-foot limit for buildings.

Developers are building the climbing wall portion of the center 10 feet below ground level to keep the roof within the city's limit.

"We worked with the city and didn't want to ask for a height variance," said Mike Moelter, operation manager of the center. "We wanted everything about the center to be environmentally sound, including blending into the skyline. We're using a lot of green features to make it a healthy building for a business that promotes health."

Moelter is one of a dozen people who make up Movement Group LLC, owner of the business. His wife, Anne Worley Moelter, will serve as general manager.

The cost of the project is not being disclosed, but stakeholders in the group have extensive experience in climbing and construction and have either supplied capital or sweat equity to the

► See **Climbing, 15A**



DOUG STORUM

Construction is under way for Movement Climbing & Fitness at 2845 Valmont Road in Boulder. The fitness center will feature a climbing wall that will be used by the general public and climbing competitions.

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DOUG STORUM

Movement Climbing & Fitness was designed by Jim Logan Architects of Boulder. It hopes to open in May.

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— *Outside Magazine*

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CLIMBING from 14A

project. Moelter runs U.S.A. Climbing in Boulder, the national governing body for the sport and plans to host competitions at the center.

The group will lease the building from the building’s owner, 2845 Valmont LLC, real estate investors who want to remain anonymous.

The 22,000-square-foot building has a footprint of 16,000 square feet on 1.4 acres at 2845 Valmont Road. Moelter is hoping to open the center in May.

Sarah Marves of Jim Logan Architects in Boulder is the lead architect on the project. The building design includes natural lighting and a photovoltaic system.

It also will feature stadium seating around the climbing wall for viewing of competitions. Barre, Mass.-based Rockwerx is building the wall.

The fitness portion of the center will have a yoga room and an area for stationary bicycles where spin classes will be held.

It will have locker rooms with showers, a lounge area and a child-care center.

The general contractor is Tim Harrington of Harrington Homes Inc. in Boulder, and John Bauknight is the project manager.

Green building specialists PCD Engineering Services Inc. in Longmont and Lighthouse Solar of Boulder are participating in the project.

The facility is expected to use 50 percent less energy than a typical building and garner nearly \$40,000 in federal tax credits. Innovative heating, ventilation and air-conditioning elements include a dedicated outdoor air system designed to mitigate chalk dust.

Cold climate air-source heat pumps will provide efficient heating of the building and indirect evaporative cooler provide effective cooling of the climbing area.

Daylighting techniques keep use of the low-energy electric lighting system to a minimum.

Movement will offer memberships ranging from \$60 to \$70 per month and day passes. Prices for the day passes and child-care services are yet to be determined.

Contact writer Doug Storum at 303-440-4950 or e-mail dstorum@bcbr.com.

“It’s ironic since I’m from Detroit, but I use my car as little as possible. Living at The Peloton, it’s a short bike ride to work at CU or to grab takeout at 29th Street. My typical Saturday begins with a ride on the Creek Path, just outside my door. Sometimes I wonder why I even still have a car. Maybe because I’m from Detroit.”

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TOP 10 OFFICE LEASES IN BOULDER AND BROOMFIELD COUNTIES

(OCT. 1 - DEC. 31, 2008)

Tenant	Sqare Footage	Address	Listing / Selling Agency - Broker(s)
1 DigitalGlobe Inc.	30,710	1951 S. Fordham St., Longmont	The Colorado Group Inc. - Gary Aboussie CB Richard Ellis - Alex Hammerstein
2 Geomega Inc.	18,552	2525 28th St., Boulder	Acquire Inc. - Paige Coker Heiman Arete - Brett Davis
3 Brother Mobile Solutions Inc.	14,784	100 Technology Drive A, Broomfield	Frederick Ross Co. - Joe Health, Scott Garel and Don Misner CB Richard Ellis - Charles Lodge
4 Southwest Research Institute	12,260	1050 Walnut St., #300, Boulder	Keys Commercial
5 WhiteWave Foods Co.	9,850	295 Interlocken Blvd., Broomfield	Frederick Ross Co. - Joe Health, Scott Garel and Don Misner
6 Murata Power Solutions	8161	100 Technology Drive B, Broomfield	Frederick Ross Co. - Joe Health, Scott Garel and Don Misner
7 First RF Corp.	6,150	1990 57th Court, Boulder	The Colorado Group Inc. - Danny Lindau Freeman Myre - Arn Hayden and Greg Baumer
8 Siemens Energy	5,369	1050 Walnut St., Boulder	CB Richard Ellis - Austin Santesteban, Doug Bakke, Frank Kelley, Charles Lodge, Ralph Diamond, Robert Richie Jr.
9 Family Resource Center	5,342	1021 S. Boulder Road, Louisville	Tebo Development Co.
10 MD-IT Transcription Services LLC	5,329	4940 Pearl East Circle, Suite 100, Boulder	W.W. Reynolds - Chad Henry Acquire - Paige Coker Heiman

Source: Survey of commercial real estate firms

TOP 10 INDUSTRIAL LEASES IN BOULDER AND BROOMFIELD COUNTIES

(OCT. 1 - DEC. 31, 2008)

Tenant	Sqare Footage	Address	Listing / Selling Agency - Broker(s)
1 GE Energy	152,218	1800 Nelson Road, Longmont	Frederick Ross Co. - Joe Heath, Scott Garel and Don Misner Dean Callan & Co. - Becky Gamble, Hunter Barto and Dryden Dunsmore CB Richard Ellis - Murray Platt and James Bolt
2 Dot Hill Systems Corp.	13,733	1351 S. Sunset St., Longmont	Frederick Ross Co. - Joe Heath, Scott Garel and Don Misner Dean Callan & Co. - Becky Gamble, Hunter Barto and Dryden Dunsmore Gibbons-White Inc. - Chris Boston
3 Engineered Data Products Inc.	13,140	6800 W. 117th Ave., Broomfield	The Colorado Group Inc. - Audrey Berne and Neil Littmann
4 Front Porch Digital Inc.	9,740	2011 Cherry St., Units 202 & 106, Louisville	Tebo Development Co.
5 Boulder Land Design	8,000	2775 Valmont Road, Boulder	Gibbons-White Inc. - Patrick Weeks
6 Sundew Technologies LLC	6,814	3400 Industrial Lane, Broomfield	CB Richard Ellis - Todd Witty
7 Bags Inc.	6,631	410 S. Sunset St., Longmont	Gibbons-White Inc. - Angela Rookey
8 ABV Co.	6,300	2745 Industrial Lane, Broomfield	The Colorado Group Inc. - Jason Kruse
9 Fidelity Comtech Inc.	5,184	1500 Kansas Ave., Longmont	Gibbons-White Inc. - Lynda Gibbons
10 Abo Inc.	5,137	4745 Walnut St., Boulder	

Source: Survey of commercial real estate firms

TOP 10 RETAIL LEASES IN BOULDER AND BROOMFIELD COUNTIES

(OCT. 1 - DEC. 31, 2008)

Tenant	Sqare Footage	Address	Listing / Selling Agency - Broker(s)
1 Second Chance Books	5,875	1055 Courtesy Road, Louisville	Tebo Development Co.
2 Maharaja 2	4,338	1915 28th St., Boulder	Tebo Development Co.
3 DND Pizza Inc.	2,879	6545 Gunpark Drive, Boulder	Acquire Inc. - Scott Leakas
4 Vic's Coffee Two	2,000	4770 Table Mesa Drive, Boulder	Tebo Development Co.
5 Subway franchise	1,825	1468 Pearl St., Boulder	The Colorado Group Inc. - Todd Walsh and Jim Howser
6 Tresca Hair Studio	1,500	3033 Walnut St., Boulder	W.W. Reynolds - Nate Litsey
7 Total Escape Games	1,493	6831 W. 120th Ave., C, Broomfield	Gibbons-White Inc. - Dan Ferrick and Jim Ditzel Infinity Real Estate - Jolon Rusch
8 Flatirons Pilates LLC	1,012	1361 Forest Park Circle, Lafayette	Emerald Real Estate Group - Dan Marks
9 Maria Villela	960	619 Ken Pratt Blvd., Longmont	Tebo Development Co.
10 Testing LLC	875	133 McCaslin Blvd., Louisville	Gibbons-White Inc. - Dan Ferrick and Michael-Ryan McCarty, Prudential Rocky Mountain Realtors - Wendy Love

Source: Survey of commercial real estate firms

HOTEL from 13A

Fourth-quarter occupancy rates in Boulder were at 53.3 percent in 2008, down from 58.1 percent in 2007.

Some of Boulder's "strongholds" like the University of Colorado at Boulder and federal laboratories could help pull Boulder ahead under the new presidential administration, Mahoney said. "By the time (the Gunbarrel Gateway hotel) is built, there's a chance we'll be back in the occupancy rates of 2008."

McDermid and his partners plan to build out the hotel itself, but they have listed the remainder of the project for sale with Scott Smith and Wade Arnold of the Colorado Group Inc. There are three retail or office pad sites available, with building plans already in place.

As a limited-service hotel, the Hampton Inn and Suites will not include a restaurant, so Smith said a coffee shop or dining establishment would be a good complement. Almost any type of retail or office use would be allowed. The pedestrian-friendly site plan includes three separate buildings connected by courtyards and walkways surrounding a central parking area and anchored by the hotel.

"All the upfront legwork has been done by the developers - they've gone through the city process," Smith said. "It takes the hassle away. You can just buy the pad and go."

The three pad sites come with utility stubs to the edge of each building footprint and fully improved shared parking and landscaping. They are priced between \$1.3 million and \$1.4 million.

Lot 2 includes 35,529 square feet and

is priced at \$38.77 per square foot. It is approved for the construction of a 6,085-square-foot, single-story retail building on the corner of Lookout Road and 63rd Street.

The 37,558-square-foot Lot 3 is located to the east of that intersection and is also priced at \$1.3 million, or \$34.61 per square foot. It is approved for a 6,508-square-foot, single-story retail building.

A much larger, two-story, 12,500-square-foot building is planned for Lot 4 on Lookout Road. At 41,041 square feet, the land is priced at \$34.11 per square foot.

"This really is the front door to all of Gunbarrel, off of 119," Smith said. "Synergistic businesses can play off of each other."

So far Smith and Arnold have received inquiries from a handful of hopeful restaurateurs and coffee shop owners, as well as one office user. They expect interest to heat up as construction of the hotel gets under way.

"In the next month or two, as the existing lumberyard gets deconstructed, I think that will increase activity," Smith said. "The pad sites will build out more quickly than the hotel. If the hotel is leading, there's no reason why the rest won't follow."

If McDermid's optimism is fulfilled, the entryway to Gunbarrel will see a striking transformation in the coming years - from local lumberyard and warehouse to a new hotel and retail center with contemporary, new urban architecture.

"It's probably the most important thing to happen in Gunbarrel for the past 20 years," Smith said.

TOP COMMERCIAL PROPERTY SALES IN BOULDER AND BROOMFIELD COUNTIES

(OCT. 1 - DEC. 31, 2008)

Buyer	Address	Type	Price
1 FSP 385 Interlocken LLC	385 Interlocken Crescent, Broomfield	Land	\$7,594,100
2 Auto Focus Inc.	704 Main St., Longmont	Auto Dealership	\$6,000,000
3 El Dorado Ridge I and II LLC	11001 W. 120th Ave., Broomfield	Office	\$3,267,100
4 Boulder Warehouse Association	2205 Central Ave., Boulder	Warehouse	\$3,250,000
5 FNF REC 540 LLC	1222 Pearl St., Boulder	Retail	\$3,025,700
6 4755 Walnut LLC	4755 Walnut St., Boulder	Flex	\$3,000,000
7 Westland Range LLC	1705 Range St., Boulder	Manufacturing	\$2,750,000
8 Douglas E. Myers Revocable Trust	2575 Park Lane, Lafayette	Office	\$2,495,000
9 Jeff and Cynthia Lambert	342 2nd Ave., Niwot	Lodging	\$2,350,000
10 1990 Investment Group LLC	990 S. Public Road, Lafayette	Retail	\$2,140,000
11 First Christian Church Boulder	1700 Stonehenge Drive, Lafayette	Church	\$1,900,000
12 City of Louisville	611 Front St., Louisville	Retail	\$1,800,000
13 Landry Properties LLC	287 U.S. Hwy 287, Lafayette	Retail	\$1,800,000
14 Pedersen Development Co. LLC	909 Walnut St, Boulder	Land	\$1,600,000
15 Boulder Community Hospital	4820 Riverbend Road, Boulder	Office	\$1,600,000
16 CTG Partners LLC	2990 Center Green Court, Boulder	Office	\$1,365,000
17 KLS Offices LLC	1225 Cimarron Drive, Lafayette	Office	\$1,347,000
18 McBride Brothers Investments LLC	465 S. Pierce Ave, Louisville	Warehouse	\$1,291,500
19 Salvation Army	710 N. U.S. Hwy 287, Lafayette	Land	\$1,250,000
20 KG Petroleum LLC	4175 W. 120th Ave. Broomfield	Gas Station	\$1,233,500

Source: SKLD Information Services LLC - 303-695-3850

Commercial Vacancy Rates

Tracked by Xceligent Inc.
Fourth quarter 2008

Type	Total (sq. ft.)	Vacant (sq. ft.)	Vacancy Rate
Boulder			
Office	5,946,403	807,337	13.6%
Flex	5,774,438	371,554	6.4%
Industrial	3,781,346	402,886	10.7%
Broomfield			
Office	2,522,111	361,305	14.3%
Flex	1,379,119	194,242	14.1%
Industrial	2,387,317	194,704	8.2%
Lafayette			
Office	503,784	107,384	21.3%
Flex	485,038	109,592	22.6%
Industrial	433,641	46,500	10.6%
Longmont			
Office	757,600	104,293	13.8%
Flex	2,667,799	452,945	17%
Industrial	10,591,600	422,924	4%
Louisville			
Office	988,881	153,584	15.5%
Flex	1,966,888	214,757	10.9%
Industrial	2,756,921	40,000	1.5%
Superior			
Office	181,152	13,125	7.2%
Grand Total			
Office	10,899,931	1,547,068	14.2%
Flex	12,273,282	1,343,090	10.9%
Industrial	19,950,825	1,106,564	5.5%

Buildings larger than 20,000 square feet

Commercial Vacancy Rates

Tracked by CB Richard Ellis
Fourth quarter 2008

Type	Total (sq. ft.)	Available (sq. ft.)	Vacancy Rate
Boulder			
Office	5,549,211	776,890	14%
Industrial	14,129,199	1,384,661	9.8%

Longmont

Office	974,909	140,587	14.8%
Industrial	6,063,435	1,437,034	23.7%

Buildings larger than 10,000 square feet, excluding government, medical, and single tenant owner buildings.

Commercial Vacancy Rates

Tracked by Economic Developers
Fourth quarter 2008

Type	Total (sq. ft.)	Available (sq. ft.)	Vacancy Rate
Broomfield			
Office	5,912,696	644,237	10.9%
Industrial and Flex	4,897,749	313,918	6.4%

Source: Broomfield Economic Development Corp.

Longmont

Office, flex and industrial	8,472,694	1,204,542	14.2%
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Source: Longmont Area Economic Council (includes city of Longmont plus surrounding unincorporated areas of Boulder and Weld counties).

TechStars expands program to Boston

BY RYAN DIONNE

Staff Writer

BOULDER – TechStars LLC, a Boulder-based startup incubator and mentor program, is expanding to Boston.

Boston entrepreneur Shawn Broderick will manage the Boston TechStars program.

Broderick founded Genetic Anomalies Inc., which was acquired by Agoura Hills, Calif.-based THQ Inc. (Nasdaq: THQI), and founded Sherborn, Mass.-based TrustPlus Inc.

TechStars' Boulder and Boston programs are accepting applications through March 21 to participate in the summer programs. The Boulder program runs from May 11 to Aug. 7, and the Boston program runs from May 26 to Aug. 21.

Each of the 20 companies chosen to participate in TechStars, 10 in Boston and 10 in Boulder, will receive \$6,000 per founder up to \$18,000, along with workspace and a plethora of mentors. In exchange, TechStars receives a 6 percent equity stake in the company with an opportunity to invest more at the end of the summer.

The decision to expand was sparked, in part, by Bill Warner, a Boston area entrepreneur.

"He visited the TechStars' Boulder operation last year, got involved, and ultimately invested in one of the companies," according to the TechStars Web site. "Coupled with Bill's enthusiasm Boston became the logical next step for TechStars."

ENGINEERS from 1A

Users can download photos, videos and music to the hard drive from a PC, slide it into the TV docking station and view the content in comfort.

"The FreeAgent Theater is designed to let you enjoy your content," said Melissa Johnson, Seagate's product marketing manager for retail products. "You can sit on your couch and access your data."

The engineers at Seagate's Longmont campus were responsible for the firmware, mechanical and electrical systems for the drive.

Jeff Bursik, senior director of design engineering, helped lead the core team that took 27 weeks to get the drive ready for consumers.

Besides designing the drive to run on low power and output minimal heat, the engineers had to design it to withstand shock. And before customers get their hands on it, the design team puts it through a series of tests, Bursik said.

Dropping it in its packaging from five feet in the air, making sure it withstands 900 g-forces and making sure the latches don't come undone when it's dropped are a few of the tests performed, he said.

And though his team hit some snags along the way, the hurdles weren't enough to delay the project or fail any of the tests.

"Rarely do we have to do a major redesign based on one of these tests," Bursik said.

When users plug the drive into the TV docking station the content auto-

matically displays on the TV in the same format it would on a computer.

For instance, if the user has three folders on the hard drive, one for music, one

USERS CAN DOWNLOAD

photos, videos and music to the hard drive from a PC, slide it into the TV docking station and view the content in comfort.

for videos and one for photos, which is recommended for ease of use, the three folders are displayed.

Using the supplied remote, people can watch their movies or video clips, scroll through pictures or listen to music. The system also allows people to create a musical slideshow from the pictures in a given folder accompanied by music in another.

Previously, Seagate allowed consumers to protect digital files but barely interact with it, Johnson said. Now, that's changing.

"It is the easiest way to view your stuff on TV," she said. "Bottom line. That's it."

When it comes to videos, Johnson said

the system doesn't discriminate allowing users to play nearly anything – including "ripped" DVDs or "bootlegged" videos.

Besides viewing previously stored files on the hard drive, the TV dock has a USB port that allows users to plug in a digital camera and instantly view photos that have yet to be downloaded.

Though the entire system is designed for a Seagate FreeAgent Go hard drive, which comes in a 250-, 320- and 500-gigabyte version, it will work with any external hard drive.

With the same USB port that's compatible with a digital camera, any external hard drive can be connected for the same end result – multimedia from a PC to a TV.

But Seagate's Go hard drive, though like many other drives on the market, is designed to look as good as it functions.

"It's always a nuance to design a product that has some sex appeal associated with it," Burks said.

It comes in 10 colors, including various greens and blues, orange, pink and black, has a series of "runway" lights that illuminate when transferring data, and has a sleek design.

The Longmont-based engineering team designed it with a 2.5-inch drive, which is typically used in a laptop, that's rugged and, like most drives, designed to withstand altitude, temperature and humidity changes.

But it's not designed for Apple Inc. computers.

FreeAgent Theater HD

Easily transfers photos, videos and music from a PC to a TV. Cost: \$129 without a hard drive, \$219 with a 250gb hard drive, \$299 with a 500gb hard drive. Supported file formats:

- MPEG-1
- MPEG-2
- MPEG-4
- AVI
- VOB
- DivX
- XVID
- m2t
- MP3
- AC3
- WMA
- WAV
- OGG
- JPEG

(up to 20 megapixels).
www.seagate.com/theater

The media player, which was introduced in January at the International Consumer Electronics Show in Las Vegas, doesn't support most Mac-based files.

The software that comes preinstalled on the FreeAgent Go hard drive isn't Mac compatible, however it can be reformatted to work with Apple computers, Johnson said.

Mac users can still use the Theater, but most Apple-oriented files, such as QuickTime movie and .m4a files are not supported.

RESIDENTIAL PROPERTY MANAGEMENT FIRMS

(Companies in Boulder and Broomfield Counties ranked by total number of local units managed.)

RANK	PREV. RANK	Company Street Address City, State/Province Zip Phone/Fax	Total no. of units	Occupancy rate	Products/Services	Major buildings under management	Person In Charge Title of Person In Charge Year Founded Web site
1	1	HAST & CO. 525 Canyon Blvd. Boulder, CO 80302 303-444-7575/303-447-8864	4,211	98%	Professional residential, commercial and homeowner association management, brokerage and consulting.	Kensington, Marine Park, Horizon West, Wimbledon, Two Mile Creek, Villa del Prado, The Shores, Fountain Greens, Arrowhead, Saddlebrooke at Rock Creek.	Thomas Hast Broker and President 1979 N/A
2	2	COUNTRYSIDE ASSET MANAGEMENT 7490 Clubhouse Road, Suite 201 Boulder, CO 80301 303-530-0700/303-530-0217	3,763	94%	Apartment communities, office buildings, homeowner associations and manufactured homes communities.	Apartments: Argyle at Willow Springs, Chateau, Fox Ridge, Glen Lake, Victoria Inn, Habitat, Harper House, Kimberly Court, The Shores, Thistle Sage, Tyrol. Homeowners Associations: Country Club Estates, The Farm in Boulder Valley, The Grover at Harper Lake, Kingsbridge, Renaissance, The Seasons, Landmark Lofts Stonewall, Trout Farm Westwood.	Don Getty and John Moritz CFO and Co-president and CEO and Co-president 1968 www.csamc.com
3	3	HUDSON REAL ESTATE CO. 1200 28th St. Boulder, CO 80303 303-442-6380/303-442-4505	3,321	N/A	Property management.	Apartments and homeowner associations; also does business in Wyoming.	Lynn Wing Owner 1976 N/A
4	4	MOCK PROPERTY MANAGEMENT CO. 825 S. Broadway St., Suite 200 Boulder, CO 80305 303-497-0670/303-497-0666	1,136	93%	Rentals, property management, homeowner associations.	Various apartment complexes in Boulder and Longmont.	Bruce Mock President 1966 www.mockpm.com
5	5	BOULDER PROPERTY MANAGEMENT CORP. 1100 28th St., Suite 100 Boulder, CO 80303 303-473-9559/303-473-9614	700	98%	Student and professional housing; leasing, maintenance, financial reporting and customer service.	Colorado Place, College Place, Wimbledon Condos, Gregory Creek.	Jared Minor CEO and Owner 1994 www.bpmco.com
6	6	FOUR STAR REALTY & PROPERTY MANAGEMENT INC. 1938 Pearl St., Suite 200 Boulder, CO 80302 303-440-8200/303-443-1440	600	100%	Leasing, management, maintenance and financial reporting.	Residential single-family homes, townhomes, and small multiple units. In addition to Pearl Street office, separate office on the Hill to serve students and investors in student properties. Over 600 units managed in the Boulder County area.	Phil Swan President 1986 www.fourstarrealty.com
7	7	PROPERTY MANAGEMENT PLUS INC. 612 Mountain View Ave. Longmont, CO 80501-2708 303-776-7368/303-772-4005	500	94%	Places qualified tenants into apartments, homes, townhomes and duplexes.	Multiple smaller units.	Karen Epperson Owner 1992 www.propertymanagementplus.com
8	8	FOWLER PROPERTY MANAGEMENT 2400 28th St. Boulder, CO 80301 303-443-6064	400	99%	Apartments, condominiums, townhomes, single family homes, homeowner associations.	Gold Run Condominiums, Marble Apartments.	Dan Fowler Owner 1958 www.fowlerrentals.com
9	9	TRACY REAL ESTATE & PROPERTY MANAGEMENT 730 29th St. Boulder, CO 80303 303-447-1970/303-447-1846	263	100%	Townhomes, apartments, duplexes.	Canyon Creek Apartments, Valencia Apartments, Phoenix Apartments.	Mike Tracy Owner N/A www.boulderrentals.com
10	10	POINT WEST PROPERTIES 608 Pearl St., Suite A Boulder, CO 80302 303-447-1502/303-447-2129	260	100%	Commercial and residential management; leasing and sales; student housing.	Multiple small properties.	Steven O'Donnell Broker 1989 www.curent.com
11	11	BOWERMAN REAL ESTATE SERVICES INC. 1790 30th St., Suite 232 Boulder, CO 80301 303-442-7474/303-442-5124	220	95%	Homes, townhomes, condominiums.	2145 Goss St., 2210 Walnut St.	T.K. Bowerman Owner 1985 www.bowermanre.com
12	12	OMNIBUS GROUP INC. 2885 Aurora Ave., Suite 21 Boulder, CO 80303 303-444-2611/303-440-8840	200	100%	Professional property management, homeowner associations, apartments.	Maple Creek Apartments, 701 Arapahoe Ave.	Sal Cirionce Broker/Owner 1965 N/A
13	13	ALERT REALTY & INVESTMENT CO. 1132 Francis St. Longmont, CO 80501 303-776-5156/303-447-9440	152	99%	Full-service residential property management.	Single-family homes, duplexes, triplexes.	Bryan Potter Broker and Owner 1980 www.alertrealty.net
14	14	PHOENIX REALTY & PROPERTY MANAGEMENT INC. 489 N. Highway 287, Suite 201 Lafayette, CO 80026 303-666-4300/303-665-9154	150	100%	Property management and real estate.	Individual units and homes.	Michelle Irons Owner and President 1986 www.phoenixrealtyinc.com
15	15	PERSONALIZED MANAGEMENT SERVICES 2400 Central Ave., Ste. P-1 Boulder, CO 80301 303-998-0754/303-544-1411	110	98%	Consulting and management for residential income properties in Boulder and Broomfield counties.	Single family homes, condos, townhomes and four- to 15-unit apartment buildings.	Scott Henderson Owner 1975 www.ColoradoRentalServices.com
16	NR	PRUDENTIAL ROCKY MOUNTAIN REALTORS 4710 Table Mesa Drive, Suite A Boulder, CO 80305 303-494-7700/303-494-4124	40	96%	Residential management.	N/A	Terri Ellerington Broker Associate/Property Management 1968 www.prudentialrockymountain.com
17	16	LEGENDARY PROPERTIES SOTHEBY'S INTERNATIONAL REALTY 1500 28th Street Boulder, CO 80303 303-443-6161/303-443-8822	5	100%	Luxury home rentals and sales.	N/A	Jill Rose Franklund and Charity Vermeer Leasing Representative 2003 www.LegendaryProperty.com

N/A: not available.

SOURCE: BUSINESS REPORT SURVEY
RESEARCHED BY Beth Edwards



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— Matthew Hyde, Assistant Director of Admissions, Tufts University



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Private schools hit by recession

Institutions work with families to ease financial blow

BY KEELY BROWN
Business Report Correspondent

As head of the Boulder Jewish Day School, Shoshi Bilavsky noticed last year that many of her students were suffering from reduced financial circumstances at home.

Trying to stay true to the school's mission of following the Jewish tenant of "tzedakah," meaning charity, she came up with a way to provide financial assistance to parents without embarrassing them.

"Instead of reacting, we're proacting," she said. "It's hard to ask for help — especially when you're not used to it — and we knew that many of these families never thought they would need financial aid. We had an emergency fund available so we decided to address the situation ourselves in a respectful way to save these families from embarrassment."

Bilavsky took it upon herself to call and offer help to those families whom she knew were having difficulties. She also made sure that the school's applications for enrollment offered provisions for financial aid.

Thanks to Bilavsky and her school board, this year the Boulder Jewish Day School gave tuition assistance to a record 35 percent of its families.

Now in its 15th year, the Longmont-based school has 55 students from preschool to fifth grade — a decrease of about 15 percent from last year. Tuition for full-time students is \$9,260 per year, with varying rates for part-time pre-

“It's hard to ask for help — especially when you're not used to it — and we knew that many of these families never thought they would need financial aid.”

Shoshi Bilavsky

HEAD OF SCHOOL,
BOULDER JEWISH DAY SCHOOL

school services.

The recession has caused the school to put off its capital campaign to construct a new building. However, it has sparked an innovative way to raise money, through



its "nonevent event."

"We decided to ask people to donate to us without putting us to the expense of giving a fundraising event," Bilavsky said. "We're just asking people to save money from the babysitter, or from buying a new dress, and give us the money instead."

"When you're doing a fundraiser, you're spending money that's coming from your donors, so we feel that this demonstrates responsibility by not having the event. It's a way to raise money without spending it."

Bilavsky said that tuition will not increase next year. Instead, faculty and school administrators are trying to trim the budget without cutting programs.

"We're really trying to stop and think twice before we spend," she said. "We're cutting back on paper and office supplies and using e-mail more — and we're conserving lights and electricity. We're becoming more green, which makes it a good learning opportunity for our students, too."

At the Alexander Dawson School, Headmaster Brian Johnson said tuition aid is being given to a record number of families — many of whom have never before required such a thing.

"We get to know these kids very well, and any time you lose a family due to

finances, it's heartbreaking," Johnson said.

At present the school is providing \$830,000 in financial assistance — a 15 percent increase over last year. For families receiving assistance the average financial aid award is around \$10,000.

Founded in 1970 the campus serves 420 students in grades K-12 on its 95-acre site in Lafayette. According to Johnson, the Alexander Dawson School has a reputation as one of the top college preparatory schools in the West, which accounts for its perennial lengthy waiting lists and its 96 percent retention rate.

Tuition for Alexander Dawson students is \$18,650 a year. However, Johnson said that the nonprofit school typically spends \$24,000 per scholastic year to educate each student.

Johnson said the Dawson school is fortunate in having a foundation, funded by alumni members and other supporters, which provides funding to the tune of more than half a million dollars a year. This fund covers all outstanding building debts, while tuition takes care of operational costs.

"Alexander Dawson is in a strong financial position because we have these financial reserves," Johnson said.

Founded in 1964 the Jarrow Montessori School in Boulder serves 152

students in its toddler through sixth-grade classes. According to Barb Truan, head of the school, the school always has had a financial-aid program to help parents with tuition costs, which ranges from \$7,700 to \$11,800. This year, however, the number of requests increased to approximately 10 percent of the school's enrollment.

This April the Jarrow School will launch a newly expanded version of what has become its signature annual fundraiser, "Taste," a food and wine sampling event. Proceeds will be divided with a local nonprofit, There With Care, which provides for family emergencies.

While budget cuts are not being anticipated, Truan said that both faculty and students are helping to trim the budget in other ways.

"We're trying to control our own excessiveness by making changes in how we do things — from turning off lights and computers at end of the day to being more cognizant of paper waste," she said. "Our students are practicing recycling and even bringing their own water bottles to class."

Housed in the Rocky Mountain Christian Church in Niwot, Rocky Mountain Christian School serves 300 students in grades K-8. Founded as a preschool in

► See **Schools, 20A**

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SCHOOLS from 19A

1993, the school has experienced growth in the past 16 years — due, according to headmaster Brett King, to regional demand for a Christian-based educational facility.

“It was a matter of being in the right place at the right time in the right market,” he said. “We grew entirely through word of mouth because local parents had a strong desire to see a quality facility for both academic and spiritual education.”

During the past year the school suffered a 4 percent decline in enrollment but is seeing record-high numbers in re-enrollment. Record high, as well, is the number of families receiving financial aid, with 8 percent receiving tuition reduction.

According to King, the most significant financial stress began with last year's escalating gas prices.

“We're a commuting school with families coming from a 20-mile radius,” he said. “But now that gas prices are lower we're seeing less overall financial stress.”

Next year tuition will increase from \$4,150 to \$4,550. To help offset this the school has created a new funding assistance program, aptly named Cover the Difference, for families in need.

So far, Rocky Mountain Christian School has made no cutbacks in its programs or staffing. However, the recession has slowed down its plans for adding high school grades in the next couple of years — a goal which King still hopes to achieve, albeit at a later date.

“We're doing what we can to be proactive — preparing for the worst but expecting the best,” he said. “God has been good to us, and we're putting our faith in Him to provide now and for the future.”

INTERNET NEWS

Ecosteal Inc. in Boulder has begun selling eco-friendly products at discounted prices through a new Web site, www.ecosteal.com. The site offers eco-friendly products at 40 percent to 80 percent off suggested retail prices until they sell out or until 9 a.m. the next day. Ecosteal.com will feature products that are organic, sustainable or made from recycled materials. Products will be featured within a daily e-mail blast and marketed on various eco-blog sites.

Insight Designs Web Solutions LLC, a Boulder-based interactive agency, launched a new Web site for artist Lorey Hobbs. The site, www.loreyhobbs.com, includes photo galleries of her paintings, pastels and collages.

w3w3.com, a media network operating in Boulder and Denver, will begin broadcasting the weekly business Web TV show “Colorado Rising” featuring interviews with thought leaders from business, government and academia. The show airs from 2 to 3 p.m. on Mondays. Visit the Web site at www.w3w3.com prior to the broadcast to log into the program.

The Creative Alliance, a public relations and marketing firm based in Lafayette, designed and developed an online retailer locator at www.kimballdistributing.com for Kimball Distributing. The online retailer locator helps people identify where they can purchase the high-end appliances that the Kimball Distributing distributes to retail kitchen showrooms throughout Colorado, Idaho, Utah and Wyoming.

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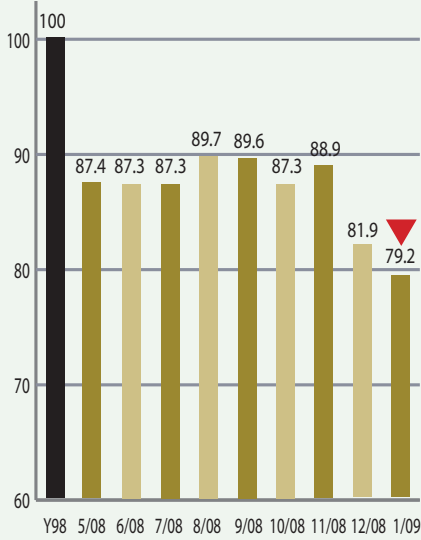
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SMALL BUSINESS INDEX



DENVER — The recession deepened in January, slightly extending the recovery date anticipated by economists and bringing the Vectra Bank Colorado Small Business Index for Colorado to 79.2 in January, down from a revised 81.9 in December 2008.

Colorado's unemployment rate was estimated at 6.1 percent in the latest month, up from the 5.8 percent rate of the prior month. Total employment fell by 16,200 jobs during the past 12 months.

"Colorado has now joined much of the rest of the nation in experiencing job losses," said Jeff Thredgold, corporate economist for Vectra Bank Colorado. "The 16,200 jobs lost over the past 12 months, along with the prior period's revision from a small gain to a small loss, mark the first time in five years that state year-over-year employment totals have fallen."

The U.S. economy lost an estimated 598,000 net jobs in January, slightly exceeding economists' expectations. In addition, job losses in November and December were revised higher by a combined 66,000 jobs. The U.S. unemployment rate rose to a 16-year high of 7.6 percent.

SOURCE: VECTRA BANK

Jennifer Stanton, a mathematics professor at Front Range Community College's Boulder County campus, was named the college's Master Teacher of the Year on Feb. 11 at a meeting of the State Board for Community Colleges and Occupational Education. She was nominated for the award by students and peers. Before joining FRCC in 2004, Stanton taught in a high school for a semester and in a middle school for three and one-half years.



Stanton

Boulder Rotary Club presented **Betty Fischer** with a Quiet Hero award on Jan. 20. Quiet Heroes are those who quietly are of service to the club and its members. Fischer designed and produced special Rotary greeting cards of remembrance and help that are available free to members at every meeting. She sends the cards, often signed by dozens of club members, to anyone who is ill, has lost a loved one or just needs a word of encouragement.

Earth Balance, a Longmont-based division of Smart Balance Inc., received a Libby Award from peta2 for its Natural Buttery Spread. Earth Balance was voted Best Dairy Alternative by visitors to peta2.com in a poll for the group's annual Libby Awards, which honor animal-friendly people and products.

Boulder-based **Wild Rose Marketing**, a specialty and natural food broker, was named The Ambassador of the Year by the Republic of Tea. The award is given to the group that shows increased sales, excellent customer service skills and cooperation. Rose Pierro, owner of Wild Rose Marketing, was awarded a trip to South Africa to view the rooibos farms in April.

Karen Bernardi, broker and owner of **The Bernardi Real Estate Group** with Coldwell Banker Residential Brokerage in Boulder, was honored with the International President's Premier Team Award during Coldwell Banker's annual awards gala Feb. 7 at the Broadmoor Hotel in Colorado Springs. The Bernardi Real Estate Group topped all other teams among



Bernardi

AWARDS



COURTESY BOULDER CHAMBER

Bob Morehouse, center, received the Business Person of the Year award from the Boulder Chamber on Feb. 3 at the University Memorial Center on the University of Colorado at Boulder campus. Susan Graf, chief executive and president of the chamber, and John Tayer, chairman of the chamber's board of directors, presented the award.

approximately 1,300 broker associates operating from 14 Coldwell Banker offices throughout metro Denver and along Colorado's Front Range. The team is comprised of Bernardi, Bill Kobrin, director of operations; Zoe Joel, marketing manager; Mary Arnold-Grow, closing manager; Lauren Stanton, office coordinator; Kimberly Brown, listing agent/broker; and Leslie Koprowski, Beth Kindig, Felicia Renz and Kathleen Murray, all buyer agents and brokers.

Boulder-based sockmaker **TEKO** received the 2008 Derryck Draper Award for Innovation by the U.K.-based

Outdoor Writers & Photographers Guild. The panel of judges was impressed with the sock's outstanding performance while maintaining impressive sustainability credentials.

Carson Looney, FAIA, principal of Memphis-based **Looney Ricks Kiss Architects Inc.**, which has an office in Boulder, was named one of the "30 Most Influential People in Home Building of the Last 30 Years" by BUILDER Magazine at the Hearthstone BUILDER Humanitarian Award Ceremony. Other honorees included Millard Fuller, founder of Habitat for Humanity.



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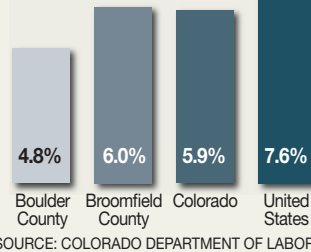


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Boulder Valley Economic Scoreboard

At a glance

JOBS: UNEMPLOYMENT RATE



SOURCE: COLORADO DEPARTMENT OF LABOR

CITY STATS	Population	Population change	City square miles	City sales tax	Latest home median sales price	Previous year home median sales price	Change in home median sales price	Last updated
Boulder	102,569	0.6%	27.8	3.41%	\$538,000	\$551,375	-2.4%	12/08
Broomfield	51,636	6.5%	33.6	4.15%	\$338,000	\$310,000	9.0%	12/08
Erie	16,179	12.8%	15	3.5%	\$306,645	\$300,000	2.2%	12/08
Lafayette	25,091	2.2%	8.2	3.5%	\$311,500	\$315,500	-1.3%	12/08
Longmont	87,249	3.9%	22.3	3.275%	\$220,000	\$240,000	-8.3%	12/08
Louisville	19,488	0.5%	8.5	3.375%	\$352,500	\$355,000	-0.7%	12/08
Superior	10,703	-0.8%	7	3.46%	\$405,000	\$382,500	5.9%	12/08

REAL ESTATE	Latest	Previous	Change from previous	Year ago	Change from year ago	YTD	Change from YTD	Last updated
Boulder/Broomfield counties existing home sales	259	199	30.2%	233	11.2%	4,951	-14.8%	12/08
Boulder County new homes sales	28	23	21.7%	46	-39.1%	503	-14.2%	12/08
Boulder County residential and commercial property sales	\$129,595,300	\$106,592,800	21.6%	N/A	N/A	N/A	N/A	12/08
Boulder/Broomfield counties foreclosures	98	117	-16.2%	101	-3.0%	98	-3.0%	01/09
Boulder County annual home appreciation rate	2.38%	2.51%	-0.13%	3.02%	-0.64%	N/A	N/A	3Q/08
Boulder County residential building permits	73	140	-47.9%	138	-47.1%	294	-18.1%	3Q/08
Boulder County residential building permits value	\$21,057,000	\$30,726,631	-31.5%	\$34,398,436	-38.8%	\$74,878,206	-16.5%	3Q/08
Boulder County commercial building permits	17	36	-52.8%	28	-39.3%	74	-2.6%	3Q/08
Boulder County commercial building permits value	\$12,050,000	\$133,245,000	-91.0%	\$20,816,000	-42.1%	\$192,610,000	81.7%	3Q/08

BOULDER VALLEY VACANCY RATES	Latest	Previous	Change from previous	Year ago	Change from year ago	Total space surveyed (s.f.)	Change in total space surveyed (s.f.)	Last updated
Office	12.5%	13.9%	-1.4%	10.8%	1.7%	10,810,555	29.2%	3Q/08
Flex	10.9%	10%	0.9%	14%	-3.1%	11,501,225	11.2%	3Q/08
Industrial	4.4%	2.6%	1.8%	6.7%	-2.3%	20,183,963	12.9%	3Q/08

GROSS CONSUMER SALES	Latest	Previous	Change from previous	Year ago	Change from year ago	YTD	Change from YTD	Last updated
Boulder	\$1,175,831,686	\$1,196,751,184	-1.7%	\$1,170,087,684	0.5%	\$2,372,582,870	7.8%	2Q/08
Broomfield	\$569,223,022	\$535,026,546	6.4%	\$607,837,753	-6.4%	\$1,104,249,568	-6.2%	2Q/08
Erie	\$15,419,180	\$14,650,617	5.2%	\$15,355,954	0.4%	\$30,069,797	1.9%	2Q/08
Lafayette	\$276,475,191	\$140,151,607	97.3%	\$115,406,804	139.6%	\$416,626,798	51.8%	2Q/08
Longmont	\$623,700,255	\$574,103,243	8.6%	\$577,111,757	8.1%	\$1,197,803,498	5.4%	2Q/08
Louisville	\$198,524,054	\$196,168,211	1.2%	\$207,700,433	-4.4%	\$394,692,265	0.1%	2Q/08
Lyons	\$22,622,125	\$20,578,398	9.9%	\$27,279,253	-17.1%	\$43,200,523	-4.3%	2Q/08
Nederland	\$7,902,670	\$7,524,421	5.0%	\$8,427,794	-6.2%	\$15,427,091	-8.1%	2Q/08
Niwot	\$12,431,676	\$9,135,782	36.1%	\$10,486,992	18.5%	\$21,567,458	-15.8%	2Q/08
Superior	\$87,411,548	\$89,500,419	-2.3%	\$85,880,078	1.8%	\$176,911,967	0.7%	2Q/08
Ward	\$149,651	\$184,963	-19.1%	\$665,787	-77.5%	\$334,614	-68.7%	2Q/08
Unincorporated Boulder County	\$212,907,680	\$252,977,984	-15.8%	\$208,509,549	2.1%	\$465,885,664	15.1%	2Q/08
Total	\$3,202,598,738	\$3,036,753,375	5.5%	\$3,034,749,838	5.5%	\$6,239,352,113	6.1%	2Q/08

SELECT CONSUMER SALES	Latest	Previous	Change from previous	Year ago	Change from year ago	YTD	Change from YTD	Last updated
Boulder/Broomfield counties motor vehicle sales	\$178,686,000	\$181,959,000	-1.8%	\$220,570,000	-19%	\$537,416,000	-12.6%	3Q/08
Boulder/Broomfield counties restaurant sales	\$162,141,000	\$160,422,000	1.1%	\$159,215,000	1.8%	\$472,488,000	3.0%	3Q/08
Boulder/Broomfield counties building material sales	\$79,668,000	\$88,310,000	-9.8%	\$82,290,000	-3.2%	\$224,278,000	-2.4%	3Q/08

JOBS	Latest	Previous	Change from previous	Year ago	Change from year ago	Unemployment rate	Change in unemployment rate	Last updated
Boulder County	171,585	172,482	-0.5%	171,665	0.0%	4.8%	0.0%	12/08
Broomfield County	24,917	25,228	-1.2%	25,356	-1.7%	6.0%	0.4%	12/08
Colorado	2,579,975	2,593,254	-0.5%	2,623,806	-1.2%	5.9%	0.2%	12/08
United States	142,099,000	143,338,000	-0.9%	N/A	N/A	7.6%	0.4%	01/09

AVERAGE WEEKLY PAY	Latest	Previous	Change from previous	Year ago	Change from year ago	Annual	Total wages	Last updated
Boulder County	\$975	N/A	N/A	N/A	N/A	\$50,700	\$2,081,792,612	2Q/08
Broomfield County	\$1,102	N/A	N/A	N/A	N/A	\$57,304	\$439,591,676	2Q/08
Colorado	\$858	N/A	N/A	N/A	N/A	\$44,616	\$25,897,292,812	2Q/08
United States	\$612	\$610	0.33%	N/A	N/A	\$31,824	N/A	4Q/08

VENTURE CAPITAL	Latest	Previous	Change from previous	Year ago	Change from year ago	YTD	Change from YTD	Last updated
Boulder/Broomfield counties	\$57,190,200	\$26,859,100	112.9%	\$50,820,700	12.5%	\$444,140,100	37.6%	4Q/08
Colorado	\$127,600,000	\$196,001,100	-34.9%	\$102,448,900	24.5%	\$812,700,000	41.2%	4Q/08
United States	\$5,400,000,000	\$7,100,000,000	-23.9%	\$7,000,000,000	-22.8%	\$28,300,000,000	-8.0%	4Q/08

LOCALLY BASED BANKS	Total assets	Yearly change in assets	Total deposits	Yearly change in deposits	Total loans	Yearly change in loans	Quarterly income	Last updated
AMG National Trust Bank	\$172,546,000	N/A	\$155,270,000	N/A	\$20,981,000	N/A	\$2,508,000	4Q/08
FirstBank of Boulder	\$512,834,000	10%	\$443,286,000	5.4%	\$202,680,000	22.3%	\$6,467,000	4Q/08
FirstBank of Longmont	\$417,101,000	6.7%	\$344,879,000	3.1%	\$131,074,000	10.9%	\$4,906,000	4Q/08
FirstTier Bank	\$784,186,000	62.3%	\$606,104,000	38.1%	\$717,076,000	62.6%	\$3,732,000	4Q/08
Flations Bank	\$65,429,000	33.5%	\$32,393,000	-16.4%	\$37,827,000	6.3%	-\$19,000	4Q/08
Mill High Banks	\$1,320,238,000	8.9%	\$1,068,813,000	3.3%	\$1,239,220,000	7.6%	\$6,780,000	4Q/08
Summit Bank & Trust	\$77,624,000	66.4%	\$60,277,000	95.3%	\$60,719,000	121.2%	-\$2,754,000	4Q/08

LOCALLY BASED CREDIT UNIONS	Total assets	Yearly change in assets	Total deposits	Yearly change in deposits	Total loans	Yearly change in loans	Quarterly income	Last updated
Ashoka Credit Union	\$2,296,651	8.9%	\$2,049,919	9.3%	\$1,982,416	14.8%	\$1,064	4Q/08
Boulder Municipal Employees Credit Union	\$54,478,572	5%	\$49,568,398	8.5%	\$39,027,630	-1.0%	\$76,253	4Q/08
Boulder Valley Credit Union	\$173,079,236	8.8%	\$154,543,878	9.7%	\$109,770,329	-1.9	\$521,372	4Q/08
Community Financial Credit Union	\$107,567,722	6.7%	\$91,724,181	7.1%	\$69,402,647	10.0%	-\$142,768	4Q/08
Elevations Credit Union	\$898,908,820	18.6%	\$807,460,065	18%	\$605,623,265	15.2%	-\$1,061,134	4Q/08
Premier Members Credit Union	\$304,153,429	8%	\$266,583,683	7.6%	\$246,155,219	13.1%	-\$662,190	4Q/08
St. Vrain Valley Credit Union	\$77,746,528	9.3%	\$70,214,509	9.9%	\$59,836,138	2.8%	\$30,908	4Q/08

COMPILED BY DAVID CLUCAS

PRODUCT UPDATE

Louisville-based **Envysion Inc.** launched three product features for its managed video as a service surveillance platform. Users can now see real-time statistics for user activity and system availability, share stored video with invited users in a social networking way, and the system now supports IP, megapixel and analog cameras.

Health-care products manufacturer **Covidien Inc.** is manufacturing an endotracheal tube that reduces the incidents of pneumonia associated with long-term intubation. Mansfield, Mass.-based Covidien has operations in Boulder. The Mallinckrodt SealGuard Evac tube incorporates a tapered-shape cuff made from an ultra-thin material that eliminates 95 percent of microaspiration secretions into the lungs while providing drainage.

Niwot-based **Crocs Inc.** has introduced its 2009 spring and summer collections featuring more than 20 styles for men, women, and children. All shoes feature Crocs' patented Croslite material that forms to the foot, does not mark and repels foot odor.

New York-based **Yieldex Inc.**, with operations in Boulder, has launched Business IQ, an inventory management tool. It provides accurate revenue, inventory and availability forecasting; eliminates manual spreadsheets, increases transparency of data across the organization and offers fact-based data for use in decision-making.

Silicon Mountain Holdings Inc., with operations in Boulder and Menlo Park, Calif., has launched Allio Lite, a combination of high-definition TV and personal computer. Allio Lite integrates an Intel Atom-based computer and DVD-CD player/writer. It features Windows Vista Home Premium, a DVD multioptical drive with 250 megabytes of storage and two gigabytes of random access memory. The 42-inch model costs \$1,599 and the 32-inch model costs \$1,299. They are available at www.alliotv.com or from resellers Amazon, TigerDirect and Visionman.

Tombstone Technologies in Boulder has released OIEPrint 3.0, an upgrade of an online graphics design tool created for use for Web-2-Print. OIEPrint allows print shops to offer customers the ability to custom design any product online, providing high-resolution PDF output to the printer. The product can create anything that can be designed using a template, from business cards and letterhead to posters, T-shirts, signs and marketing giveaways.

Spectra Logic Corp. in Boulder has extended its Media Lifecycle Management technology outside the library with a MLM Reader, which is now shipping. The portable device allows customers to check tape health on any computer through USB, without loading the tape into a library and is designed to identify faulty tape media before it is required for a data restore.

Boulder-based **Rally Software Development Corp.** has launched a partner program that provides Agile service providers with the tools, services and sales-leads needed to land new customers. Participation in Rally's Enablement Partner Program includes marketing programs, referral fees and access to Rally's on-demand Agile lifecycle management solution with preferred partner pricing.

Boulder-based **Parascript LLC** has launched, CheckUltra, a next-generation check recognition software product that claims to provide legal amount recognition rates of up to 10 percent higher than other products on the market and improve the integrity of check images.

Boulder-based **InfoPrint Solutions Co.**, a joint venture between IBM and Ricoh, has added enhancements to its flagship models InfoPrint 4100, InfoPrint 100 and InfoPrint 75. Enhancements for the InfoPrint 4100 include toner support, a wider range of paper options such as heavy weight stock at ultra-high speeds in pinless mode and new sensors that reduce downtime. The InfoPrint 100 and InfoPrint 75 now support PCL and PostScript and support the operator panel and Web page languages in Brazilian Portuguese, French, German, Italian and Spanish.

Snowshoeing

As simple as a walk in the park

BY MONIQUE COLE
Business Report Correspondent

Snowshoeing is, quite possibly, the most accessible of all winter sports.

"It's really very easy to learn," said Boulder's Claire Walter, author of "Snowshoeing Colorado."

"It's a 12-step program — take 12 steps, and you're a snowshoer."

But snowshoeing can provide the full spectrum of workout intensity, according to David Clair, owner of Fitness For Living. A leisurely pace provides benefits similar to walking, except with the added weight of the shoes and the snow on top of them.

"Every step you take, you're doing some resistance training," Clair added.

Adding Nordic ski or trekking poles works the upper body and helps with steep hills and deep snow. Increasing the pace and heading off-trail into powder will provide a more aerobic workout. Clair, who runs outdoor fitness boot camps April through October, leads free monthly snowshoe outings in the winter.

"Snowshoeing is a great group experience," Clair said. "You always have folks who want something more challenging — so you just put them up front to break trail."

Popular trails in the Boulder Valley get packed down quickly, especially on weekends. To add challenge and fun, Clair often takes his groups off-trail and into the woods for some GPS navigating exercises. "When there are three or four feet of snow, the undergrowth is covered up. It's just a lot of trees."

As simple as it is, snowshoeing still presents risks — getting lost, hypothermic or caught in an avalanche.

"This winter especially has shown that you really can't trivialize the backcountry," Walter warned. "I shy away from directing people too high who are not savvy and equipped with avalanche gear and know how to use it."

The Boulder Valley is a snowshoeing heaven. If there is enough snow, you can head to any of the local hiking areas such as Chautauqua, Sanitas and Betasso. But given the typical valley freeze-thaw cycle, you're more likely to find deep fluff higher up. Here are some of Walter's and Clair's favorite stomping grounds:

Brainard Lake Recreation Area

Arrive early to find parking at this popular backcountry destination, where a snowshoe-only trail has been built to help diffuse tension with skiers. The CMC Snowshoe Trail winds through the woods with occasional glimpses of the Indian Peaks to Brainard Lake, then on to the Colorado Mountain Club cabin, about three miles one-way. On most winter weekends, you'll find volunteers serving hot cocoa and tea for a donation of \$1. "It's nice to have a warm place if you're going to stop for a while," Clair said.

Hessie Trail to Lost Lake

Where the road ends just west of the town of Eldora lies a winter gateway into the Indian Peaks. A 5.5-mile roundtrip follows Hessie Road, a narrow dirt double-track, which is closed to vehicles in the winter, to the old Hessie town site and trailhead. From there, a single-track trail winds gently uphill to stunning Lost Lake. Plenty of other backcountry adventures are accessible from Hessie Road, including King Lake and the twin lakes of Bob and Betty. The area is popular with backcountry skiers and

► See **Snowshoeing, 25A**

Sandra Shevlin, foreground, and Linda Hill-Blakly go snowshoeing during a Fitness For Living outing. David Clair, owner of Fitness For Living, runs outdoor fitness boot camps April through October and leads free monthly snowshoe outings in the winter. Clair often takes his groups off-trail and into the woods for some GPS navigating exercises.

COURTESY FITNESS FOR LIVING

Arugula in North Boulder presents Northern Italian fare

BY LAURIE BUDGAR

Business Report Correspondent

BOULDER – Well, it's not exactly the economic atmosphere Alec Schuler hoped for when his idea for Arugula Bar e Ristorante began germinating about 18 months ago.

Sure, there were signs the economy was faltering, but no one anticipated the current imbroglio. And once the depth of the recession became apparent, the ball was already rolling.

STEPPING OUT

"After I signed the lease, I'm not gonna back out and lose 100 grand," Schuler said. So he plowed ahead with plans to open an Italian restaurant in the space previously occupied by Laudisio and, more recently, Mista. And he's confident he can make a go of it by offering both the culinary experience and the value that Boulderites crave.

It may seem a little odd for the son of Swiss and English immigrants to open an Italian place. But to Schuler, there was no choice. Having spent every other summer of his youth in Europe, he was exposed to the cuisine of many regions.

"But nobody treats food like the Northern Italians," he said. "Nobody



JONATHAN CASTNER

Alec Schuler, chef and proprietor of Arugula Bar e Ristorante, promises diners a menu of Northern Italian entrees in a fine-dining atmosphere at the new restaurant in North Boulder.

respects the food as much. You can ask a plumber there about a certain cheese from a nearby valley and he'll know what you're talking about."

Schuler's unusual education ensures that Arugula won't be just another spaghetti- and-veal house. Before attending the Natural Gourmet Institute in New York, Schuler graduated from the Uni-

versity of Colorado with a triple major: biology, geography and environmental conservation—all of which, he said, prepared him for his culinary career. Biology helps him understand the origins of food, be they plant or animal; geography helps him understand how topography and culture influence food; and environmental conservation taught him not to waste anything.

"That's what a kitchen's about when it comes to getting your percentages and making your money."

Schuler chose NGI over more venerated schools like the Culinary Institute of America, which focus on white-tablecloth dining. "I don't eat that way—well, maybe once a month or so," he said. "But I didn't

► See **Arugula, 25A**

BULLISH from 12A

always looking for interesting opportunities," Jacobs explained. "We've been accused of being too brave (in the past)."

With the financial industry as a whole navigating a rocky road, Jacobs and Wong felt the timing was right for such an investment.

"We're seeking as much as \$50 million in capital," Jacobs said.

In addition to the initial \$30 million infusion, CFH plans to open up an additional \$20 million in bank shares to existing, accredited shareholders. He added that the \$30 million investment will bring New Frontier's capital level to a generally acceptable level. The bank has also applied for TARP funds under the Capital Purchase Program.

A few steps need to be completed in order to close the transaction, including some regulatory approvals—which are on an accelerated schedule—and confirmatory due diligence. Once the deal is closed, CFH will have a majority economic interest in the bank and a super-majority voting interest, meaning the group will elect most of the board members.

CFH will technically be a bank holding company because of its majority interest. However, New Frontier's holding company will remain New Frontier Bancorp. A December filing with the Federal Reserve had stated CFH would become a holding company to buy "100 percent of the voting shares of New Frontier Bancorp."

Jacobs explained that the filing was made before any agreement was even reached just to get the process started.

Focus on current borrowers

When the deal closes, the bank will focus on working with its current borrowers "to help them weather the storm and to protect the bank," Jacobs said.

Slavik said the bank will add staff in the risk management and loan administration areas.

Despite the obstacles, Slavik feels that the New Frontier franchise is sound, with a great culture for employees, customers and the community, and its problems are fixable.

"They grew quickly," he said. "There

are things that need to be improved in the infrastructure."

One major change will be in bank leadership. In addition to the departure of Seastrom, the FDIC order also calls for a new chief lending officer, a position currently held by Greg Bell. CFH will also appoint at least three members to the board, anticipating that two of the current members will likely stay on.

"This is a really good thing for the bank," Slavik said. He pointed out that this is a recapitalization, not a takeover. The plan is to calm the nervousness of change by communicating with the staff and the community that the best parts of New Frontier will stay the same.

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ARUGULA from 24A

want to learn to cook that way." NGI not only instructed him in kitchen techniques but also put food into a larger context, with its emphasis on Ayurvedic and macrobiotic traditions. It all jibed with his own healthy lifestyle; while at CU, Schuler was a ski racer and bicycle racer.

So it should come as no surprise that Schuler's version of Italian is heavy on fresh, local ingredients — especially vegetables and fruit — and light on the butter and grease that define many other eateries. While he starts with classic Northern Italian fare — strawberries with balsamic, for example — he puts a healthy, American spin on them. In this case, serving seared scallops with the balsamic reduction sauce and strawberry risotto.

Schuler is quick to add that Arugula is not a health-food restaurant.

"We're a fine dining Northern Italian restaurant that happens to have good, healthy food that you can eat every day."

Arugula's other point of differentiation, Schuler said, will be its pricing.

"We're going to be the fine-dining place that costs 30 percent less than the others." That, he said, should help counter the effects of the economy. Two other factors — that he's not paying Pearl Street rent and has plentiful parking to

attract customers — don't hurt, either.

Schuler will open the restaurant at 11 a.m. Monday through Friday hoping to draw the business-lunch crowd, with a promise to get customers in and out quickly. "And when you're coming from Gunbarrel or the Diagonal (Highway), we're the first and easiest stop."

Boulder diners, whether meeting for business or pleasure, are sure to appreciate Arugula's décor, incorporating wooden beams from a 300-year-old barn, a reclaimed-wood floor, handmade and hand-painted Turkish and Tunisian tiles, and a granite bar top.

Schuler also designed and commissioned local steelworker Jaromir Rehak to create a steel chandelier, and worked with Longmont sculptor Javan M. Stackely to artfully display his collection of antique corkscrews — all amid modern cherry-and-steel tables and chairs. "It's contemporary and traditional side-by-side, which is also what I do with the food."

Because of his distinctive approach to food and business — plus the fact that Boulder seems to be feeling the pinch of the economic downturn less than other communities — Schuler believes Arugula will be a success story. "I think this neighborhood is screaming for a place like this."

SNOWSHOEING from 23A

snowboarders, who continue climbing to hit the snowfields farther up. Parking is in short supply, so arrive early.

Eldora Nordic Center & Jenny Creek Trail

Plenty of parking is available here, or you can be green and take the RTD bus from Boulder. The Eldora Nordic Center offers snowshoe rentals and two-hour tour/lessons. And, you have access to the usual ski area amenities nearby — hot

food, cold beers and warm bathrooms.

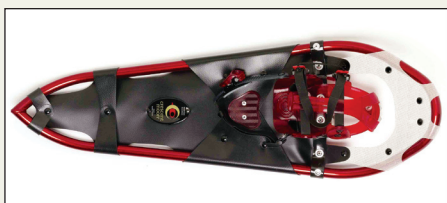
"To me, that's not a make it or break it issue, but always a pleasant plus," Walter said. Snowshoe-only trails help to keep the peace with skiers, including one that accesses the Tennessee Mountain Cabin, offering the option of an overnight adventure. The trailhead accessing the Jenny Creek Trail and surrounding National Forest is also nearby, and does not require purchasing a Nordic ski pass.

Not your grandpa's snowshoe

Technology has come a long way from the traditional rawhide and wood snowshoes that often grace the walls of mountain cabins. Modern designs feature much smaller frames, high-performance bindings, and lightweight materials like aircraft grade aluminum, according to Jake Thamm, president of Boulder-based Crescent Moon Snowshoes.

Thamm said he's seen old-fashioned frames that spanned 5 feet, but his 25- to 30-inch snowshoes can fully support a 200-pound adult. Floatation is achieved by distributing the weight over the frame and decking, both of which are lightweight. The decking is solid, except for an opening at the toe, rather than the old-timer's mesh decking.

"The biggest difference is the binding," he said. "Traditional bindings were a strap on top of your foot, which required a sliding motion." Modern designs allow the foot to pivot, so a person can walk with a normal stride. Crescent Moon is known for its binding system, which captures the foot comfortably in all directions and is adjusted easily, even with mittens on. Metal crampons under



COURTESY CRESCENT MOON SNOWSHOES

Boulder-based Crescent Moon Snowshoes are known for their binding system, which captures the foot comfortably in all directions and is adjusted easily. Metal crampons under the ball and heel of the foot and at the toes provide traction on uphill ice and packed snow.

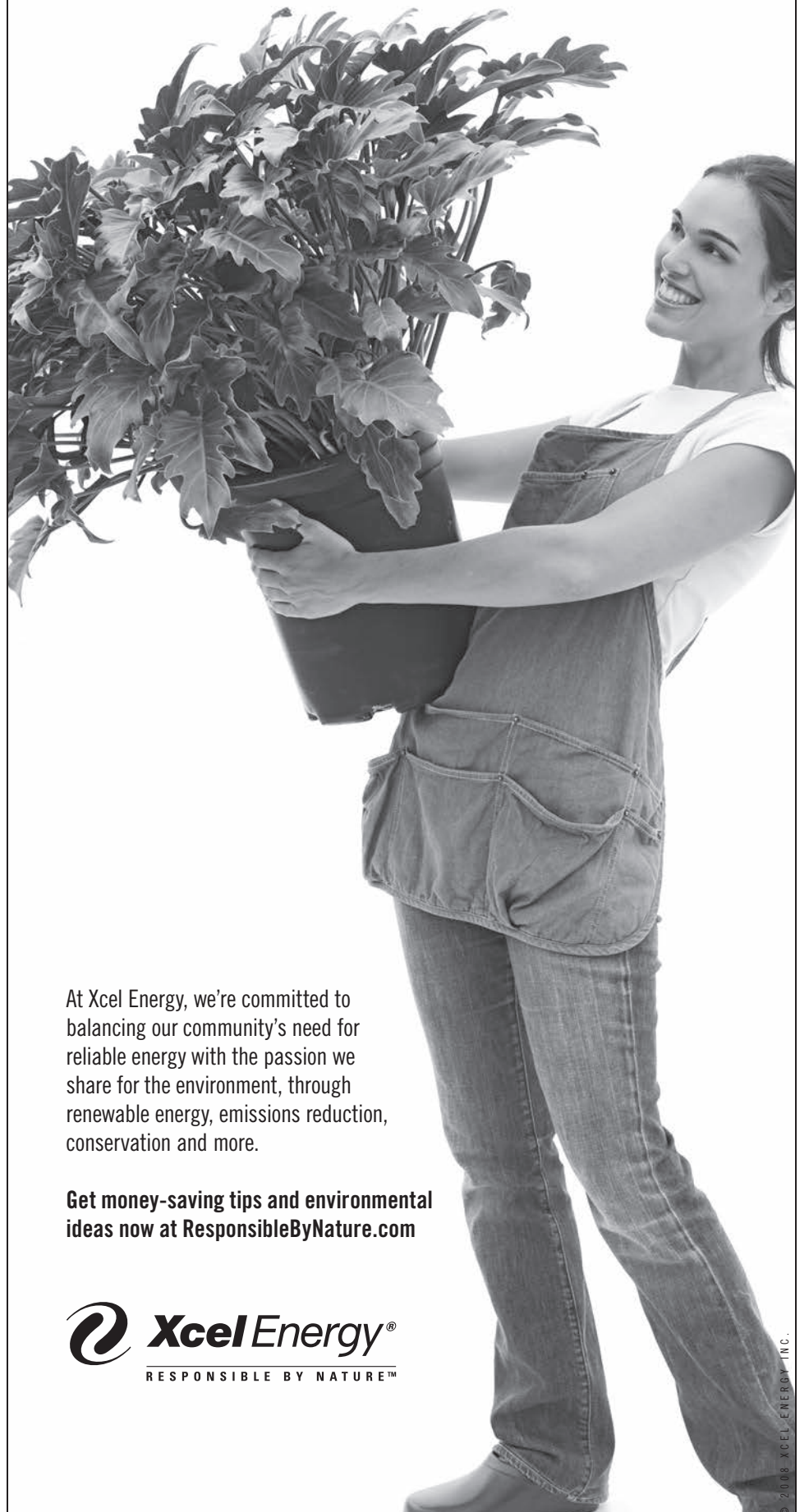
the ball and heel of the foot, and at the toes provide traction on uphill ice and packed snow.

"We have always tried to design so the snowshoe experience is what you focus on," Thamm said, "not finding your lost snowshoe that fell off, or adjusting because you have a hotspot."

A pair of new snowshoes will put you back \$100 to \$280, but several outdoor sports stores in town offer rentals for \$10-\$15 per day, including Play It Again Sports, REI, Boulder Ski Deals and McGuckin Hardware.

— Monique Cole

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NEW BUSINESS

DSW Shoe Warehouse, a shoe retailer based in Dublin, Ohio, is opening a 14,185-square-foot store at Harvest Junction North at 180 Ken Pratt Blvd. in Longmont on Feb. 19. The new store in Longmont is the first DSW store opening in 2009.

A local couple has signed a lease to open a new restaurant at the former **Shorty's Barbecue** location in downtown Longmont. Lynn and Sean Owens plan to open **Dickens Tavern** in 8,800 square feet at 300 Main St. by late March.

BUSINESS CLOSINGS

Boulder-based **Master Goldsmiths**, a family-owned jewelry store, is closing after 39 years in the business. The Millers founded Master Goldsmiths in Nederland 1970 before moving the store to its current location in downtown Boulder in 1985. The store will begin a going-out-of-business sale, which likely will last for a few months. Jim Miller said he is looking for someone to buy the business.

BUSINESS BRIEFS

Boulder-based **Lijit Networks Inc.** launched its Lijit Content Networks designed to aggregate common-interest blogs. Lijit, which provides search-powered applications for blog publishers and publishing networks, has three bloggers networks: Security, Venture Capital and Cycling.

The **National Center for Atmospheric Research** in Boulder has reached an agreement with **Xcel Energy** to help improve the integration of electricity generated from wind power. NCAR will start building a prototype advanced wind-prediction system in Colorado for the next 18 months and will begin test forecasts for Xcel Energy's wind farms after six months.

The **Leeds School of Business** at the University of Colorado at Boulder has partnered with Broomfield-based **Vail Resorts Inc.** to host the eighth annual Leeds Net Impact Case Competition Feb. 20-21. The competition hosts

rising business leaders from MBA programs from around the nation committed to finding innovative solutions to corporate sustainability issues.

Louisville-based Citron WorkSpaces, an office furniture services company, designed and installed an innovative educational environment at **Rocky Vista University** in Parker. The project encompassed much of the new building's 145,000 square feet including the executive suite, faculty offices, staff areas, classrooms, library, gathering areas and seminar rooms.

Lynott & Associates PR LLC, a Westminster-based full-service public relations firm that represents business innovators and sustainability leaders, was named agency of record for nonprofit **CORE** (Connected Organizations for a Responsible Economy). Lynott & Associates is assisting CORE in the promotion of the 4th Annual Sustainable Opportunities Summit.

Catapult PR-IR, a public and investors relations services company, placed among the top 75 high-tech PR firms for 2008 based on annual net fees as ranked by O'Dwyer's PR Report.

Boulder-based **Gold Systems Inc.**, a developer of voice-powered software applications, is providing services for the unified communications capabilities of Microsoft Office Communications Server 2007 Release 2 and voice applications that leverage its built-in speech technologies.

Fidelity Comtech Inc., a Longmont-based designer, manufacturer and marketer of wireless networking products for the broadband, wireless networking marketplace, was awarded a two-year contract from the U.S. Air Force to add a software component to one of Fidelity's wireless radio frequency products. The Phase II Small Business Innovation Research contract is the second awarded to Fidelity by the United States Air Force Research Laboratory Information Directorate. The new Software Defined Radio will be used in conjunction with Fidelity Comtech's

Phocus Array System.

The **Center for ReSource Conservation, Boulder County** and the **city of Boulder** have been selected by the Governor's Energy Office and the Colorado Solar Energy Industries Association to administer its Solar Domestic Hot Water Rebate Program. The program provides rebates for solar technologies to residents and businesses in Colorado. There are two tiers of rebates. Tier 1 is a \$1,500 rebate, and Tier 2 is a \$750 rebate. Both are based on solar tank sizes and the amount of energy, measured in BTU, used per day. For more information, go to www.conservationcenter.org/e_solarhotwater-rebate.htm

The **Recreational Equipment Inc.**, or REI, store in Boulder has been awarded Leadership in Energy and Environmental Design Gold certification from the U.S. Green Building Council. REI Boulder is a remodeled and expanded store that reopened in fall 2007. It is the company's first prototype location. The store was designed to reduce its environmental footprint by focusing on energy efficiency, water conservation, the use of recycled and renewable materials.

MERGERS & ACQUISITIONS

flaik Inc., a Boulder-based firm started in Australia that produces GPS-based tracking systems for ski resorts, signed Boulder-based **Metzger Associates** as its public and investor relations company. flaik recently signed a contract with Steamboat Ski & Resort Corp. and Copper Mountain Ski Resort.

GRANTS

The **Hewlett Foundation** has presented a \$1.1 million grant to the **University of Colorado's** Interactive Simulations Project. The project creates simulations of scientific processes that are difficult to create in a classroom setting and helps physics students see complex reactions and models from a simple easy-to-navigate Web site.

Boulder Valley Women's Health Center received a

\$20,000 grant from **Rose Women's Organization** to support emerging technologies in its Youth Services program. The grant will help support a redesign of the Teen Clinic Web site and My Space page, and implementation of innovative text and Twitter campaigns for prevention messaging. These tools will be developed to reach a broad age demographic in hopes of building bridges through family dialogue about sex and sexuality.

CONTRACTS

Envysion Inc. in Louisville, a provider of Web-based video management systems, has signed a channel partnership agreement with California-based East Bay Point of Sale Systems. East Bay will offer sales, implementation and support services for the full suite of Envysion products.

California-based **AdEx Media Inc.**, an Internet online marketing, distribution and consumer products company with operations in Boulder, has launched its Digital Instructor consumer product line into national radio distribution through Debut Broadcasting.

SERVICES

Global Collision-Boulder, a vehicle body repair and paint shop, has installed a new paint booth using waterborne technology. Waterborne paint is comprised of 75 percent water compared with conventional basecoats that use 85 percent organic solvents, decreasing volatile organic compounds and hazardous waste.

Boulder-based **People Productions** is providing Blu-ray high-definition disks to its customers. People Productions recently provided the services to Memorex in California, TDA Advertising in Boulder and Spillt in Denver.

Deadline to submit items for Business Digest is three weeks prior to publication of each biweekly issue. Mail to Editor, Boulder County Business Report, 3180 Sterling Circle, Suite 201, Boulder, CO 80301-2338; fax to 303-440-8954; or e-mail to news@bcbr.com with Business Digest in the subject line. Photos submitted will not be returned.

BUDGET from 1A

\$2,630,000 based on receipts to date. In 2008, the town projected a 9 percent increase for 2009 and a total budget of \$36 million. Erie has added the equivalent of one full-time and one half-time employee.

"We have enjoyed this boost in nonresidential activity," Diehl said. "Developers know this is the perfect opportunity to seize the prime intersections and key retail sites. We always take a conservative approach to budgeting the town's finances."

In 2008 construction began on the North Water Reclamation Facility, and in 2009 phase one of the Erie Community Park will begin, which will include a new library and recreation center. Walgreens has opened one of two stores and Regency Centers, grocery center developers, has purchased land.

Diehl said developers realize the timing is right to better the Erie market, and it creates optimism for the years ahead.

The city of Boulder did not have the same financial results for sales and use tax revenue in 2008. Boulder's sales and use tax, part of the general fund, is budgeted at \$100 million for 2009.

Bob Eichem, finance director for the city of Boulder, said the city needs to reduce the anticipated sales and use tax for 2009 by 2 percent by February and an additional 1 percent by the end of May.

In April 2008 the finance department projected sales and use tax would be up 3.9 percent in 2009 and is now projecting a 0 percent to 2 percent reduction below what was collected last year making a total reduction of 4 percent to 6 percent below the original projection.

Eichem said jobs that are vacant most likely will not be filled, and departments are reducing supplies and commodities. All programs, except utilities, will be

affected by reduced funding generated by sales and use tax.

"We need to identify the funds for 2009 and 2010 and then look at positions and nonpersonnel expenditures, as well as the programs and ongoing services that will be impacted," Eichem said. "People do not have disposable income because of

“What we are seeing in Longmont is reflecting the national trends where housing starts have begun to stop.”

Jim Golden

DIRECTOR OF FINANCE AND SUPPORT SERVICES, CITY OF LONGMONT

loss of jobs. People cannot borrow against their homes, and credit card fees are being raised and limits lowered. We have been a little isolated in Boulder. People are trying to save money by not spending and we are not collecting sales tax."

The city of Longmont has also experienced lower sales and use tax revenue for 2008 and is preparing for a reduction to the budget for 2009, projected at \$48.2 million. The city has budgeted a 1 percent increase compared to 2008 numbers but is looking at a potential range of decline from 8 percent to 11 percent lower than 2008 numbers of \$46.2 million collected.

To offset the decline in revenue, Longmont will hold off on \$1.1 million one-time equipment expenses and capital projects as well as keeping 18 vacancies open until it evaluates the sales tax revenue generated later in the year. No

specific services that have been reduced at this time.

"What we are seeing in Longmont is reflecting the national trends where housing starts have begun to stop," said Jim Golden, director of finance and support services for the city of Longmont. "This affects the use tax for building permits, and lumber activity sales tax is down. We are also experiencing a 30 percent decline in automobile sales. Consumer confidence and spending is going down."

The city and county of Broomfield experienced a difficult fourth quarter in 2008, causing Broomfield's sales and use tax revenue to be 2.8 percent down for the year. The 2009 budget was originally estimated at \$42.3 million and has been revised to \$40.2 million.

Greg Demko, finance director for the city and county of Broomfield, said Broomfield began hiring freezes in the third quarter of last year, and vacant positions will not be filled.

"We are monitoring every month just like everybody else," Demko said. "People have been putting money away as opposed to spending. At this point we have been able to keep all services we provide to the public."

He said Broomfield anticipates reducing the budget by extending the time between mowing lawns and using less water in the parks.

The city of Louisville has experienced flat sales tax revenue numbers since 2007 and has projected the same for 2009. The 2008 total sales tax revenue was projected to be \$9,426,741, which was 0.6 percent below 2007 budget numbers. The 2008 final sales tax revenue number was \$9,668,750.

"We were pretty conservative in our estimates and did not project large

increases in '08 or '09," said Kevin Watson, finance director for the city of Louisville.

Malcolm Fleming, city manager for the city of Louisville, said even if the budget is flat, it has a healthy reserve and could maintain the current programs without decreasing the level of services.

The city of Lafayette was not as affected by the lack to sales tax revenue because it does not have high-end retail shops like Boulder and Broomfield. In 2008 sales tax revenue was just shy of \$8 million. It plans to incorporate a 10 percent reduction in the sales tax budget and overall across the board incorporate a 1 percent cut. Vacancies will not be filled unless absolutely necessary.

"We will watch to make sure we stay within our budget," said Bob Wright, finance director for the city of Lafayette. "If we see signs of weakening, we will have to take action and readjust the budget."

Paul Nilles, finance director for the town of Superior, said when creating the 2009 budget they were anticipating 2008 to have a sales increase of 1.7 percent but ended up being less than 1 percent. He said going into 2009 the town budgeted for a sales tax increase of 3.7 percent and recognizes that will not happen. Sales tax revenue for 2008 was \$5.9 million and in 2009 is budgeted for \$5.8 million.

Currently Superior is not implementing any hiring freeze or reduction in staff.

"We are little different than other municipalities with a large staff," Nilles said. "Superior has a core staff of 25 people and contracts out the other services. We have more flexibility working with contractor to manage costs and staffing levels. With our model, the burden falls on the contractors."

CALENDAR

FEBRUARY

20 RMI Laser will host an open house throughout the day at 106 Laser Drive, Lafayette. 303-664-9000. R.S.V.P. necessary to confirm time of choice. E-mail kim.pacheco@micro.com.

24 Boulder Small Business Development Center will present “**Small Business Start-Up Workshop**” from 1 to 4:30 p.m. at the Boulder Chamber, 2440 Pearl St. Boulder. Attorney Theresa Pickner reviews business entities, business registration, liability protection, taxes. Cost: \$45. Contact: Bing Chou at 303-442-1475 or bing.chou@boulderchamber.com.

25 Boulder Small Business Development Center will present “**PR101 in the Digital World**” from 2 to 5 p.m. at the Boulder Chamber, 2440 Pearl St. Boulder. Ground-Floor Media team helps you use social media to reach your marketing goals and shows you how to easily develop a social media marketing strategy. Cost: \$45. Contact: Bing Chou at 303-442-1475 or bing.chou@boulderchamber.com.

26 Longmont Area Chamber of Commerce will present **Unity in the Community**, a gathering of area business leaders and politicians, from 5:30 to 7:30 p.m. at the Radisson Hotel and Conference Center, 1850 Industrial Circle, Longmont. Contact Tracy Taylor-Sea at 303-776-5295 or e-mail taylor-sea@longmontchamber.org.

26 A free community seminar sponsored by the **Joint Care Center** at Avista Adventist Hospital will present answers to hip and knee pain at 11 a.m. in the Spicer Room on the Avista Adventist Hospital campus in Louisville. Attendees will receive joint pain information and have the opportunity to sign up for an initial consultation with a Joint Care Center physician if they desire. Presenters include Deborah Rue, RN, Joint Care Center coordinator, and Penny Myers, Joint Care Center physical therapist. The seminars are free and open to the public. To register, call 303-661-4310.

26 **Level I Workshop** on self-directed retirement plans will be from 8:30 to 9:30 a.m., Entrust New Direction, 1300 Plaza Court North, Suite 202 in Lafayette. This workshop offers an informal environment for asking questions about the flexibility available with self-directed retirement plans. Cost: Free. Contact: Mark Sapir at 303-546-7930 or events@ndira.com.

27 The **7th Annual Boulder Strong Ale Fest** will be from 4 to 10 p.m. Friday and noon to 6 p.m. Sunday at Harpo's Sports Grill, 2869 Arapahoe Ave., Boulder. More than 60 high-gravity draft beers from 24 breweries across America will be available including beer from eight breweries from the Boulder Valley. \$25 gains admission, commemorative tasting glass and 16 2-ounce pour tasting tickets. Additional sample tickets are two for \$1. Proceeds go to local charities.

28 The Davinci Institute presents Seed Capital Boot Camp, from 8:30 a.m. to 12:30 p.m., classroom 304 in Wolf Law Building, 2450 Kittredge Loop Road in Boulder. Instructor is Karl Dakin. Cost: \$119 - (\$79 for Davinci Institute members) Phone: 303-666-4133

MARCH

12 The Longmont Area Economic Council presents “**The Housing Market: Reality vs. Perception**” from 7:30 to 9 a.m. at the Radisson Hotel & Conference Center, 1850 Industrial Circle, Longmont. Speakers are Patty Silverstein, chief economist with Development Research Partners; Kathi Williams, director, Colorado Housing Division; and Scott Drees, senior loan officer of WR Starkey Mortgage. Cost: \$25 per person, corporate table for eight is \$175. Reservations due by March 6. Call 303-651-0128 or e-mail laec@longmont.org.

17-19 CORE's **2009 Fourth Annual Sustainable Opportunities Summit** will be held at the Colorado Convention Center, 700 14th St., Denver. The Summit will bring together nearly 1,000 business, political and academic experts from around the world who are leaders in both the thinking and practices that will drive the creation of a new global economic model. For more information Graham Russell at: 303-592-4083.

APRIL

4 The Hotel Boulder will hold a **Women's History Afternoon Tea** from noon to 2:30 p.m. at the Boulderado Ballroom, 2115 13th St., Boulder. Cost is \$24.95

per person. \$2 of each ticket goes toward hosting a senior through the Circle of Care program. Classic tea menu of loose-leaf teas, assorted tea sandwiches, and dainty cakes and pastries. Thirty-minute program featuring monologues performed in period costumes by the “**Legendary Ladies**,” a local group promoting women's history.

WEEKLY

Boulder Lunch Group, a no-agendas networking group for young professionals, meets weekly for lunches, happy hours and other events. Contact Dan Khadem at dan@lunchgroup.net or visit www.lunchgroup.net.

Monday

Foothills Kiwanis Club, a group of professional businessmen dedicated to community service, meets from 7 to 8 a.m. in the community room at La Hacienda Restaurant, 1606 Conestoga Court, just northwest of 55th Street and Arapahoe Avenue in Boulder. Call 303-499-6869.

The Boulder Valley Business Leads Group meets the first and third Monday's of each month, 11:30 a.m. to 1 p.m. at 2595 Canyon Blvd. in Boulder. Call Betsy Miller at 303-449-8447.

One Business Connection Leads Group meets every other week from 11:45 a.m. to 1 p.m. at Treppeda's in Niwot. Contact Donna Walker at 303-931-1144 or Greg Petri at 303-665-6447 for details. Cost: \$5.

Boulder Chamber Leads Group meets every week from noon to 1 p.m. at the Chamber Building, 2440 Pearl St. in Boulder. Call Charlie Fitzsimmons at 303-875-7148 or visit www.boulderbgn.com.

Longmont Job Seekers meets every week from 4:30 to 6:30 p.m. at Central Presbyterian Church at 402 Kimbark St., Longmont.

Toastmasters International Club 9395: Speaking of Success meets at 7 p.m. at St. Louis School library south entrance), 925 Grant Ave., Louisville. Meetings are free. Call 303-666-8079 or 303-666-5419.

Toastmasters: CU Speaks, a public speaking, presentation and leadership organization, meets at 7 p.m. in Room 210 at the University of Colorado's Leeds School of Business. The meeting is open to nonstudents. Call 303-499-5714.

The **Toastmasters Club - Speakeasy II** meets 7 to 8:30 p.m. in Boulder. Call Richard Ordway at 303-545-2424.

Tuesday

Boulder Leads Club Women's Division meets at 7:30 a.m. at Trios, 1155 Canyon Blvd., Boulder. Call Paula Moseley at 303-494-8635.

BoulderBNI.com Networking & Leads Group meets from 7:30 to 9 a.m. at Egg & I, 2574 Baseline Road, Boulder. BoulderBNI.com seeks business professionals from different backgrounds for weekly breakfasts and group. Contact info@BoulderBNI.com. Cost: \$10 for breakfast; annual dues to join group.

Business Owners Debtors Anonymous meets at 8:30 a.m. at the Boulder One, 5375 Western Ave. at the corner of 55th and Western in Boulder.

Boulder Valley Rotary Club meets at noon each week at A Spice of Life Event Center, 5706 Arapahoe Ave., Boulder. Cost is \$15 including lunch and program; guests are welcome. For more information contact Dean Stull at 303-589-9472 or dstull@pcsys.net.

Boulder County Business Leads Group meets each week from noon to 1 p.m. A dynamic group that you can use to build your business through referrals and support. Call 303-402-2642.

The **North Metro Leads Group** of the Colorado Women's Chamber of Commerce meets 4:30 to 5:30 p.m. at LVL Associates LLC, 8753 Yates Drive, Suite 200, Westminster. Call Carol Lewis at 303-426-6999.

Boulder City Singles Toastmasters, a group of young professionals working to improve their public speaking, presentation and leadership skills, meets at 7 p.m. at the Boulder Area Board of Realtors building, 4885 Riverbend

Road, Boulder. Call Marcus Frakes at 303-673-9858.

The **Boulder Jaycees** meet at 7:30 p.m. the first and third Tuesday of each month at the Depot, 30th and Pearl streets, Boulder. For more information, call 303-443-1030, e-mail to boulderjaycees@hotmail.com, or visit www.bcn.boulder.co.us/community/jaycee/.

Longmont Rotary meets from noon to 1:30 p.m. at the First Lutheran Church at 803 3rd Ave in Longmont. Contact Jeff Korringa at 303-772-2881 or jkorringa@longmontrotary.org.

The Longmont Area Chamber of Commerce offers its **Leads Group** on the second and fourth Tuesday of every month from noon to 1 p.m. at Old Chicago at 1805 Industrial Circle in Longmont. Join a group that will extend your referral network and ultimately your bottom line. Be a guest of the group anytime. Cost: Free. Contact: Kevin Teel, 303-709-3328.

Wednesday

LeTip of Boulder, a professional organization with the purpose of exchanging business tips and leads, meets at 7 a.m. at The Buff Restaurant, 1725 28th St., Boulder. Call Jonathan Lieberman at 303-789-7898.

Colorado Business Leads of Boulder, a networking group that focuses on building relationships, meets from 7 to 8:30 a.m. Call Mark Hiatt for location and details at 303-791-3237. Cost is \$0-\$20.

Boulder Women's Connection meets 11:30 a.m. to 12:45 p.m. Call Betty Ann Castleberry at 303-444-6690 for location.

One Business Connection Louisville Leads Group meets every other week at 11:45 a.m. at Spice China restaurant in Louisville. Contact Greg Petri at 303-665-6447 for details. Cost: \$5.

One Business Connection Loveland Leads Group meets every other week from 11:45 a.m. to 1 p.m. at Johnny Carino's Restaurant in Loveland. Contact Greg Petri at 303-665-6447 for details. Cost: \$5.

The **Lafayette Coed Chapter of Leads Club** meets from 11:30 a.m. to 12:45 p.m. every week at Carrabba's at 575 McCaslin Blvd. in Louisville. Call Lori Clague, chapter director, at 303-774-8878.

The **Business Women's Network** meets every week from 1:15 to 2:30 p.m. in Boulder. The group is for business-women and provides leads and referrals for our members to achieve our business goals and increase our clientele. Find out more by visiting www.bwnboulder.com or by calling Kathy Wolskill at 303-258-7371.

One Business Connection Leads Group meets every other week at 4 to 5 p.m. at the Boulder Outlook Hotel in Boulder. For more information contact, Greg Petri 303-665-6447. Cost: \$5.

The **Children's Wellness Network** meets 8:30-9:30 a.m. every third Wednesday in Lafayette at The New Church, 1370 Forest Park Circle and every fourth Wednesday in Boulder at the Calvary Church, 3245 Kalmia Ave. Visit www.ourchildrenswellness.net or call 303-440-8887.

The Superior Chamber of Commerce offers a **Leads Group** at noon. If you are interested in finding out more about this group or would like to attend up to two meetings with no commitment please contact the Superior Chamber at 303-554-0789 or info@superiorchamber.com.

Thursday

Early Risers Toastmasters meet 6:45 to 7:45 a.m. at The Atrium, Iris and 30th, Boulder. Visitors are welcome. Call Patrick Wilson at 303-516-4042 or e-mail Patrick@blackhorsecoaching.com.

The **Boulder Chamber of Commerce Leads Group** meets from 11:30 a.m. to 12:30 p.m. at the Chamber Center, 2440 Pearl St., Boulder. Call Bella Weber at 303-443-6050 or bella.weber@etradewind.com.

East Boulder County Leads Club meets 7:15 to 8:45 a.m. at the Plumtree Restaurant, 502 S. Public Road, Lafayette. Call Cindy Wallace at 303-460-7494.

Boulder Valley Women's Leads Club meets at 7:25 a.m. at The Buff Restaurant, 1725 28th St., Boulder. Call Sigrud Farwell at 303-543-9828.

Boulder Business by Referral LLC meets every week from 7:30 to 8:30 a.m. to exchange business leads and network with other Boulder-area professionals. Call Jack Bergstrom at 303-907-1170 for location. Cost: free for guests; \$25 per month for members. The first Thursday meeting of each month is open to members only.

Boulder AM Leads Group meets every other week at 8:15 a.m. at the Broker Inn, 555 30th St. in Boulder. For more information contact Greg Petri 303-665-6447.

Kiwanis Club of Boulder meets at 11:45 a.m. in the community room at La Hacienda Restaurant, 1606 Conestoga Court, just northwest of 55th and Arapahoe in Boulder. Call 303-499-6869.

One Business Connection, Boulder Leads Group meets every other week from 11:45 a.m. to 1 p.m. at Sherpa's restaurant at 825 Walnut in Boulder. Contact Greg Petri at 303-665-6447. Cost: \$5.

Broomfield Leads Group meets every week from 11:45 a.m. to 1 p.m. at the Canyon Café in the Flatiron Crossing mall. Contact Greg Petri at 303-665-6447 or greg@onebusiness.com.

Toastmasters: Loquacious Lunch Bunch meets at noon on the second, fourth and fifth Thursdays at the YWCA at 14th Street and Mapleton Avenue in Boulder. Become a better, more persuasive communicator. Contact Wally Clark, 303-330-0328.

The **Boulder Business Network**, a group of business owners and professionals who are interested in empowered networking and leads generation in a fun casual atmosphere, meets every week from 4 to 5:15 p.m. at BD's Mongolian BBQ in Boulder. Visit www.boulderbusinessnetwork.com.

Thirstdays, a weekly social/business networking group, meets every week from 5:30 to 7:30 p.m. Location varies, visit www.thirstdays.com for more information.

A-line, a women's leads group, meets from 11:30 a.m. to 1 p.m. in Boulder for networking, leads, and an educational segment. Visit www.alinenetwork.com or call lvete at 303-938-9221 ext. 201 for more information.

LeTip International Broomfield Group meets from 7 to 8:30 a.m. for breakfast at Le Peep, 520 Zang St. in Broomfield, near Wal-Mart at Flatirons. Business professionals meet to share qualified business leads and tips; only one member per business category. Contact Judy MacKenzie at 303-358-6118 or englishrealtor@comcast.net.

Friday

One Business Connection Boulder Leads Group meets every other week at 11:45 am at Sherpa's Restaurant, 825 Walnut St., Boulder. Contact Greg Petri at 303-665-6447 or greg@onebusiness.com.

One Business Connection, Corporate Leads Group, meets every other week at 11:45 a.m. at Spice China in Louisville. For more information, contact Greg Petri at 303-665-6447. Cost: \$5.

One Business Connection Leads Group meets every other week at Johnny Carino's in Longmont. Contact Greg Petri at 303-665-6447. Cost: \$5.

Boulder Rotary Club, an international service organization, meets at noon every week at A Spice of Life Event Center, 5706 Arapahoe Ave., Boulder, for lunch, program and networking. Admission for guests is \$13. Call 303-554-7074 for more information.

Deadline for Calendar items is three weeks prior to publication. The weekly events calendar alternates with the monthly events calendars; each appears once every other issue. Mail Calendar items to Calendar, Boulder County Business Report, 3180 Sterling Circle, Suite 201, Boulder, CO 80301-2338; fax to 303-440-4950 or e-mail to news@bcbr.com with Calendar as subject.

Melville N.Y.-based The Hain Celestial Group (Nasdaq: HAIN), will sponsor the planting of a tree through the nonprofit organization **Trees for the Future** when tea drinkers purchase all-natural tea through March 31 or by visiting its Web site and clicking on a virtual tree. For each virtual tree planted, Celestial Seasonings will sponsor the planting of one real tree in a developing country.

The **Goddard School** in Broomfield is accepting applications for its annual \$10,000 Anthony A. Martino Memorial Scholarship. The scholarship is given to one Goddard School alumnus to help finance college tuition. For more information visit www.goddardschools.com.

NONPROFIT NETWORK

March

14 The 4th Annual Author's Luncheon will be held from 11 a.m. to 2 p.m. at the Omni Hotel in Broomfield. Fundraiser for Zonta Foothills Club, part of Zonta International, a nonprofit women's service and philanthropy group supporting women and their issues locally, nationally and internationally. In 2008, Zonta Foothills awarded more than \$12,000 in grants to local nonprofits. Local authors Sybil Downing, "The Vote"; Audrey Nelson, "Male-female Communication"; and John Shors, "Beneath a Marble Sky"; will speak. Camera columnist Clay Evans will be master of ceremonies. Tickets are \$55 (\$27 tax deductible) and a silent auction will be held. For information or tickets, contact authorslunch@zontafoothills.org.

The **Boulder County Estate Planning Council** has named the board of directors for 2009: President **Timothy P. Watson**, CPA of Hulet, Watson & Associates PC, Vice President **Marilynne B. Tarrall**, CPA, CFP of Tarrall Skram & Nielson, and Secretary/Treasurer **Robert J. Pyle**, CFP of Diversified Asset Management Inc.

April

21 The Walnut Café in Boulder hosts **Walnut Cafe Fundraiser**, from 7 a.m. to 3:30 p.m. Fundraiser for the National Kidney Foundation of Colorado, Montana, and Wyoming. 100 percent of profits from meals goes to foundation. The Walnut Café, 3073 Walnut St., and The South Side Walnut Café, 673 S. Broadway, participate.

Cost: Free. Contact: 720-530-9533.

Good Deeds

The **Boulder Rotary Club** has raised \$26,600 toward its goal of \$100 million to fight polio in response to a challenge from Bill Gates. Gates challenged Rotarians all over the world to help wipe out polio when he announced a second grant from the Bill and Melinda Gates Foundation to Rotary International's Polio Plus project. The Boulder Rotary Club has chosen to honor the late Ty Kaus of Louisville, a longtime member of the club who had polio as a child and as an adult became a champion wheelchair athlete.

Boulder-based **Celestial Seasonings**, a brand of

BOULDER COUNTY REAL ESTATE WATCH

EXISTING HOME SALES

December 2008 Statistics

Year-to-Year Comparison

Location	Total# Sold	Inventory	Avg.Sales Price	Avg.Days to Contract	Median Sales Price	Total # Sold			Average Sales Price			Average Days to Contract			Median Sales Price		
						1/01/07-12/31/07	1/01/08-12/31/08	%chg	1/01/07-12/31/07	1/01/08-12/31/08	%chg	1/01/07-12/31/07	1/01/08-12/31/08	%chg	1/01/07-12/31/07	1/01/08-12/31/08	%chg
Boulder	20	363	\$792,946	131	\$635,900	935	753	<19.5>	\$662,642	\$656,383	<.9>	67	65	<3>	\$550,500	\$538,000	<2.3>
Broomfield	21	166	\$357,277	69	\$352,590	402	354	<11.9>	\$378,664	\$398,094	5.1	90	83	<7.8>	\$304,000	\$348,490	14.6
Erie	19	137	\$355,788	67	\$310,000	306	309	1	\$352,412	\$345,766	<1.9>	90	88	<2.2>	\$300,000	\$305,000	1.7
Lafayette	10	127	\$370,474	61	\$415,000	314	254	<19.1>	\$405,026	\$355,413	<12.2>	77	80	3.9	\$318,700	\$311,500	<2.3>
Longmont	49	443	\$234,815	90	\$220,000	1109	1026	<7.5>	\$279,582	\$251,888	<9.9>	86	77	<10.5>	\$240,000	\$219,900	<8.4>
Louisville	5	59	\$349,137	112	\$341,000	248	204	<17.7>	\$392,014	\$390,577	<.4>	46	46	0	\$355,000	\$350,300	<1.3>
Superior	1	38	\$675,000	11	\$675,000	169	120	<29>	\$411,125	\$437,818	6.5	56	65	16.1	\$389,000	\$401,300	3.2
Mountains	10	278	\$391,100	124	\$324,500	308	263	<14.6>	\$457,033	\$435,544	<4.7>	123	121	<1.6>	\$359,500	\$355,000	<1.3>
Plains	11	230	\$663,949	94	\$395,000	420	300	<28.6>	\$679,855	\$618,344	<9>	90	80	<11.1>	\$509,750	\$475,000	<6.8>
Total	146					4,211	3,583										

EXISTING CONDO & TOWNHOME SALES

December 2008 Statistics

Year-to-Year Comparison

Location	Total# Sold	Inventory	Avg.Sales Price	Avg.Days to Contract	Median Sales Price	Total # Sold			Average Sales Price			Average Days to Contract			Median Sales Price		
						1/01/07-12/31/07	1/01/08-12/31/08	%chg	1/01/07-12/31/07	1/01/08-12/31/08	%chg	1/01/07-12/31/07	1/01/08-12/31/08	%chg	1/01/07-12/31/07	1/01/08-12/31/08	%chg
Boulder	11	392	\$421,906	251	\$305,000	797	709	<11>	\$280,845	\$298,080	6.1	74	74	0	\$240,000	\$249,900	4.1
Broomfield	2	35	\$232,605	158	\$195,000	101	81	<19.8>	\$234,400	\$217,027	<7.4>	129	132	2.3	\$230,181	\$214,699	<6.7>
Erie	1	22	\$205,880	81	\$205,880	46	22	<52.2>	\$282,871	\$215,314	<23.9>	124	118	<4.8>	\$251,048	\$172,277	<31.4>
Lafayette	1	40	\$131,000	44	\$131,000	149	118	<20.8>	\$194,762	\$181,739	<6.7>	82	93	13.4	\$187,000	\$169,500	<9.4>
Longmont	9	146	\$169,808	68	\$162,500	234	233	<.4>	\$193,559	\$186,912	<3.4>	112	110	<1.8>	\$182,000	\$169,500	<6.9>
Louisville	4	28	\$235,048	42	\$133,000	91	57	<37.4>	\$216,909	\$214,677	<1>	76	82	7.9	\$215,000	\$212,000	<1.4>
Superior	2	18	\$165,000	66	\$165,000	50	42	<16>	\$199,917	\$217,947	9	98	86	<12.2>	\$189,900	\$212,500	11.9
Mountains	0	0	0	0	0	1	1	0	\$92,000	\$26,000	<71.7>	99	105	6.1	\$92,000	\$26,000	<71.7>
Plains	1	15	\$285,000	99	\$285,000	90	85	<5.6>	\$192,851	\$203,740	5.6	93	99	6.5	\$166,450	\$187,115	12.4
Total	31					1,559	1,348										

For more information contact: Kenneth Hotard 303.442.3585 • khotard@barastaff.com Datasource: IRES-Information Real Estate Services

Despite down times, window company expanding

BOULDER – Serious Materials Inc., which acquired Boulder-based Alpen Windows this past summer, is expanding its presence in the Boulder Valley.

The California-based green building material company signed a lease for 36,955 square feet of space at 6268 Monarch Place near Niwot. The new lease is in addition to Serious Materials' existing 15,000 square feet of space at 5400 Spine Road in Gunbarrel.

Serious Materials Market Manager Robert Clarke said the Boulder window and glass manufacturing office has increased from 25 to 40 employees since the acquisition. He said the company expects to continue to grow in 2009.

The glass side of the business will remain in the 5400 Spine Road location, and the window frame side will move to the new building. Depending on the volume of future business, Serious may keep both buildings.

"It's a good story that green materials business is still growing in this economy," Clarke said. Part of the expansion in Boulder also has to do with Serious Materials acquiring the assets of former Kensington Windows in Pennsylvania on Jan. 20, Clarke said.

In November 2007, Serious Materials received \$50 million in funding to grow the company. In addition to windows, the company manufactures EcoRock, a drywall substitute that takes less energy to produce.

Serious Materials is also the parent firm of Quiet Solution, which makes

soundproofing products that enhance livability and encourage sustainable land use in urban infill projects.

CROCS EXPANDS IN CALIF.: Crocs Inc. (Nasdaq:CROX) said it has signed a lease to open a new 400,000-square-foot distribution facility in Southern California.

The facility at 4060 E. Francis St. in Ontario, Calif. would handle all of the company's new product lines, said Tia Mattson, spokeswoman for the Niwot-based company.



REAL ESTATE
David Clucas

She said the new California distribution center would provide better entry into the U.S. market in order to improve customer delivery time. Crocs currently has its main distribution center in Aurora, where it leases 267,000 square feet of space. The lease runs to 2010. Mattson declined to speculate that the new California location would replace the Colorado one.

"Right now, we're not making any changes," Mattson said. The Aurora facility at 2470 Airport Blvd. employs about 280 mostly third-party personnel, Mattson said. The California facility will employ about 150 mostly third-party personnel by the end of the year, she

said.

Paul Whiteside and Aaron Evans with New Option Partners in Boulder represented Crocs in the California real estate deal.

BOULDER LEASES: Ascend Analytics LLC, a Boulder-based software and consulting company for the energy industry, signed a lease for 3,024 square feet of space at 1877 Broadway, Suite 706. The company is moving from 2737 Mapleton Ave. Chris Boston and Chip Wise with Gibbons-White Inc. and Aaron Evans with New Option Partners helped broker the deal.

- Special Aerospace Services LLC, an aerospace consulting firm, signed a lease for 2,200 square feet of space at 250 Arapahoe Ave., #200. Angela Rookey and Michael-Ryan McCarty with Gibbons-White Inc. helped broker the deal.

- Boulder Implants & Periodontics PC, a local dentist, signed a lease for 1,757 square feet of space at 1840 Folsom St., Suite 302. Lynda Gibbons with Gibbons-White Inc. helped broker the deal.

BOULDER VALLEY

FORECLOSURES SLOWING: The number of foreclosures filed in Boulder and Broomfield counties declined 3 percent in January, according to records compiled by the Boulder County Public Trustee.

Ninety-two foreclosures were filed locally in January, down from 98 filings

in the two-county area for the same period a year ago.

January's foreclosure filings were down 16.2 percent from previous month – 117 filings in December.

Foreclosure filings have been slowing since mid-to-late 2008, as several state and federal laws delayed filings. Banks also are becoming more willing to modify loans to avoid foreclosure. And several major banks have announced a temporary moratorium on foreclosures.

Broken down by city, Longmont reported 38 foreclosure filings in January, Broomfield had 22 filings, Lafayette had 13 filings and Boulder had 10 filings to round out the top four.

LONGMONT

RETAIL BUILDING SOLD: Developer Panattoni Development Co. has sold the Walgreens building at its Harvest Junction retail development in Longmont for \$5 million.

A private investor out of Nebraska under the name Realty Trust Group Inc. purchased the 13,512-square-foot building on the northeast corner of Ken Pratt Boulevard and Main Street, according to Boulder County public records.

The recently opened pharmacy and drug store, built by Panattoni, is Walgreens' fifth location in Longmont. Walgreens rarely owns its own buildings, preferring to lease its space from investors looking for a stable tenant.

Will Damrath with Panattoni said the
▶ See **Real Estate, 29A**

deal represented a good transaction in a down economic period.

NEW RESTAURANT: A local couple has signed a lease to open a new restaurant at the former Shorty's Barbecue location in downtown Longmont.

Lynn and Sean Owens plan to open Dickens Tavern in 8,800 square feet at 300 Main St. by late March. The new restaurant will serve comfort food such as pot roast, chicken pot pie and French onion soup.

The Owens are refurbishing the interior of the historic building to make it look like it did in early 1900s, Lynn Owens said. St. Vrain Valley pioneer William Henry Dickens built the building as a theater and opera house in 1881.

The Dickens Opera house space will remain on the second floor where building owner Doug Van Riper will host live music and events. The Dickens Tavern will cater all the events upstairs.

Arn Hayden with Freeman Myre Inc. and Mike DePalma with Sullivan Hayes Brokerage helped broker the real estate deal.

LANDSCAPE LEASE: Denver-based CoCal Landscape Services Inc. signed a lease for 1,250 square feet of space at 1823 Sunset Place for its Northern Colorado office in Longmont. Scott Garel, Joe Heath, Don Misner with Frederick Ross and Becky Gamble, Hunter Barto and

AFFORDABLE SENIOR LIVING *The Lodge at Hover Crossing*



DOUG STORUM

The Longmont Housing Development Corp. is nearing completion on its affordable senior housing development at The Lodge at Hover Crossing in northwest Longmont. A \$6.2 million grant from the U.S. Department of Housing and Urban Development is financing the new 42,000-square-foot, three-story multifamily building with 50 one-bedroom apartments. Longmont-based Krische Construction is the general contractor for the project. The Lodge at Hover Crossing is targeted to the elderly earning below 50 percent of the area median income. Ground was broken in August, and it is anticipated that it will be ready for occupation later this year.

Dryden Dunsmore with Dean Callan & Co. helped broker the deal.

LAFAYETTE

OFFICE LEASE: LUZ Inc., a San Francisco-based translation services company for the life science industry, signed

a lease for 2,026 square feet of space at 1455 Dixon Ave. Scott Dale with Gibbons-White Inc. helped broker the deal.

A GRANDE LEASE: Louisville-based A Grande Finale Patisserie signed a lease for 1,200 to open a new retail-only

location at 489 N. Hwy 287 in Lafayette. The new location selling desserts, cakes, gift boxes and chocolates is scheduled to open by the end of February.

Contact writer David Clucas at 303-440-4950 or e-mail dclucas@bcbr.com.

BCBR DAILY from **2A**

Chas Eggert, president and chief executive officer of OPX, said he's glad to have raised \$12.1 million in a shaky economy, and it's a positive endorsement of the company's pursuits.

Yieldex raises \$8.5 million

LOUISVILLE — Yieldex Inc. closed an \$8.5 million series B financing round and plans to move its headquarters from Louisville to N.Y. City.

Yieldex will keep 10 employees at its Louisville campus as the development center but will operate its sales and marketing office from New York, said Tom Shields, Yieldex' chief executive officer.

The move will position Yieldex, which provides publishers with digital advertising inventory management, in a prominent digital media area.

Seattle-based Madrona Venture Group led the series B round, which closed in late January.

Molecular Products to expand

BOULDER — An England-based chemical manufacturing firm is moving its U.S. headquarters from Lafayette to the Boulder neighborhood of Gunbarrel.

Molecular Products Inc., a subsidiary of Molecular Products Group in England, signed a lease for 23,000 square feet of space at 6837 Winchester Circle to nearly double its space. The company is moving from about 12,000 square feet of space at 178 N. 120th St. in Lafayette.

Molecular Products provides solutions and chemical technologies for the treatment of breathable gases. Its products are

used in the removal of carbon dioxide, the generation of oxygen, and the filtration of hazardous, toxic and undesirable gaseous phase contaminants.

The local operation employs about 17 people.

Monettes expand to Hawaii

BOULDER — Mark and Scott Monette, owners of the Flagstaff House Restaurant in Boulder, will open a restaurant and bar/café at the Mauna Kea Beach Hotel in Hawaii for Prince Resorts.

The fine-dining restaurant, named Monettes, is scheduled to open in the 60-acre hotel in March. The menu will be American French cuisine with island influences, as well as some Flagstaff House Restaurant signature dishes.

Monettes will be accompanied by a more casual dining bar/café named Bar M Café, which will have an indoor/outdoor setting.

StillSecure acquires ProtectPoint

SUPERIOR — StillSecure has acquired Fort Lauderdale, Fla.-based ProtectPoint Security Inc. and plans to operate the security service provider as a division of StillSecure.

Financial terms of the acquisition were not disclosed.

Superior-based StillSecure will remain headquartered in Colorado, and ProtectPoint will stay in Florida. Shimel said there are no foreseeable job losses in Colorado. ProtectPoint Chief Executive Officer Steve Harris will become StillSecure's vice president of managed services.

Alan Shimel, StillSecure's chief strat-

egy officer, said the acquisition allows StillSecure to grow its customer base and offer customers the ability to choose between hardware, software or software as a service for their security needs.

CP+B lays off 60

BOULDER — Crispin Porter + Bogusky laid off 60 people companywide in response to advertising budgets being slashed in the rough economy.

Though she wouldn't disclose how many employees were laid off at CP+B's Gunbarrel office, the company doesn't anticipate any more layoffs, Katie Kempner, company spokeswoman, said in a statement.

"These are extraordinary times, and we hope that we will not have to do this again," Kempner said in a statement.

The 60 employees equates to nearly 7 percent of the advertising agency's 900-person work force.

Crispin Porter + Bogusky, which is the advertising agency for such companies as Burger King Brands Inc., Domino's Pizza Inc., and Geek Squad, acquired Boulder-based texturemedia in June. The terms of that deal were not disclosed.

Incentra files for bankruptcy

BOULDER — Incentra Solutions Inc. (OTCBB:ICNS), a Boulder-based information technology services company, has filed for Chapter 11 bankruptcy with plans to re-emerge as a private company.

Incentra officials said they have reached an agreement to sell the business assets to its senior lender, Laurus Capital Management LLC, managed by New York-based

Valens Capital Management.

The parties will use the Chapter 11 bankruptcy as a vehicle to restructure its debt, and they plan to emerge from bankruptcy within 60 days. Incentra and its lenders have agreed to a debtor in possession financing facility to continue operations during the bankruptcy.

The company reported sales of \$212 million in 2008, up 46 percent from 2007, yet it reported a net loss of \$10.16 million.

The company provides information technology services, solutions and consulting, primarily on a business-to-business level.

Incentra employs about 250 nationwide. Sixty-two work in the Boulder Valley, 12 at its Boulder headquarters and 50 at its main operations office in Broomfield. It has 13 other offices nationwide.

Haystack restructures management

LONGMONT — Haystack Mountain Goat Dairy, a maker of artisanal cheese, has restructured its management team and has announced plans to develop new small-batch artisanal cheeses at its plant in Longmont.

The new management structure includes eliminating the chief executive position previously held by Tim Overlie who left the company.

Chuck Hellmer, who was named general manager and acting president, will manage Haystack Mountain's renewed focus on producing a greater variety of handcrafted artisanal cheeses. Hellmer has been chief financial officer of Haystack Mountain since 2003.

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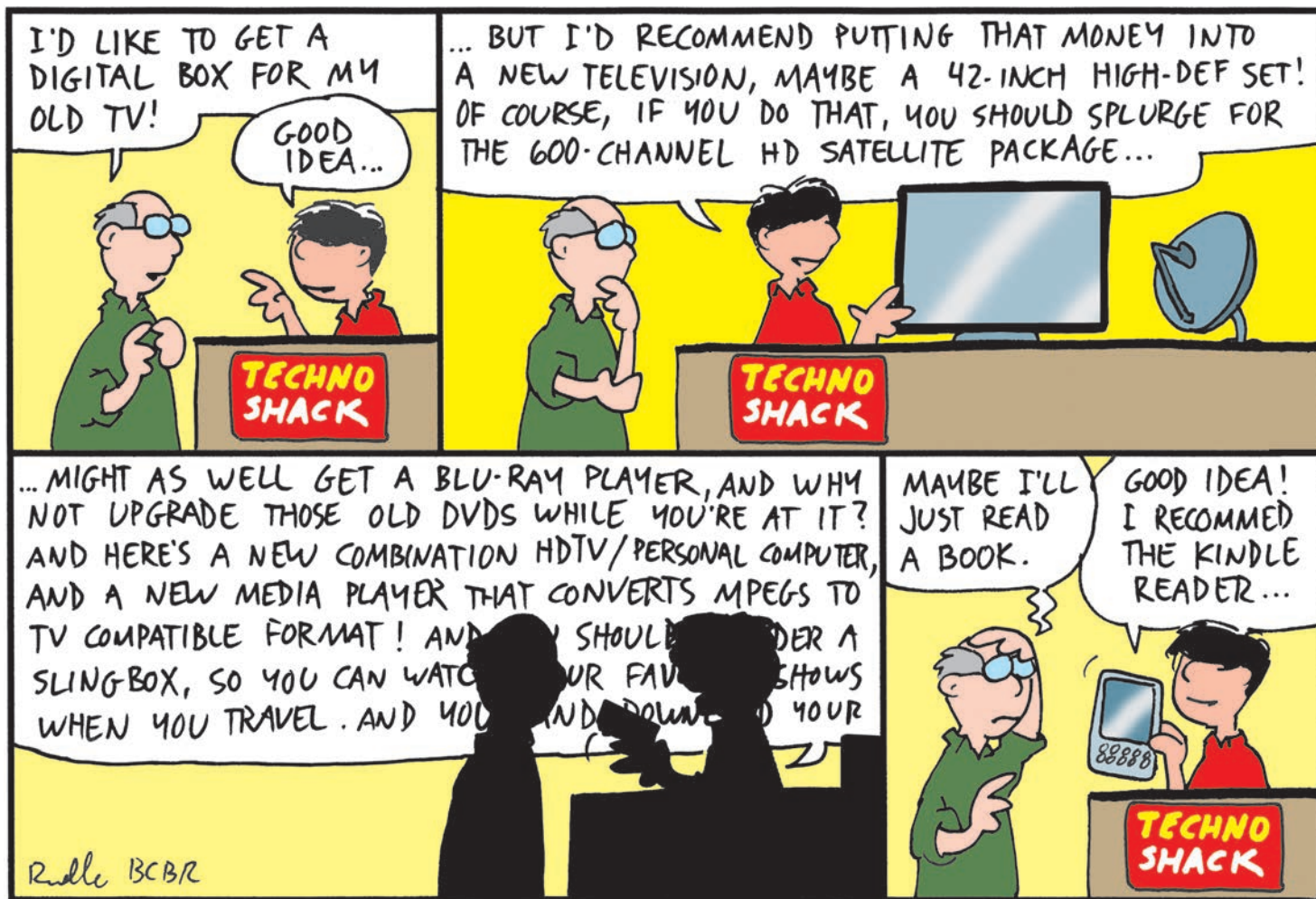
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OPINION



Front-row seat at Jeff & Jerry Show indelible lesson in business acumen

Jerry W. Lewis and Jeff Schott are going into the Boulder County Business Hall of Fame in April for their 20-year run as co-publishers and co-owners of the business newspaper you are reading.

I was fortunate enough to have a bird's-eye view for the last eight years of what I call the Jeff & Jerry Show – a reality show to beat all reality shows.

The reality is that publishing is not for the faint of heart. No, it's not brain surgery or walking into a flaming building, but at the end of each day your brain generally is fried. The pace of reporting and selling the news feels like trying to keep pace with a Pentium processor. The cost of reporting the news is high, and profit margins, if existent, are razor-thin. It takes long hours and keen instincts to keep a paper running.

The show was how they did it. They both worked hard to build a brand in the Boulder Valley that is synonymous with success. They provided thousands of local businesses a forum in which to explain themselves to each other, either through news stories or advertisements.

No one worked harder in this small organization than Jeff and Jerry. If you didn't keep up, you felt like you weren't earning your keep, but they had a way of pulling you along with them. While keeping the doors open for two decades was a feat in itself, their ability to do so while being two of the strongest advocates for business in this community was an even more meaningful achievement.

During my nearly 35 years in the newspaper business, I never have been associated with two people who exer-

cised more energy and business acumen toward accomplishing their common goals yet with completely different styles.

Jerry handled the news side and was the master storyteller, creative thinker and tough taskmaster who one second could be ranting and raving and the next slipping the office dog a biscuit. His daily advice to seasoned reporters and rookie interns, if heeded, made them and the paper better.

Jeff handled the sales side and was the good cop, creative thinker and eternal optimist who more often than not had the right words at the right time to seal a deal, but he didn't show much outward affection for the office dog. His instincts for creating value for advertisers, if carried out by the sales team, could make a loud buzz.

Together, they always were coming up with new special publications that were tailor-made for specific industries, earning awards from their peers for producing a quality product year in and year out.

You wanted your business to win an IQ Award or make the BCBR's Mercury 100 list of fastest-growing companies. As managing editor, I often heard from advertisers, sources and readers how good these two made the paper through their tireless attempt to really understand and then explain the local business community.



OBSERVATIONS

Doug Storum

Jerry may have set a Boulder Valley record for attending networking events, his desk always smothered with business cards representing potential stories. Jeff may be at the top of the charts for number of sales meetings scheduled in a day.

Their doors were always open. They made payroll during thick and thin, and they were memorable hosts at their creative special events – they didn't mind climbing into gorilla suits to get a laugh.

They also had a strong sense of philanthropy. Over the years they gave away countless ads and editorial space to tell the stories of worthy nonprofit organizations to help businesses find that perfect philanthropic fit, in turn enriching the quality of life for everyone in the community.

And testament to their business acumen, their exit strategy was perfectly timed, selling their interest in the business to Brown Publishing Co. in 2008, right about the time the economy began to tank.

They did not set out to be famous. They set out to run a business, make a living and contribute to the business community in which they competed. But along the way, through their efforts of telling stories and helping businesses sell their products and services to each other, they've made a lasting impression in Boulder County for thousands of businesses who are better off because they were co-stars in the Jeff and Jerry Show.

Doug Storum can be reached at 303-440-4950 or via e-mail at dstorum@bcbr.com.

ICONS OF BOULDER Reception honors city's finest



DAVID CLUCAS

Boulder community and business leaders gathered on Feb. 3 to celebrate the city's 150th birthday with the unveiling of the Boulder County Business Report's "Boulder Icons" of those past years. From left, Community Foundation of Boulder County President Josie Heath speaks with Marvin Caruthers, a founder of numerous local biotech companies, and restaurateur Frank Day, all of which were named Boulder Icons.

COPELAND SPEAKS at Boulder Chamber annual dinner



COURTESY BOULDER CHAMBER

Peter Copeland, editor and general manager of Scripps Howard News Service, was the keynote speaker at the Boulder Chamber's annual awards dinner held Feb. 3 at the University Memorial Center on the University of Colorado at Boulder campus.

CORPORATE OFFICE CENTERS Opens in Broomfield



DAVID CLUCAS

Corporate Office Centers, a Texas-based executive suite company, debuted its latest location at 12303 Airport Way, Suite 200 in Broomfield on Feb. 5. The space has 72 offices, 50 of which are available for lease. The office has a shared receptionist, a conference room and meeting space. From left, client Jonathan Roche, founder of Breakthrough Health and Fitness, talks with Jasmine Dillington, Corporate Office Centers' customer service manager; Christy Silva, general manager for the Broomfield office; and Jennie Grimsley, general manager of the Englewood office.

BOULDER 2140 Brings young professionals together



RYAN DIONNE

Andrew Majxner, John Balsmeier, Mark Phillips, Matt Kolb, Kristin Macdonald, Peter Mangold and Don Poe, from left, pose after the Boulder Chamber's Boulder 2140 young professionals networking event Feb. 11. The seven young professionals helped organize the event that was designed for people 21 to 40 years old. More than 250 people filled the Rembrandt Yard for Boulder 2140's second meeting.

Send us your photos

The Business Report would like to publish photos of your business or nonprofit event.

E-mail event photos for After Hours to photos@bcbr.com. Please include name and purpose of event and identify all individuals in photo. Include contact name and phone for further information if needed.

DEFAULTS from 1A

National Bank and FlatIrons Bank reported no loan defaults or foreclosures on their books at the end of the fourth quarter.

Longmont-based Mile High Banks reported the highest amount of loan defaults and foreclosures among local-based banks with \$25.7 million, but it also had the largest loan portfolio of all the banks at about \$1.24 billion.

The troubled loans at Mile High Banks accounted for 3.1 percent of its existing loan portfolio. Broomfield-based Summit Bank & Trust had the highest concentration of troubled loans – at 14.9 percent – compared to its existing loan portfolio.

For a broad national perspective to local banks, consider that Wells Fargo reported about \$20.3 billion in defaults and foreclosures during the fourth quarter, which accounted for 5.8 percent of its existing loan portfolio.

At a recent roundtable event sponsored by the Boulder County Business Report,

local banking executives expressed concerns about the real estate market (See Story page 4A). They said the Boulder Valley was healthier than other regions in the county, but it would still see the negative effects of limited capital.

"One of the challenges of commercial

real estate is that 70 percent of the permanent financing has gone away with the pension funds and other investment conduits," said Mark Driscoll, president of Fort Collins-based First National Bank of Colorado, at the event. "So it's back to us in the banks, but we can't handle all of it.

So, until the long-term market begin to function again – and they probably won't as they were – it's going to be tougher to find homes for some of these loans."

Contact writer David Clucas at 303-440-4950 or dclucas@bcbr.com.

Loan defaults double in fourth quarter

Boulder Valley-based banks recently reported their fourth quarter 2008 figures that showed local banks increasing their assets at a greater quarterly and yearly pace. Banks also increased their lending, but at a slower rate than a quarter ago. Loan defaults and foreclosures on the banks' books nearly doubled from a quarter ago and now account for 2.9 percent of loans held.

Bank	Assets	Quarterly/yearly percent change*	Loans and leases	Quarterly/yearly percent change*	Loan defaults, foreclosures	As a percent of loans, leases	4Q 2008 income
AMG National Trust Bank	\$172,546,000	73.1%/N/A	\$20,981,000	56.5%/N/A	\$0	0%	\$2,508,000
FirstBank of Boulder	\$512,834,000	2.7%/10%	\$202,680,000	4.6%/22.3%	\$3,770,000	1.9%	\$6,467,000
FirstBank of Longmont	\$417,101,000	0.08%/6.7%	\$131,074,000	9%/10.9%	\$1,417,000	1.1%	\$4,906,000
FirsTier Bank	\$784,186,000	7.1%/62.3%	\$717,076,000	5.5%/62.6%	\$17,858,000	2.5%	\$3,732,000
FlatIrons Bank	\$65,429,000	33.8%/33.5%	\$37,827,000	20.6%/6.3%	\$0	0%	-\$19,000
Mile High Banks	\$1,320,238,000	1.6%/8.9%	\$1,239,220,000	-1.4%/7.6%	\$38,561,000	3.1%	\$6,780,000
Summit Bank & Trust	\$77,624,000	9.7%/66.4%	\$60,719,000	10.2%/121.2%	\$9,054,000	14.9%	-\$2,754,000
Total*	\$3,349,958,000	5.8%/20%	\$2,409,577,000	2.5%/23.1%	\$70,660,000	2.9%	\$21,620,000

* Total yearly percent change calculations do not include AMG's figures, since it was not yet chartered in the Boulder Valley a year ago. Source: Federal Deposit Insurance Corp.



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BRINGING **YOUR MESSAGE** CLOSER TO **YOUR MARKET**

Kozio's rapid growth

Longmont tech company expands, providing testing for large clients

BY KEELY BROWN

After six years in the software industry, Kozio Inc. is now hanging out a shingle under its own roof.

In 2003, Kozio began operations under the auspices of the Longmont Entrepreneurial Network, where it has been based since its inception. As a provider of software used for circuit testing and trouble shooting in computer boards specific to the imbedded industry, Kozio has quickly grown to become a successful supplier to the wireless networking, automotive and industrial industries.

This rapid success has dictated the need, this year, for even more room to grow.

"Partly, we wanted to have our own facilities and address and office space," said Kozio CEO and co-founder Joe Skazinski. "Having our own front door was a key decision point for us. And along with that, we also wanted to expand the computer lab area."

“We have room to grow with this move. This location has really been excellent for us — it's provided the space for extra offices, as well as room for future expansion.”

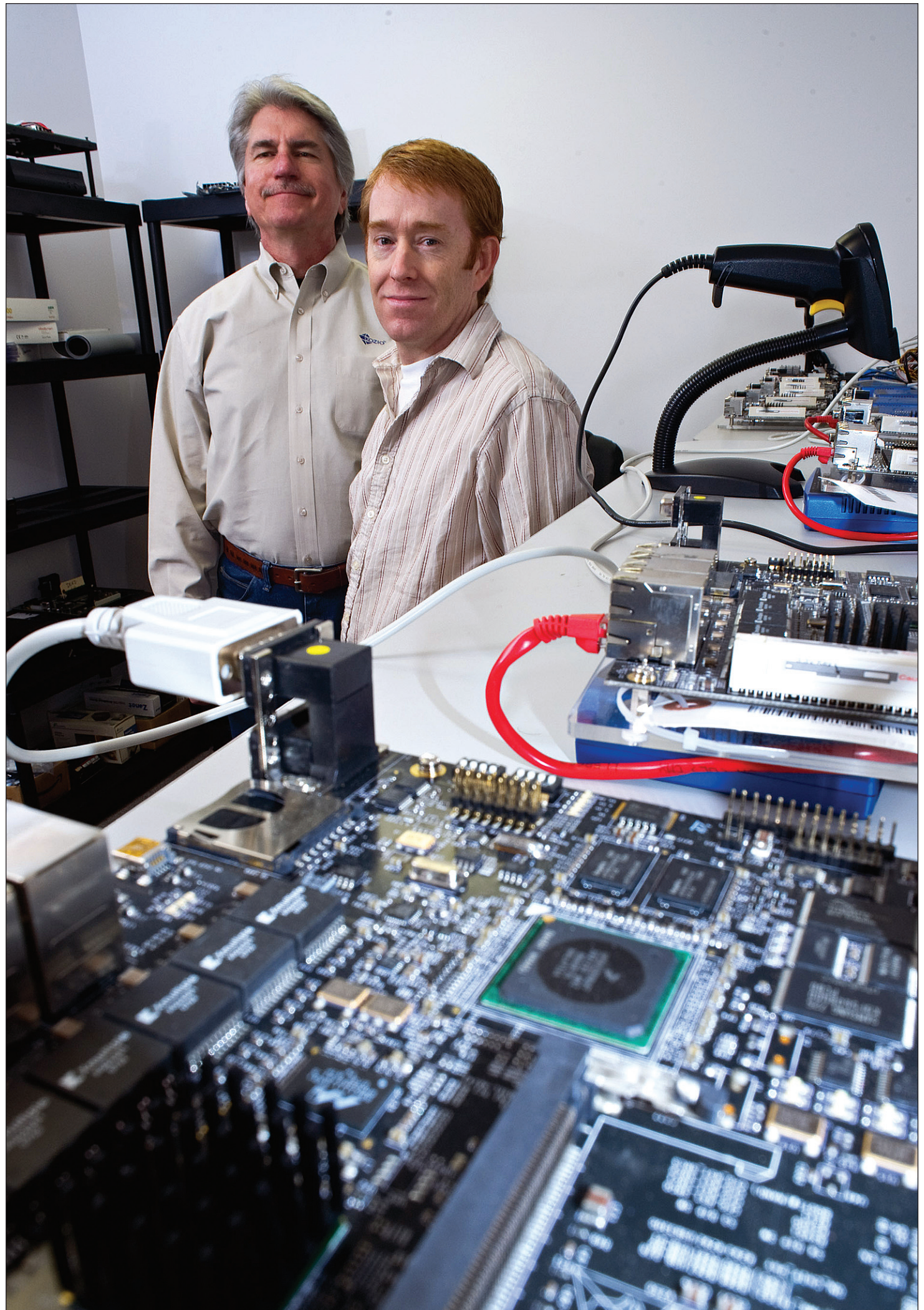
Joe Skazinski

CEO AND CO-FOUNDER,
KOZIO

Located at 1801 Sunset Place, the new facility is being used for research and development, as well as customer fulfillment. While Skazinsky declined, for industry sensitive reasons, to divulge the exact square footage of the new building, he did confirm that the move has effectively enabled the company to quadruple its former space.

Eighty percent of the new location is being used for office and administration space, which includes a large conference room to facilitate onsite meetings for

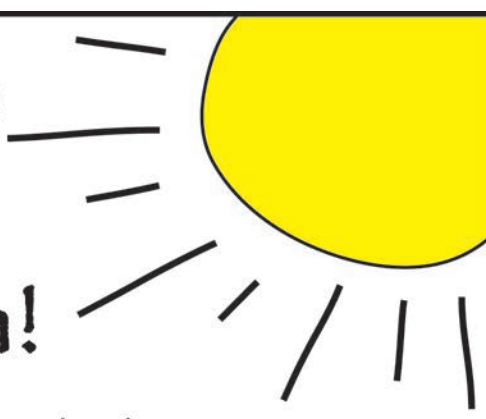
► See **Growth, 7B**



JONATHAN CASTNER

Al Arendt, director of sales, left, and Keith Short, director of technology at Kozio Inc. Kozio has expanded rapidly since its founding in 2003.

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JONATHAN CASTNER

Scott Aberle does quality control on breakout boxes at Integrated Cable Systems.

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Move from Berthoud provides breathing room for manufacturer

Integrated Cable Systems adds employees, space

BY KEELY BROWN

When Integrated Cable Systems Inc. moved to Longmont last fall, you could say that, after a decade away, the company was finally returning home to its roots.

Integrated Cable Systems had its origins in the Longmont-based Sherwood Enterprises, founded in 1972 by Don Sherwood. In 1996, the company merged to become Electronic Manufacturing Systems. Two years later, staff member Curt Even and two business partners left to start over again from scratch. The trio purchased a building at 504 Second St. in Berthoud and formed their own company, Integrated Cable Systems.

Over the next decade, ICS grew to become a leading manufacturer and supplier of custom cables, harnesses and electro-mechanical assemblies. Even said the company's key growth began around 2000, when ICS established a strong client base in the medical field.

As the company grew, so did the

Integrated Cable Systems Inc.

1275 Sherman Drive, Longmont, CO 80501

Phone: (720) 652-6777

Fax: (720) 652-6778

Web site: www.ics-mfg.com

E-mail: Info@ICS-Mfg.com

Number of employees: 55

Top local executive: Curt Even, president

Primary service: Manufacturer of cables and electro-mechanical assemblies

Year founded: 1998

demands on its resources. Even said the move to Longmont last year was dictated by the company's need for more space than its 10,000-square-foot facility in Berthoud could supply.

Last September, ICS moved to a 43,000-square-foot facility at 1275 Sherman Drive in Longmont. At present, the

► See **Room, 3B**

ROOM from 2B

company is using 28,000 square feet of the building, with plans for gradual expansion whenever possible.

In recent months, the company has grown its staff as well, expanding from 45 to 55 employees — a move that also motivated the relocation.

“It was important for us to consider our employee base, because we do have a lot of employees from this area,” Even said. “And we have quite a few local clients as well, so this is really a central location for both our clients and employees.”

Even said the company currently serves between 15 and 20 key customers, representing a wide range of industries, from medical and military to automotive clients. At the new location, ICS will continue to do all its contract manufacturing onsite.

The new location has already precipitated another area of growth for ICS. Up until now, the company has never before had a sales department, depending instead on referrals from customers and suppliers. With the new space available, Even has already hired a sales and marketing team.

While Even admits that it's early days yet, particularly in the current economic climate, he feels that the move to Longmont is already proving successful in more ways than one.

“We were pretty much packed in the other facility,” he said. “This move to Longmont opens everything up for us, so that we can continue to move forward and expand our client base.”



Natosha Niesen works the cable assembly line at Integrated Cable Systems.

JONATHAN CASTNER

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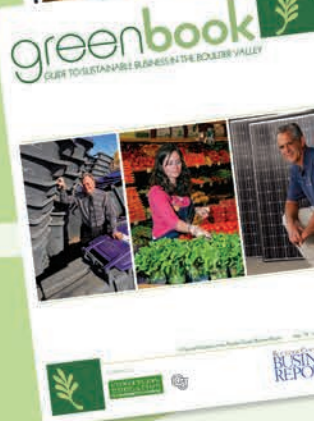
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Publishes March 2009



Blueprints Directory
Publishes Spring 2009



The Green Book
Publishes June 2009



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Video Accessory Corp. makes shift from Boulder to larger Longmont facility

Diversified client base helps company expand

BY KEELY BROWN

This April, Longmont will be the new home for a major player in the international audio/video field.

For more than 30 years, Video Accessory Corp. has manufactured video and audio distribution amplifiers, switches, generators and other key products for industry professionals. VAC's products are used in a wide range of venues, from broadcasting studios and military command bases, to sports stadiums and corporate boardrooms.

VAC began life in 1980 as Woods Electric, started by Jim Woods and a crew of graduates from the engineering school at the University of Colorado at Boulder.

In 1986, the company became known as VAC, and was purchased in 2003 by its current owners, Amy Barnes Frey, CMAS (Certified Master Anti-terrorism Specialist) and her husband, Richard Frey.

According to Amy Barnes Frey, the idea for the move began last summer when she discovered that several existing contracts were going to expand considerably in scope.

“Our philosophy is that we’re not going to let ourselves grow too rapidly or grow beyond a certain number of employees. That way, we can keep everything in-house, and under our own quality control.”

Amy Barnes Frey
CO-OWNER,
VIDEO ACCESSORY CORPORATION (VAC)

“We ran out of space,” she said. “We had hired people and didn’t have enough room for them — and then, some of the contracts we anticipated came in. One of our major clients had five projects for us — and that’s when I realized that I couldn’t do them in this building.”

In April, VAC will move from its current 6,200-square-foot space in Boulder’s Flatiron Park — its home for the past 26 years — to a 15,500-square-foot facility at 1243 Sherman Drive in Longmont. VAC purchased not only the building but the surrounding acre of land as well, allowing for further expansion in the future.

“I’m glad we’ll have this space, because of these bigger projects coming into fruition,” Barnes Frey said. “We’ll be able to take on some projects we haven’t been able to address, because now we’ll have the space for our employees, as well as more manufacturing space.”

Everything at VAC is done in-house, from designing to manufacturing. This

Video Accessory Corporation (VAC)

2450 Central Ave., Suite G, Boulder, Colorado 80301
Phone: (303) 443-1319
or (800) 821-0426
Fax: (303) 440-8878
Website address: www.vac-brick.com
Email: sales@vac-brick.net
Number of employees: 15
Top Local Executive: Amy Barnes Frey, president and co-owner
Primary Service: Video and audio equipment manufacture
Year founded: 1986

makes the company particularly attractive to industries such as the military, especially when dealing with products used in secret surveillance operations.

“I’m proud of the fact that we’re protecting men and women in uniform in covert operations all over the world,” Barnes Frey said.

VAC currently has a client list of around 1,000 customers from all types of industries, ranging from broadcasting to military surveillance and submarine communications.

With the capability to endure extended temperature ranges, VAC’s products are also used in rugged outdoor venues such as mining sites in Canada.

Barnes Frey said that for the last several years, VAC has averaged a steady revenue growth of 7 percent annually — and indications are that this year’s numbers will be significantly higher. This success, Barnes Frey maintains, is due to diversification, not only in their products, but in their marketing as well.

“We did the right thing by diversifying our marketing and protecting ourselves from any single-industry fallout,” she said. “We’re so diverse — we provide for everything from casino security systems to mega churches in Texas — so I never know who’s calling me. And because no one else out there does what we do, we’re unique, so customers seek us out. We don’t have to do much marketing — instead, customers come to us.”

The move will also allow the company to expand its machine shop — an important feature for a company that does its own tooling, manufacturing and testing.

“We’re known in the industries we serve to have no failures — we do a triple burn test on our products,” Barnes Frey said. “If a product is going to fail, it’s going to fail in my facility and not out in the field.”

While the company is definitely in an expansion mode to keep up with increasing demands, Barnes Frey insists that this growth will continue only with great deliberation and planning, in order to maintain VAC’s high standards of product quality.

“Our philosophy is that we’re not going to let ourselves grow too rapidly or grow beyond a certain number of employees,” she said. “That way, we can keep everything in-house, and under our own quality control.”

Longmont stands ready to meet challenges of 2009

Work force, low business costs should help city weather economic storm

Extraordinary times call for extraordinary measures. This is perhaps more true in the business world today than at any other time of our generation. And we are seeing the results of those extraordinary measures on a national and even global level. Huge job losses, the government becoming an investor in banks, a stimulus package and bailout spending that boggles the mind.



GUEST OPINION
John Cody

Still, life goes on, and so does business. Companies are tasked with reducing costs, maintaining revenue, staying profitable or minimizing losses every day.

With that in mind, what industry trends are we seeing in the Longmont area? 2008 was a mixed year for Longmont, but with some notable bright spots. First among these was real estate

THIS YEAR REMAINS A MYSTERY for the base of our economy. Slowdown in the tech sector nationally began in November, so we will watch closely what effects that has for Longmont. But our fundamentals are still strong: a highly educated work force, a variety of affordable spaces, lower costs for electricity and other business costs, and a community prepared to work to meet company's needs at their timeframe.

activity that saw a net 322,000 square feet absorbed (a 4.7 percent increase over 2007). Our vacancy rate continued to drop and currently stands at 14.2 percent (a 3.3 percent decline over 2007).

I believe this indicator reflects the availability and cost of space for industry in Longmont. With more than 1 million square feet on the market and spaces that range from 2,000 to 466,000 square feet, Longmont has a lot to offer primary employers that are looking to expand or relocate.

Also in 2008, 16 new companies chose Longmont, bringing in 264 jobs, while 57 existing employers added 726 jobs. This does not take into account the companies that announced in 2008 but will take place in 2009. So, while there were certainly companies that declined in 2007, there were also a

substantial number that were growing. Prospect activity also remained strong in 2008, despite a worsening national economy.

This year remains a mystery for the base of our economy. Slowdown in the tech sector nationally began in November, so we will watch closely what effects that has for Longmont. But our fundamentals are still strong: a highly educated work force, a variety of affordable spaces, lower costs for electricity and other business costs, and a community prepared to work to meet company's needs at their timeframe. Longmont stands ready to meet the challenges and opportunities of 2009, just like the business community of Boulder County.

John Cody is president and CEO of the Longmont Area Economic Council. He can be reached at 303-651-0128.

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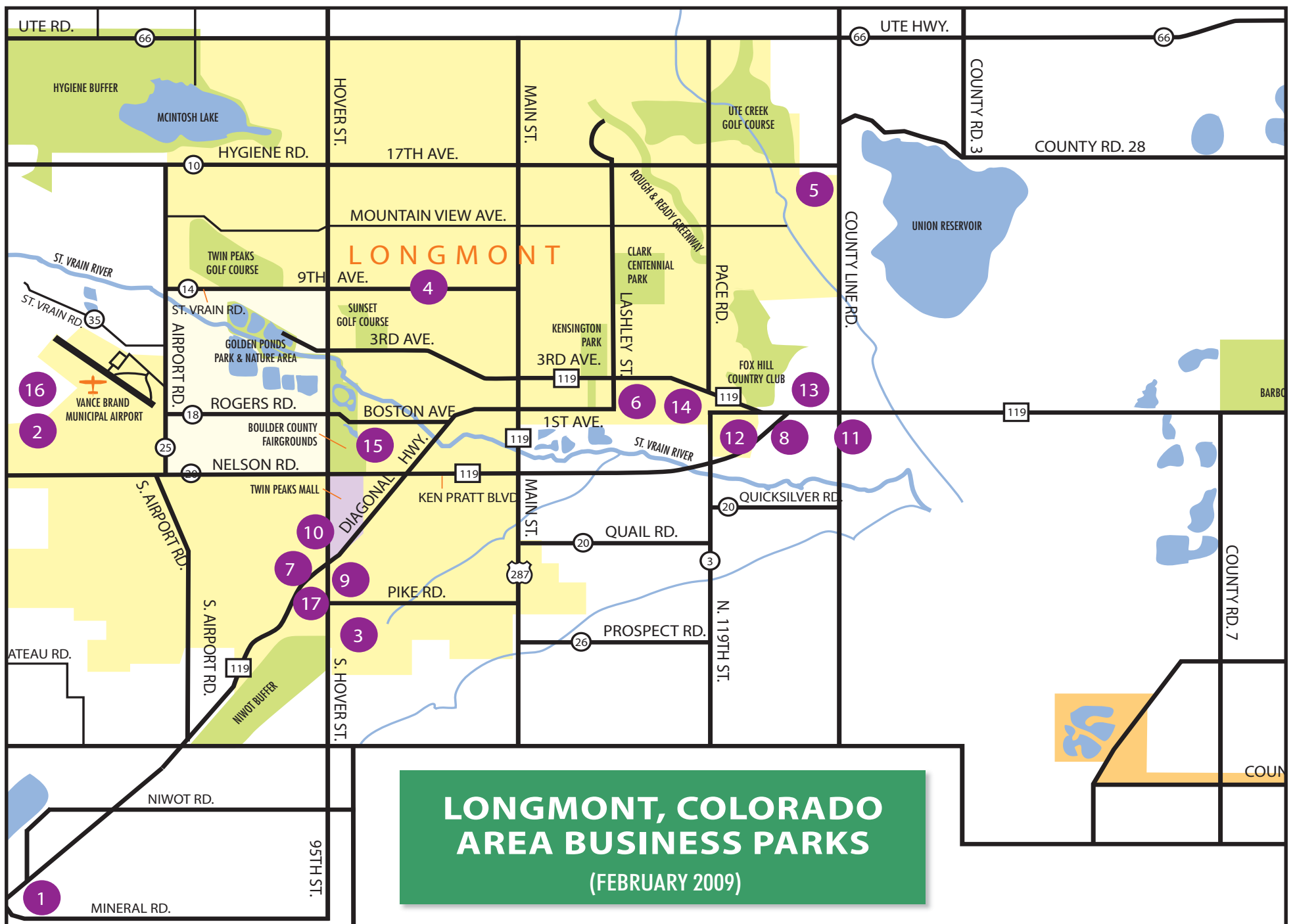
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1 BOULDER TECH CENTER/MONARCH PARK
(Diagonal Highway & Mineral Road)
MultiProp Inc. - Andrew Unkefer
303-530-5398
Acres: 770,000 square feet of occupied space
Major Tenants: Brooks Automation, Vapor Technologies, Sunrise Medical Colorado, Crocs, Veris, Thule Organization Solutions, Peak Data, Dynamic Design & Mfg., PTA Corporation

2 CLOVER BASIN BUSINESS PARK
(Nelson Road & N. 75th)
Western Property Advisors - Stan Whitaker
303-469-4200
Acres: 166
Major Tenants: Seagate

3 CREEKSIDE BUSINESS PARK
(Pike & Hover Roads)
MAGI Real Estate Services - Steven Holcomb
303-301-5408
Acres: 40
Major Tenants: Mentor Graphics, Emulex, Tetra Tech, PharMerica, Sangat Precision, Breakthrough Management, LSI Storage Peripherals, Analog Devices, Intel

4 LONGMONT INDUSTRIAL FACILITY
(120 - 9th Avenue)
Colorado & Santa Fe Real Estate - Brandi Spencer
303-466-2500
Acres: 12
Major Tenants: Circle Graphics, Longmont Sports Warehouse, A-Window Grate, Precision Works

5 EASTGATE BUSINESS PARK
(17th Avenue & County Line Road)
Ithaca Development LLC - Bill Sheerin
303-598-2455
Acres: 80
Major Tenants: N/A

6 LONGMONT AUTOMOTIVE PARK
(Highway 119 & Lashley Street)
Prudential Rocky Mountain Realtors - Ed Kanemoto
303-772-2222
Acres: 8
Major Tenants: Valley Ford, Traffic Signal Controls, Salud Clinic, Prestige Chrysler Dodge

7 BOULDER COUNTY BUSINESS CENTER
(Hover Road & Diagonal Highway)
Macy Development - Don Macy
303-321-8888
Acres: 150
Major Tenants: Intrado, Sun APT, DigitalGlobe, Honda

8 MILL VILLAGE BUSINESS PARK
(Highway 119)
Prudential Rocky Mountain Realtors - Ed/Keith Kanemoto
303-772-2222
Acres: 17
Major Tenants: DaVita Dialysis Center, Horizon Banks, Sunflower Spa, Precise Cables, Blueprint Robotics

9 CIRCLE CAPITAL LONGMONT
(Southwest Longmont)
Becky Callan - Dean Callan & Co./Scott Garel - Frederick Ross
303-440-6621/303-892-1111
Acres: 227
Major Tenants: Displaytech, Texas Instruments, nSpire Health, National Semiconductor, Matheson Tri-Gas, Array BioPharma, Front Range Community College, RidgeviewTel LLC

10 ST. VRAIN CENTER
(Hover Road)
Macy Development Company - Don Macy
303-321-8888
Acres: 170
Major Tenants: King Soopers, First National Bank of Colorado, Kohl's, Borders Bookstore, Chili's, Noodles & Company, Pro Golf, Elevations Credit Union

11 SANDSTONE FARM
(Highway 119 & WCR 1)
Bush Development - Troy Smith
303-780-9396
Acres: 131
Major Tenants: N/A

12 SUGAR MILL PARK
(10012 N. 119th)
Colorado Gold Properties - Noreen Canaday
720-480-1589
Acres: 29.7
Major Tenants: N/A

12 SUGAR MILL PARK
(10012 N. 119th)
Prudential Rocky Mountain Realtors - Keith Kanemoto
303-772-2222
Acres: 88
Major Tenants: N/A

13 THE BUSINESS PARK AT FOX HILL
(Highway 119 & WCR 1 - NW Corner)
Actis, LLC - Richard Groves
303-678-0426
Acres: 83
Major Tenants: N/A

14 WEAVER INDUSTRIAL PARK
(Highway 119)
Prudential Rocky Mountain Realtors - Ed/Ken Kanemoto
303-772-2222
Acres: 40
Major Tenants: Reliant Manufacturing, UPS, Syngenta, Air Liquide, Royal Crest Dairy

15 LONGMONT TECHNOLOGY PARK
(Sunset Street & Nelson Road)
CB Richard Ellis - Todd Witty
720-528-6339
Acres: 19
Major Tenants: American Converters, Circuits West., Bags, Inc., Longmont United Hospital Business Office

16 MOUNTAIN VIEW BUSINESS PARK
(10302 North 75th)
Grubb & Ellis - Mike Wafer and Bruce Mawhinney
303-572-7700
Acres: 147.9
Major Tenants: N/A

17 LONGMONT STATION
(1901 South Hover Street)
Progressive Realty Inc. - Dave Brewer
303-772-9190
Acres: 18.721
Major Tenants: N/A

Kozio Inc

1801 Sunset Place, Suite A,
Longmont, CO 80501
Phone: (303) 776-1356
Fax: (303) 776-1357
Web site address: www.kozio.com
E-mail: info@kozio.com
No. of employees: 10
Top local executive: Joe Skazinski
Primary Service: Software provider
Year founded: 2003

company clients. The remaining 20 percent is being devoted to laboratory space for research and development.

At the present time, Kozio is using 70 percent of the facility, with plans to expand as needed.

"We have room to grow with this move," Skazinsky said. "This location has really been excellent for us — it's provided the space for extra offices, as well as room for future expansion."

“It's been great for us, being here in Longmont. There are so many amenities and services for us, and there's the general affordable cost of this area. Plus, our entire employee base lives within 10 miles of our offices, so that's a real benefit.”

Joe Skazinski

CEO AND CO-FOUNDER,
KOZIO

Since 2004, Kozio has enjoyed a 552 percent growth. In 2008 alone, the company had a 30 percent revenue increase over the year before.

According to Skazinsky, Kozio's first three years were spent in product development. In 2006, the company began to build its client base — with rapid results.

Today, Kozio boasts a client list of customers from all over the world. Prominent names on its client list include General Electric Co., Motorola Inc., Cisco Systems Inc., Honeywell International Inc., Hewlett-Packard Co. and Polycom Inc.

Skazinsky said that Kozio has been looking to double its revenues every year. And with the new location and additional available space, this goal is becoming a reality.

"It's been great for us, being here in Longmont," he said. "There are so many amenities and services for us, and there's the general affordable cost of this area. Plus, our entire employee base lives within 10 miles of our offices, so that's a real benefit."

"We've had such great success with this move — and now, we're looking to grow in the sales and marketing side," he added.

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