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NEWS



Clean tech, small biz keys to future Former Loveland legislator now state eco-devo director Page 2

Windsor weathers Kodak changes

Restructuring leaves local employment at 400 on two products **Page3**

SPECIAL REPORT Automotive

Local car sales swept up in '09 economic tsunami, clunker clash **Page 19**

STEPPING OUT



Kids Café sends kids back with full bellies

Rock Bottom, others team up with Food Bank to fight hunger **Page 22**

LISTSRegion's largest:

Wellington and LaPorte employers Page 17

Fort Collins employers Page 18

Payroll service providers Page 23

Retail exodus from St. Michael's

Greeley project avoids foreclosure by handing deeds back to lenders

by Kristen Tatti ktatti@ncbr.com

GREELEY — Several commercial properties in a West Greeley mixed-use development have reverted to bank control, as

the economic conditions con-

tinue to take their toll.

Entities held by Calvin Enterprises and Greeley oilman David Calvin handed over the warranty deed to several properties in St. Michael's Town Square to the lender to avoid foreclosure. The development off of 67th Avenue near U.S. Highway 34 had, at one time, been nearly full, but a large number of tenants have closed up shop in the past year.

The 240-acre mixed-use development began in the early part of the decade with the residential portion of the property. By 2005, there were enough rooftops to start in on the commercial portion with buildings ranging in size from 4,000

square feet to 20,000 square feet.

"In early 2008, they started construction on the final buildings out there," said DJ Calvin, director of real estate for Calvin Enterprises and son of David Calvin. "It was maybe a little more than the market called for."

For the final building, Calvin explained, the company had a contract to sell 11,000 square feet. At the time, around 95 per-

See ST. MICHAEL'S. 24

URA board holds fate of North College

Project tied to revenue from property taxes

By Steve Porter

sporter@ncbr.com

FORT COLLINS — Old Town North developer Monica Sweere started her mixed-use New Urbanist project in north Fort Collins years before the city adopted a North College Urban Renewal Area Plan for the area.

On Sept. 15 — nearly five years after adoption of the plan under the city's Urban Renewal Authority in December 2004 — Sweere will make her first request to the URA Board. She's asking for \$930,000 in tax-increment financing to help her build a new 24-unit residential townhome expansion of Old Town North called SunTerrace.

It's a request she's reluctant to make, especially after being turned down in early August by a citizen's advisory group that

See NORTH COLLEGE, 29



Steve Porter, Northern Colorado Business Repor

LOOKING FOR HELP — Monica Sweere, developer of Old Town North just east of North College Avenue, said she's hoping to secure \$930,000 in tax-increment financing from the city council on Sept. 15 under the city's Urban Renewal Authority. Sweere said the money is needed to leverage new construction financing and keep property values from dropping in the 45-acre mixed-use project.





Game On. On September 17, it's game on for the region's largest business exposition at the new Embassy Suites in Loveland. Reserve your exhibitor booth now. Call De Dahlgren, 970-221-5400, ext. 202 for information.

Clean technology, small business keys to future

Former Loveland legislator now state eco-devo director

By Steve Porter

sporter@ncbr.com

DENVER – Don Marostica is always up for a challenge.

But his current challenge is one that might daunt even the most courageous. In late July, Marostica, a former Republican state representative from Loveland, accepted an appointment from Democratic Gov. Bill Ritter to serve as the state's economic development director during the toughest economic downturn since the Great Depression.

Marostica, 61, recently responded to an e-mail request to answer some questions about his appointment and share his plans for helping shape the state's economic future.

Q: Given the difficult economic times and uncertainty still ahead, was it a hard decision to accept that appointment to be the state's new economic development chief?

A: It wasn't a hard decision. I looked at this position as a challenge. I feel that I could better contribute my passions and skills to the state of Colorado in a more meaningful way. Every effort the

Colorado Office of Economic Development and International Trade spearheads creates jobs and gets people back to work. That's meaningful to me.

Q: Was it personally challenging to weigh what you might accomplish in your new role versus what you might have accomplished as a legislator?

A: Both positions were equally intriguing. Over a three-year period, I passed over 50 bills and resolutions that were signed by the governor. However, as I weighed the potential for Colorado's future — and putting people back to work — it became clear the direction I should pursue. I have three grandkids and I want their future to be filled with as many opportunities as the state of Colorado has afforded me.

Q: What are the key economic things that must happen to get Colorado back on a more sound financial footing?

A: As I take on my new role, the clean-tech sector is one of my top priorities. It needs to progress forward at a rapid pace. Under Gov. Ritter's leadership, this sector has created thousands of jobs and diversified the state's energy portfolio.

Colorado's travel and tourism industry is another growth area. It plays a great part in the overall health of our economy. Colorado welcomed a total of 50.6 million domestic visitors in 2008. These visitors spent \$10.9 billion while traveling in the state.

See MAROSTICA, 28



Courtesy Don Marostica





Kindest cuts of all come from local economy

Lately, the Eye can't blink without reading about more cuts. Staffing cuts, budget cuts, price cuts. It seems the only cut lacking is that in bad news.

But how can price cuts be bad?

How fun are the times when a restaurant rolls prices back to when they first opened, and a threecourse meal sets you back just \$5? Albert Pit Barbecue in Fort Collins lowered the cost of a meal for four so NewWestFest patrons could get a little change back from a \$20 bill. And a darn good cut of brisket, too.

To help jumpstart the local economy, cities large and small have been cutting fees on construction permits, counting on more revenue from the constructed developments.

Some cuts just don't make sense, though.

Three men accused of involvement in methamphetamine distribution were arrested in July. Two of the accused had bonds set at \$8,000 and \$10,000, while the third was set at \$15,000. **Larimer County District** Judge Dan Kaup later reduced the \$15,000 to \$10,000 to match the bonds of the other two defendants.

No, price cuts aren't bad especially if you're buy-



INSIDE

Agribusiness	
Briefcase12	
Calendar	
Classifieds	
Commentary26	
On The Job 14	
Real Estate15	
Technology8	

Windsor weathers Kodak changes

Restructuring leaves local employment at 400 on two products

By Kristen Tatti

ktatti@ncbr.com

WINDSOR — For years, Eastman Kodak Co. has been working to adjust to the digital world and that modification finally hit home in Northern Colorado.

The company is largely finished implementing a restructuring at the Kodak Colorado site in Windsor that saw two product lines shut down and 300 employees let go. The remaining local business lines are important now for their earning power but less so for the future vision of the company.

The Windsor changes were part of a restructuring announced in January dubbed the "2009 Program." The company committed to cutting 2,000 to 3,000 positions by the end of the year, with an expected savings of \$200 million to \$250 million

It wasn't until March that the precise impact in Windsor was announced. The plan called for the local plate production business to be transferred to Kodak's Columbus, Ga., facility and for converting and packaging motion picture film to move to Rochester, N.Y., where the company is headquartered.

Kodak came to Windsor in 1969 and at its peak during the 1980s employed 3,500. After the restructuring, Kodak Colorado

will employ 400 people producing color photographic paper for professional photo finishing and retail kiosk media.

Changes at Kodak, as a whole, have been plentiful during the past decade. In May 2003, then-Chairman and CEO Dan Carp said during his state-of-the-company address that "the company's challenge is to link strongly film's unparalleled capture technology to a digital imaging world that's evolving rapidly."

The next year, Kodak announced restructuring plans that led to a workforce reduction of about 27,000 positions. Windsor had been spared any major loss of jobs during that round, with about 50 workers let go and many of those through attrition. At the start of 2007, Kodak Colorado had about 1,600 workers.

See KODAK, 24

F O C U S

CSU vets complete mammoth neutering job

Control of African elephant population delicate procedure

By Steve Porter

sporter@ncbr.com

FORT COLLINS — Over the last six years, some wild animal preserves in southern Africa have felt less pressure from growing elephant populations, thanks to a unique program headed by a Colorado State University veterinary sur-

Dean Hendrickson, DVM, director of CSU's James L. Voss Veterinary Teaching Hospital, recently returned from his sixth trip to southern Africa, this year spending a week in South Africa and a week in neighboring Swaziland. Hendrickson was accompanied by Christine Hardy, DVM, director of operations for the VTH's Animal Cancer Center, who was making her first trip to Africa.

The purpose of Hendrickson's and Hardy's visit was to perform vasectomies on bull elephants in animal preserves and thereby reduce population pressures on

"The challenge with these guys is there's not enough space for the animals they have," Hendrickson said. "(Local officials) want to control the population without (killing) them. It's all a balancing act. The more elephants they have, the less of another species you can have."

Hendrickson said he was recruited for the elephant neutering by experts from Disney's Animal Kingdom and the San Diego Zoo's Wild Animal Park after he performed surgery on a white rhinoceros in Texas several years ago.

The first year of the program was a "dismal failure," he recalled, because the equipment didn't work on a bull elephant, which is unique in that its testicles are carried inside its body. The following year, Hendrickson arrived with a specially designed insufflator — a device that permits the abdomen to be opened up —



THE FIX IS IN - A bull elephant is hoisted with a crane in preparation for a vasectomy, part of a program to control the elephant population in southern Africa. Veterinarians Dean Hendrickson and Christine Hardy of the CSU Veterinary Teaching Hospital helped lead this year's expedition, which resulted in eight elephants getting

and four elephants were successfully snipped.

That success rate has climbed every

"We are getting more skilled and we believe we can do even more," Hendrickson said of the two-week sessions. "Last year we did two elephants in one day. This year we did three elephants in one day and we actually could have done four."

Bush surgery

With the assistance of local park rangers, bull elephants are shot with powerful tranquilizer darts from helicopters. Then a crane is brought in to place the anaesthetized animal, which can weigh up to 11,000 pounds, on a flatbed truck where the surgery is performed, right in the

Wearing special goggles, Hendrickson performs a laparoscopic vasectomy on the animal by making small incisions in its abdomen and then cutting away a portion of its vans deferens — the tubes that carry sperm from the testicles.

This year, the team was able to get its best surgery time down to about 45 minutes for each elephant.

For Hardy, who assisted with the anaesthetization of the animals, it was her first immersion into a program that may be unique in the world.

"I got to stretch my boundaries from a veterinary perspective," said Hardy. "The African bush is a whole different ball of

Hardy said she felt proud of the latest mission's success and for being part of what has become a well-oiled team under

See ELEPHANTS, 28



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Bixpo only venue for September networking

Regional After Hours to be place to mingle, meet and get game on

By Business Report staff

LOVELAND — When it comes to business networking, this September the only game in town will be at the *Northern Colorado Business Report*'s Bixpo Regional After Hours.

"We are looking forward to hosting members of the Fort Collins, Greeley, Loveland and Wellington chambers of

commerce at Bixpo this year, and are happy they all decided to join forces for the Regional After Hours," said Jeff Nuttall, publisher of the *NCBR*. "I'm sure they will make some important contacts by meeting business people from

throughout the Northern Colorado region."

The chambers have all made Sept. 17 the date for their monthly networking events, and the Embassy Suites at Interstate 25 and Crossroads Boulevard in Centerra in east Loveland the place. The Regional After Hours starts at 5:30 p.m., immediately following a full day of regional trade show activity at Bixpo in the John Q. Hammons Conference Center at the Embassy Suites.

Registration for the Regional After Hours is required and available on the NCBR website at www.ncbr.com. Click on Events on the lefthand side of the homepage, then click on the Bixpo logo to go to the registration page. Cost is \$25 per person and includes hearty hors d'oeuvres and refreshing beverages, as well as the chance to connect with the

hundreds of exhibitors and peers who will be in attendance.

There are still a few opportunities left for companies from Boulder to Cheyenne to become Bixpo exhibitors, but available booth space is nearly filled. For more information, contact *Northern Colorado Business Report* Marketing Director De Dahlgren at 970-221-5400, ext. 202, or e-mail ddahlgren@ncbr.com. Sponsorship opportunities are also available through Dahlgren.

Bixpo is about more than just visiting booths and trading business cards, however. The day starts at 7:30 a.m. with the Fittest Execs Power Breakfast. Dozens of business leaders and teams from compa-



nies around the region have been working on their health and wellness over the summer, and the most improved will be announced at this event, sponsored by Banner Health and LiveWell.

Then for lunch attendees can meet the 40 Under Forty, Northern Colorado's rising business stars. The keynote speaker will be Jep Enck, founder of Mountain Avenue, a Fort Collins Web venture dedicated to changing the world, one gift purchase at a time. The luncheon is sponsored by A-Train Marketing and EKS&H.

Tickets for both of these events — \$39 for Fittest Execs, \$40 for 40 Under Forty — can also be purchased online at www.ncbr.com.

Admission to the Bixpo business expo is free all day, from 9:30 a.m. to 5:30 p.m.

CORRECTIONS

The *Business Report* will correct any errors that appear in its pages. To suggest a correction or clarification, please contact editor Kate Hawthorne at 970-221-5400, ext. 224, or e-mail her at khawthorne@ncbr.com.

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CSU campus installing global solar components

Foothills power plant will feature Chinese panels, not Abound's

By Kristen Tatti

ktatti@ncbr.com

FORT COLLINS — Colorado State University's newly announced solar project will include some local technology, but not from Abound Solar.

The two-megawatt solar installation will be held by a Spanish-owned firm, using a London-based integrator that will install Chinese-made panels, not the locally grown Abound technology. It will use inverters from Fort Collins-based Advanced Energy Industries Inc.

The power plant will spring up on 15 acres of the Foothills Campus this fall as part of Xcel Energy's Solar Rewards program, and is expected to be one of the largest at a U.S. university. While the array is expected to be operational by year-end, getting everything lined up has been a years-long process.

"Frankly, we've been working on this for a very long time," said CSU Energy Engineer Carol Dollard.

Dollard said that CSU originally responded to a bid in conjunction with the University of Colorado in November 2007, but it was rejected. The project was revived in the spring of 2008 when the firm that CU had been working with,



Kristen Tatti, Northern Colorado Business Report

SOLAR ABOUNDS – Employees at the Abound Solar manufacturing facility in Weld County carefully maneuver a solar panel off the production line to a shipping crate. The Fort Collins-based company has committed its production capacity through the end of the year but will not be present in the new solar power plant at Colorado State University's Foothills Campus.

Renewable Ventures, responded to a CSU request for proposal and was selected from about six firms in part for its local experience.

Renewable Ventures was responsible

for the 7.5-acre project completed at Denver International Airport last year, and arranged the 30,000-square-foot roof-mount solar project on the Colorado Convention Center.

In March, the wholly owned subsidiary of Municipal Mortgage & Equity LLC was purchased by Spanish solar power producer Fotowatio.

See ABOUND, 20

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Avago's IPO one of few made since October

Tech firm's shares still trading above launch price of \$15

It might have been a year late but Avago Technologies' initial public offering was definitely not a dollar short.

The IPO was launched on Aug. 5 at \$15 per share, at the upper end of the range set in July. The offering sold 43.2 million shares — 7 million more than expected — raising \$648 million. In the following weeks, the



TECHNOLOGYKristen Tatti

stock (Nasdaq: AVGO) rose as high as \$17.95 and, as of Aug. 20, had not traded below \$15.50.

Avago originally made its IPO filings with the U.S. Securities and Exchange Commission on Aug. 21, 2008. At the time, Avago sought to raise about \$400 million, more than half to be used to pay down the company's debt.

The delay wasn't surprising, given that within a month of the original filing Lehman Brothers failed, sending the financial world and economy at large into a tailspin. The IPO market virtually halted in October, with no filings. According to Renaissance Capital LLC, November and December saw

three and two filings, respectively. The trend continued until June, when IPO filings jumped to seven followed by 12 in July and nine by the final weeks in August.

Avago's roots go back almost a half-century to 1961 as an affiliate of Hewlett-Packard Co. The division went through many changes as technology advanced and the industry matured. In 1999, HP spun off its test and measurement, components, chemical analysis and medical business segments to form Agilent Technologies.

Agilent went through major restructuring after the tech bust. In 2005, the company agreed to sell its Semiconductor Products Group to private equity powerhouses Kohlberg Kravis Roberts & Co. and Silver Lake Partners for \$2.66 billion. Avago was born and its headquarters moved to Singapore, with 700 to 800 employees remaining at the Fort Collins HP campus.

Since then, Avago has sold several of its business segments — image sensors for \$53 million; storage semiconductor for \$425 million; printer ASIC for \$240 million, and infra-red operations for \$19 million. It has also implemented a number of restructuring activities, the most recent of which reduced 200 employees worldwide. As of May 3, the company employed about 3,400 — around 1,100 in the United States, in Fort Collins and San Jose, Calif. Company officials were not able to comment on anything for this story due to an SEC-imposed quiet period following the IPO.

Local company numbers

Avago joins other publicly traded tech companies as a major employer in Northern Colorado. Finding out how major that local employment number is increasingly difficult, but the companies are compelled to provide quarterly updates on all other goings-on.

Agilent Technologies — For its third fiscal quarter ending on July 31, Agilent saw a net loss of \$19 million including charges of \$81 million for restructuring and asset impairment. Year-over-year, revenues were down 27 percent to \$1.06 billion. The revenue decline was led by the Electronic Measurement Group, which was down 36 percent compared to last year. Earlier this year, the company announced several restructuring plans to reduce global headcount by 3,800 people, mostly in the EMG. The Loveland facility has historically been focused on EMG.

At the time of the announcement, the impact on Agilent's 500 Northern Colorado employees was unknown, and still is, to an extent. A national Agilent spokeswoman — longtime local community relations contact Jean Mooney has left the company — was searching for Loveland employment information when this story went to press.

HP — The company reported net income \$1.6 billion on revenue of \$27.4 billion. For the same quarter last year, HP saw \$2 billion in income on \$28 billion in revenue. HP's results were largely driven by its acquisition of EDS. Services revenue increased 93 percent to \$8.5 billion; however, all of the other product groups saw a decrease:

■ Enterprise Storage and Servers reported total revenue of \$3.7 billion, down 23 percent;

■ HP Software revenue declined 22 percent to \$847 million;

■ Personal Systems Group, which includes personal computer sales, was down 18 percent to \$8.4 billion;

■ Imaging and Printing Group revenue was down 20 percent to \$5.7 billion:

■ HP Financial Services' revenue of \$670 million was down only 1 percent from last year.

Intel Corp. — Intel's quarterly revenue was down 15 percent to \$8.02 billion compared to \$9.47 billion last year. The company reported a \$398 million loss versus its \$1.6 billion net income in the same quarter for 2008.

Advanced Micro Devices Inc. — AMD actually narrowed its losses this quarter to \$335 million from \$1.2 billion last year. The difference was due, in part, to a goodwill impairment charge taken during the second quarter of 2008 that increased the reported loss. Revenue for the second quarter declined 13 percent year-over-year to \$1.18 billion.

LSI Corp. — Revenues were down 24.8 percent for the quarter to \$520.7 million. The company's net loss increased more than fourfold, from \$13.6 million in 2008 to \$61.5 million this year.

Kristen Tatti covers technology for the Northern Colorado Business Report. She can be reached at 970-221-5400, ext. 219 or ktatti@ncbr.com.

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Aggressive boat inspection keeps lakes mussel-free

Stepped-up program holds off invasions by zebras, quaggas

As of Aug. 24, Boyd Lake was still clean. Same for Carter Lake and Horsetooth Reservoir.

Aggressive vessel inspection programs this summer at Northern Colorado's three biggest and most popular boating destinations have so far prevented the spread of some very nasty little aquatic pests.



AGRIBUSINESSSteve Porter

Zebra and quagga mussels have been spreading in bodies of water across the nation over the last 20 years, beginning when a Russian cargo ship from the Caspian Sea dumped its ballast tanks in the Great Lakes. The ballast contained the clamshaped mussels that spawn exponentially and hitch rides on pleasure boats from one body of water to the next.

The invasive mussels out-eat and out-reproduce all competition, killing off native fish populations. Their vast numbers create problems for boaters as they clog and damage motors and cause expensive maintenance issues at dams and water treatment plants.

The first Colorado infestation was found at Pueblo Reservoir — a year-round boating destination — in January 2008. Colorado wildlife agencies scrambled to put together a statewide boat inspection program that resulted in the identification of seven bodies of water containing zebra and quagga mussel larvae by the end of the 2008 boating season.

Boyd Lake, a state park near Loveland, was inspected last year but no evidence of infestation was found. The Colorado Division of Wildlife is responsible for inspections in this year's program, which now also includes Horsetooth Reservoir and Carter Lake.

Gene Seagle, invasive species coordinator for Colorado State Parks, said Boyd Lake remains clean. That may have something to do with the steppedup inspection of boats before and after they spend the day in the water.

"Last year in state parks we did about 114,000 inspections," Seagle said. "This year we're looking at more than 200,000."

Dan Rieves, visitor services manager for the Larimer County Department of Natural Resources, said inspections at Horsetooth and Carter have so far turned up clean.

"We have actually had a dozen or so high-risk inspections and a handful of boats qualified for decontamination," he said. "One boat had an adult zebra "In good conditions you can have exponential growth and lake bottoms being covered with these things."

Gene Seagle, invasive species coordinator Colorado State Parks

mussel attached to it but it was dried out. But so far Carter Lake and Horsetooth have both tested negative for presence of mussels."

Seagle said containing the spread of the mussels won't be easy. "They're an invasive species that sticks to boats and that's a big problem," he said. "But the real problem comes when they reproduce. Under good conditions it's phenomenal, with a female producing a million eggs for each spawn. You have billions of young and in good conditions you can have exponential growth and lake bottoms being covered with these things."

But it's not just the biological impact

that has wildlife and water officials worried. The mussels attach themselves to everything and can clog water pipes and water treatment plants, impeding water delivery to homes and agricultural users.

And it's not just the adult mussels that are worrisome. Young larval mussels — called velligers — can get into boat engine cooling systems, live bait wells and other vessel spaces and survive until the boat reenters the water. That's why inspectors are reminding boaters to thoroughly clean, drain and dry their vessels between every use.

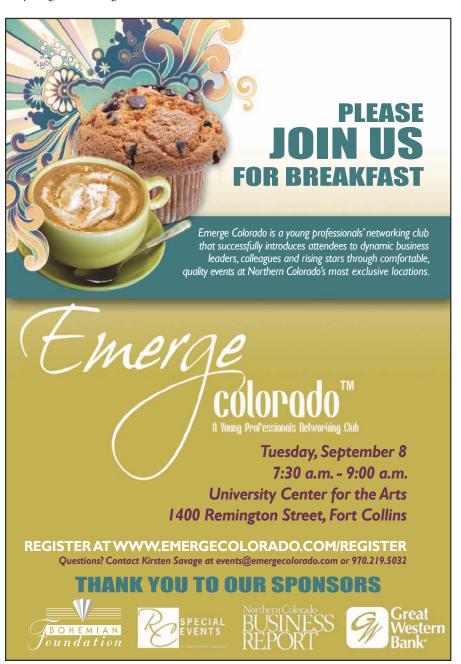
Boat inspections in Northern Colorado will continue through the end of the season, which usually comes around the beginning of October.

So while things are still looking good in Northern Colorado waters, all four of Northern Colorado Water Conservancy District's Colorado-Big Thompson reservoirs on the Western Slope — Lake Granby, Grand Lake, Shadow Mountain Reservoir and Willow Creek Reservoir — have tested positive for velliger mussels.

Yes, the same reservoirs that send water to Horsetooth and Carter through the C-BT system.

Talk about trying to keep your finger in the dam.

Steve Porter covers agribusiness for the Northern Colorado Business Report. He can be reached at 970-221-5400, ext. 225 or at sporter@ncbr.com.



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THE EDGE



TIME OUT

Snapshots of life outside the office

Page 11

COLUMNS



The Authentic Entrepreneur Great companies neither public nor secret societies Page 10

ETC.

On The Job

People in the news, on the move **Page 14**

Calendar

Events, seminars and dates to look forward to Page 13

Briefcase

Regional business developments Page 12

Budgets easier to create than ever

Calculators, help for startups, small firms exist online

By Kate Hawthorne

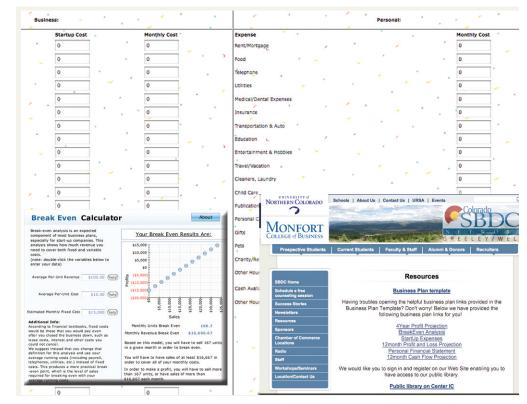
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The simplest things are sometimes the hardest to get started on, especially when it comes to business planning. Budgets, for instance

Determining where the money comes from and where it goes is a fundamental part of every business plan, not to mention daily operations. In days past, constructing a budget could be a daunting task for would-be business owners easily intimidated by having to redo the whole thing to account for a single change.

But that was before Quicken, Microsoft Money and similar programs designed to allow users to try out different amounts to the two sides of the balance sheet to find the optimal allocations. Now you don't even have to own a calculator to explore your options for getting and spending.

See BUDGETS, 29



Business Report Research

BUDGET HELP ONLINE – No matter how you want to crunch your numbers, there's a calculator online that can help you understand ways to balance your income and your outgo.

LISTS Region's largest:

Wellington and LaPorte employers Page 17

Fort Collins employers Page 18

Payroll service providers Page 23

Driving the vehicle for business success



ON MARKETINGDoug Hay

How to budget company from Point A to Point B

Most of the companies I meet with already know that an effective marketing strategy is key to reaching their revenue goals. Either they are brand-new to the industry, they have "hit the wall" (the way they used to get new business isn't working anymore), or they recognize the opportunity to slingshot their business forward by proactively marketing in a down economy.

But despite understanding the importance of marketing and its correlation to revenue, meeting with a marketing firm for the first time can still feel like you're stepping

onto that stereotypical 1970s used car lot. You're nervous. But lots of people buy cars — great cars — all the time.

If you don't know much about cars, however, it's going to be hard to tell what you're looking at. You're not really sure you know the difference between the "nuts and bolts" and the "bells and whistles." You wish you knew whether it was running well or just running. And then you've got this sales guy, some guy named Doug, asking you how much you can spend.

What is your budget?

If you don't know, you're definitely not alone. In marketing, just like in the automotive world, there is a solution to meet your needs. But without a clear idea of your

See MARKETING, 21

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What culture type will your business project?

Great companies neither public nor secret societies

If you ask random entrepreneurs what kind of culture they have in their businesses, many will be unsure or they may not be realistic in assessing how they treat potential hires, employees, clients and the community.

I believe there are five main cultures in the business world. If we imagine a

continuum ranging from most inaccessible to most accessible, with the middle ground being a perfect combination of the two, the range includes:

- The Secret Society;
- The Members-Only Club;
- The All-Inclusive Resort;
- The Timeshare;
- The Campground.

Secret Society

In a Secret Society, a company's public profile may fly under the radar. The community doesn't know it exists or, if they do, there is limited knowledge of

the people who work there or what the company does. This type of company culture fosters secrecy, protection of privacy, and evasiveness when it meets the outside world. Workers within the organization may feel extremely privileged to work there, however, their inability to interact with the community at large prohibits the company from attracting a wide range of employees and customers when needs arise for expansion.

Additionally, if and when employees do intersect with outside entities, their unwillingness to share information

about their workplace may harm the reputation of the employer and create distrust in the community. Workers who are downsized from a secret society culture often deal with an inability to effectively market themselves to other companies as they lack knowledge or



THE AUTHENTIC ENTREPRENEUR

Dawn Duncan

understanding of other types of cultures and possibly are unsure of how to be loyal to another company.

Members-Only

The Members-Only Club is more open to the public than a Secret Society; the company is usually very well known, recognized and respected. The mass appeal of the company makes it imperative for people on the outside to do "whatever it takes" to work there.

Unique culture, product, rewards, perks and promotion opportunities, as well as a "hip factor," infuse a strong and ongoing level of desire in the community that pushes people to pursue employment with the "cool kids." Getting in is everything and most companies that have this type of culture are overwhelmed with resumes and potential hires. However, only a select few will be brought in at a time and once they are in, it is unlikely they will move on anytime soon.

Although in some ways this is a great problem to have, it can actually create a gatekeeper mentality within the employees that doesn't allow for clear judgment around skills and attributes, but rather who will fit in, despite their level of performance ability.

Additionally, diversity may get overlooked; employees and hiring managers create an exclusive club that inevitably reflects their own backgrounds rather than a tapestry of talented individuals.

All-Inclusive Resort

An All-Inclusive Resort culture is the middle of the continuum. There is a balance between the "hip factor" of the company and the practical application of knowledge, skills and abilities in order to achieve the mission of the organization. The employees of this type of company do work very hard to get in; once hired, they are tasked with constantly identifying others who will benefit the company, its clients and culture.

They are taught to replicate the values and style of the company's leaders and live the mission of the company while interacting in a setting where continual attention is paid to needs, resources, training and support as part of the daily operation. The idea of "once you're here, we'll take care of you" is built into the environment; it is also the responsibility of the employees to strengthen the culture and operate in an open, communicative and positive manner that results in retention and buy-in among team members.



in the Northern Colorado business community have been nominated for the 40 Under Forty Class of 2009.

On September 17, the Embassy Suites in Loveland is home turf for Northern Colorado business at Bixpo 2009. And the place to be during halftime is the 40 Under Forty Lunch, honoring 40 professionals under forty years old. Whatever your game,

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The experts at Banner Health are partnering with the Northern Colorado Business Report and Live Well to present the 2009 Fittest Exec OneFit and TeamFit Challenges. Executive-level leaders and their teams have their health and fitness assessed, and four winners, selected based on improvement, are announced at the Bixpo "Power Breakfast." Whatever your game,

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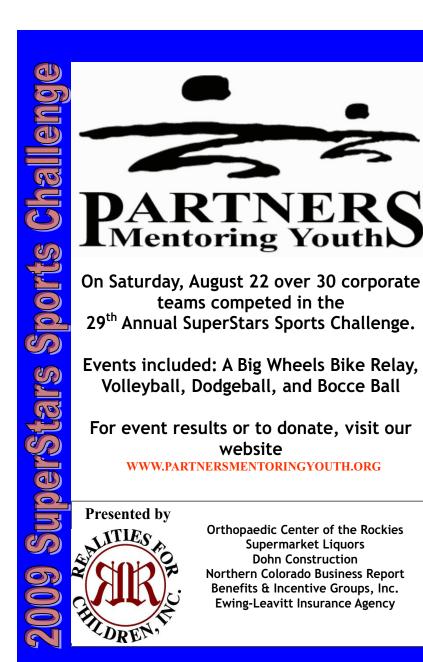
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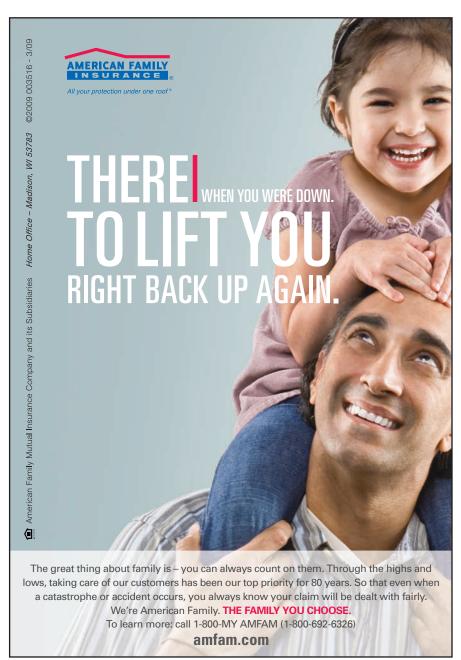
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KUDOS

The American Academy for Park and Recreation Administration, in partnership with the National Recreation and Park Association, selected the City of Fort Collins Parks and Recreation Department as a finalist for the 2009 National Gold Medal Awards for Excellence in Park and Recreation Management. The judging for Grand Award honors is currently underway, and all winners will be announced live in Salt Lake City, Oct. 13 through 16.

Fort Collins-based **Clean Air Lawn Care** has been nominated to be Entrepreneur Magazine's Emerging Entrepreneur of 2009. Clean Air Lawn Care is a lawn maintenance business that uses clean electric, biodiesel-powered equipment and organic fertilizer. Visit www.entrepreneur.com/e2009/vote/emerging.php to vote.

NEW PRODUCTS AND SERVICES

Volk & Bell Benefits LLC, an employee benefit agency based serving Northern Colorado, has become a member of **United Benefit Advisors**. As a UBA member, Volk & Bell Benefits will provide benefits consulting and brokerage services in addition to its insurance services.

NEW LOCATION

Industrial Diesel Service and Sales LLC has opened at 2515 E. Mulberry. The maintenance and repair shop services industrial, agricultural and commercial equipment.

Mack Web Solutions has moved to 204 Walnut St. in Old Town Fort Collins to be closer to clients and vendor partners. Mack Web Solutions specializes in custom web site design and development, e-mail marketing and search engine optimization.

Nonprofit notes

Character Fort Collins presented the inaugural Character In Action Recognition to the United Way of Larimer County Volunteer Center staff and Director Adam Molzer for the character qualities of responsibility, diligence, dependability and initiative. The recognition is presented on a monthly basis to individuals or groups who have demonstrated outstanding character that have impacted the community.

Readers of **Edible Front Range**, a quarterly magazine that celebrates the abundance of local, seasonal food, have awarded the **Rocky Mountain Sustainable Living Association** the Local Hero Award for best nonprofit organization. This year's Rocky Mountain Sustainable Living Fair will be held Sept. 19 and 20 at Timberline Road and Vine Drive in Fort Collins.

Fort Collins-based **Cheba Hut** has opened its first Denver outlet – 11th in the chain of sandwich shops – at 1531 Champa St., near the **16th Street Mall**. The Denver outlet will sell local and regional microbrew beers, with wine and mixed drinks expected this fall, in addition to its regular menu of subs and sandwiches.

DEALS

Colorado Customware Inc. in Fort Collins has started work on a contract with Multnomah County, Ore., to provide a fully integrated assessment, tax collection, and workflow system. CCI's solution set encompasses computer assisted mass appraisal software, interactive GIS, field data collection, building permit integration, tax collections, cross-department-integrated workflow, distributions software, PMI-endorsed project management, and IAAO-certified training.

ANNIVERSARIES

Fort Collins auto dealer **Markley Motors** celebrated its 73rd year in business in August. In honor of the milestone, the family-owned dealership took time gearing up for new models and fuel efficient vehicles coming from **GM**, **Honda**, and **Saturn** for the 2010 model year.

MISCELLANEOUS

Loveland-based Ryan Schlaefer Fine Furniture Inc., specializing in hardwood, free-standing furniture, will soon be available through Ellouise Abbott showrooms in Houston and Dallas. In Colorado, Ryan Schlaefer Fine Furniture is available through Carter Didlake Inc. in the Denver Design District.

National chef clothing company **Chefwear**, based out of Chicago, chose to shoot six months of catalogs in Denver/Boulder area restaurants and selected Erik Stenbakken of Greeley-based **Stenbakken Photography** as their photographer. Stenbakken specializes in commercial, editorial, higher education and healthcare photography.

Verizon Wireless has expanded its 3G wireless coverage in the area of Taft Hill Road and Elizabeth Street in Fort Collins. The expanded network coverage and capacity handles calls, e-mails, text and picture messages, plus expanded wireless access to the Internet.

If you have an item to share about name changes, new products or business news of note, e-mail it to Noah Guillaume at nguillaume@ncbr.com, or mail it to Briefcase at NCBR, 141 S. College Ave., Fort Collins, CO 80524.

CALENDAR

- Aug. 28 NoCO Active 20-30 Suitcase Party, from 6 p.m. to 11 p.m., Water Valley / Budweiser Hangar, Fort Collins/Loveland Airport, 5833 Langley Ave., Loveland. Cost: \$150/person of which \$125 is tax deductible. Contact: NoCO Active 20-30 at 970-581-8294.
- Aug. 29 Habitat's Shred-it Fort Collins, from 9 a.m. to noon, Foothills Mall - Ross Parking Lot, in Fort Collins. Contact: Cathie Waugh at 970-488-2600 or cwaugh@fortcollinshabitat.org.
- Aug. 29 A Sunset Safari, from 6:30 p.m. to 9 p.m., Chapungu Sculpture Park at Centerra, Centerra in Loveland. Cost: \$50. Registration Deadline: Aug. 15. Contact: Kim Mueller at 970-663-3500.
- Aug. 29 Inner Balance Chiropractic Open House, from 11 a.m. to 2 p.m., Inner Balance Chiropractic, 117 E. Drake Road, Suite 3 in Fort Collins. Cost: Free. Contact: Dr. Tate Gentile at 970-226-5545 or innerbalancechiro@gmail.com.
- Aug. 30 4 Adults Only Get-Away, Sylvan Dale Guest Ranch, 2939 N. County Road 31D in Loveland. Cost: Call for details. Contact: Tami Inskeep at 970-667-3915 tamii@sylvandale.com.
- **Aug. 31** NoCoNet presents Cover Letters, from 8 to 10:30 a.m., Faith Evangelical Free Church, 3920 S. Shields in Fort Collins. Contact: NoCoNet at noconetinfo@yahoogroups.com.
- Aug. 31 Fort Collins Chamber 22nd Annual Golf Classic, starting at 1 p.m., Fort Collins Country Club, 1920 Country Club Road in Fort Collins. Cost: \$150, fee increases after Aug. 7. Contact: Haley Pfeiffer at 970-482-3751, ext. 103 or hpfeiffer@fcchamber.org.
- Sept. 1 Front Range PC Users Group, from 7 to 9 p.m., Fort Collins Senior Center, 1200 Raintree Drive in Fort Collins.
- Sept. 1 Colorado Bioscience Business Roundtable, from 1 to 5:15 p.m., Denver Athletic Club, 1325 Glenarm Place in Denver. Cost: Free of Charge. Contact: BBR at 303-459-7286 or bbr@colorado bbr.org.

- Sept. 2 A Physician's Perspective and Proposal for Health Care Reform, from 7 to 8:45 p.m., Council Tree Library, 2733 Council Tree Ave. in Fort Collins . Contact: Council Tree Library at 970-221-6740 or carolynltaylor@msn.com.
- **Sept. 2** Business Planning for Success, from 8:30 a.m. to noon, Key Bank Tower, 125 S. Howes St., Suite 150 in Fort Collins. Cost: \$40, \$45 at the
- **Sept. 3** Greeley Young Professionals, from 5:30 to 7 p.m., Centennial Hall at UNC Central Campus, 19th Street and Ninth Avenue in Greeley. Cost: \$10. Contact: Pablo Perez at 970-352-3567 or pablo@greeleychamber.com.
- **Sept. 4 7** A Taste of Colorado, starting at 10:30 a.m., Civic Center Park, Colfax Avenue and Broadway in Denver. Cost: Free.
- Sept. 8 Worksite Wellness: How Important Is It?, from 11:15 a.m. to 1 p.m., Best Western, 5542 E. U.S. Highway 34 in Loveland. Contact: http://www.nchra.com.
- **Sept. 9** Greeley Chamber of Commerce Business Before Hours, from 7 to 8:30 a.m., Greeley Guest House, 5400 Ninth St. in Greeley. Contact: LeeAnn Sterling at 970-352-3566 or leeann@greeleychamber.com.
- Sept. 9 20 Certified Lean Master through ISCEA, from 8 a.m. to 5 p.m., Westminster Front Range Community College - Room L211 - Westminster, 3645 W. 112th Ave. in Westminster. Cost: \$3,450. Registration Deadline: Sept. 2. Contact: Mitchell Rodehaver at 303-993-5431 or VSM.CLM@apicsnoco.org.
- **Sept. 9** The Community Foundation Profiles Luncheon, from 11:30 a.m. to 1 p.m., University of Northern Colorado, University Center Ballroom, 2045 10th Ave. in Greeley. Cost: \$30/individuals, \$350/table of 8. Registration Deadline: Please RSVP by Sept. 1. Contact: Lauren Weber at 970-304-9970 or lauren@cfsgwc.org.
- Sept. 10 Right Start I Business Registration &

- Entity, from 7 to 9 a.m., Key Bank Tower, 125 S. Howes St., Suite 150 in Fort Collins. Cost: \$25, \$30 at the door.
- **Sept. 10** Right Start Docs, from 9:30 to 11:30 a.m., Key Bank Tower, 125 S. Howes St., Suite 150 in Fort Collins. Cost: \$25, \$30 at the door.
- **Sept. 10 13** Longs Peak Scottish Irish Highland Festival, from 9 a.m. to 5 p.m., Stanley Park, U.S. Highway 36 & Community Drive in Estes Park. Cost: \$20 advanced tickets, \$25 at the gate. Contact: Suzy Blackhurst at 800-44-ESTES970-577-9900 or sblackhurst@estes.org.
- **Sept. 10** Why Does Health Care Cost So Much? What Solutions Reflect American Values?, from 7 to 8:45 p.m., Council Tree Library, 2733 Council Tree Ave. in Fort Collins. Contact: Poudre River Library District at 970-221-6740 or carolynltaylor@msn.com.
- **Sept. 10** Alternative Health Care: Your Questions Answered., from 5 to 7 p.m., Jackson Fisk Body & Soul, 3944 JFK Parkway in Fort Collins. Cost: Free. Registration Deadline: Sept. 10. Contact: Dr. Amy Jackson, DC at 970-377-2399 or amy@jacksonfiskonline.com.
- Sept. 11 McKee Masters Golf Tournament, starting at 8 a.m., Mariana Butte Golf Course, in Loveland. Cost: \$125/person, \$500/team. Contact: McKee at 970-593-6038.
- Sept. 12 Mother of Invention Conference, starting at 7 a.m., Tivoli Center, University of Colorado, See website Map in Denver. Cost: \$59/online, \$75/door. Contact: Rita at 303-910-8889 or rita@inventorsroundtable.com.
- Sept. 12 Shred-a-Thon, from 9 a.m. to noon, King Soopers, 4503 JFK Parkway in Fort Collins. Contact: Claudia at 970-219-0787.



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ON THE JOB

NONPROFIT

Nick Christensen, president of Chrisland Commercial Real Estate Inc. in Loveland, and **Doug Johnson**, director of implementation for UniverCity Connections in Fort Collins, have been named the new campaign co-chairs for United Way of Larimer County. Campaign Co-chairs serve as advocates who understand United Way's mission and support its efforts by educating professionals about the organization.

The Community Foundation of Northern Colorado named its new board officers: Constance Dohn, secretary and treasurer, and Bruce Hach, vice chair. New trustees are Spiro Palmer and Krishna Murthy, M.D. Wynne Odell continues as board chair, and other trustees are Lu Ball, Randy Davis, Phil Farley, Chris Osborn, Tom Patterson, Eric Peterson, Troy Peterson, John Roberts, Mark Soukup and Jean Sutherland.

ACADEMICS

The Institute of Business and Medical Careers promoted **Angela Massengill** to lead allied health instructor. Massengill's responsibilities involve setting and supporting standards concerning policies, procedures, and curriculum for faculty members. She will be involved in faculty orientations in addition to leading workshops, as the point of contact for all Allied Health instruc-

Marty Bachman, Ph.D., chair of the nursing program at Front Range Community College-Larimer Campus, has earned the designation Certified Nurse Educator from the National League for Nursing.



BACHMAN

Colorado State University has named **Bruce Smith** as director of the Black/African American

Cultural Center. The Black/African American Cultural Center promotes a diverse, inclusive campus environment and serves as a resource to the campus community as well as surrounding communities.

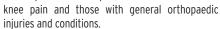
ACCOUNTING

HTIMS

Sample & Bailey CPAs hired **Desiree Calvelage**, CPA/CFM, as senior auditor. Calvelage was formally controller/audit manager with Atrix Laboratories Inc in Fort Collins. Most recently, she worked as a consultant for the Poudre School District Foundation and for National Associations of Interpretation.

HEALTH CARE

C. Dana Clark, M.D., has joined the Orthopaedic Center of the Rockies as a specialist in hip and knee total joint surgery. In addition to joint replacement surgery, Clark will also take care of patients with hip and knee pain and those with



CLARK

Martin Johns recently accepted the position of General Manager of the New Pulse Fitness Center in Fort Collins. Johns formerly served as the sales & marketing director at the Miramont Lifestyle Fitness Club, where he worked for the past 10 years.

REAL ESTATE

Betty Hinze, GRI, has joined Sears Real Estate

in Greeley. Hinze has been a full-time real estate agent specializing in residential real estate since 1996.

Ryan Jones has joined Prudential Rocky Mountain Realtors as broker associate. Jones specializes in residential real estate sales within the Northern Colorado



HINZE

Market. He was a member of GARA and brings with him more than 14 years' real estate experience.

Cindy Roper of United Country Foothills Premier Properties in Berthoud has completed the Graduate Realtor Institute Program earning the designation GRI. This program requires completion of 90 hours of specific courses offered through the Colorado Association of Realtors.



ROPER

Bob Skillman has joined The Group Inc. Real

Estate as a broker associate/partner at the Loveland office. Prior to beginning a career in real estate sales, Skillman was with Loveland Fire Rescue serving as fire marshal and supervisor of Fire Prevention Bureau. Mari Wildt, broker associate/partner with The Group's Loveland office, has complet-



WILDT

ed required coursework to earn the GRI designation.

MARKETING/MEDIA

Monte Mitchell has joined graphic design and marketing agency Toolbox Creative in Fort Collins as the firm's new junior designer and all-around whiz kid. Mitchell specializes in print design, Web design and illustration, and is responsible for developing design concepts and executing solutions.



MITCHELL

cepts and executing

CONSTRUCTION

Rob Bollinger, vice president of marketing and business development for Mishler Construction in Frederick, has been promoted to CEO. Jason Fast has been promoted to the corporate board of directors and will work in the capacity of Bollinger's former position and continue as president of Mishler Development Brokers. Mark Polk has been promoted to the corporate board of directors for Mishler and will continue as corporate controller.

TECHNOLOGY

Ken Burgess and **Tanya Alsip** have started a new company in Fort Collins revolving around digital 3D photographic technologies, Cyclopital3D. The Cyclopital3D Digital Stereoscopic Hand Viewer holds up to 20,000 photos. Visit www.cyclopital3d.com for more information.

MISCELLANEOUS

The American Legion awarded **Thomas Stiller**, veterans employment specialist at the Colorado Department of Labor, the Disabled Veteran Outreach Program of the Year award.

If you have an item to share about a promotion, job change or career news of note, e-mail it to Noah Guillaume at nguillaume@ncbr.com, or mail it to On The Job at NCBR, 141 S. College Ave., Fort Collins, CO 80524

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Only sluggish money too much money in system

Deflation bigger real estate threat than dreaded inflation

"A thing long expected takes the form of the unexpected when at last it comes." – Mark Twain

Hardly a day goes by when I don't pick up a paper or watch the news and hear another journalist or economic prognosticator ratcheting on about the looming threat of inflation. I half expect to see people lined up outside

the local Home Depot, clamoring for their wheelbarrows to carry their unwanted cash to the bank, much like the days of the Weimar Republic in Germany in the 1920s.

But as we are reminded by Mark Twain, the expected does not always occur. So let me offer a possible alternative in the form of inflation's ugly cousin — deflation — and how that might affect commercial real estate in the not-so-distant future.

As those who followed the late economist Milton Friedman will attest, inflation is and always will be a monetary phenomenon: Too much money chasing too few goods, causing a general rise in the level of prices of goods and services.

The key word here is chasing. In real estate this means higher cost for material and labor which translates into higher building costs and ultimately higher rents. To combat inflation, central banks fight back with higher interest rates equating to higher borrowing cost to builders and owners.

The most frequent cause of inflation is the soaring deficit our government is running and the resulting massive expansion of the money supply. Under normal times this certainly would sound the inflation alarm, but in a period of de-leveraging like the one we are

in today, the velocity of money is much more important than the amount of money. Too much money is just too much money when it is not moving through the system.



REAL ESTATE Mike Ever

Consider the Japanese economy, where the mounting debt is equal to 170 percent of GDP, the

largest among developed nations and almost twice that of the United States. They have been battling deflation for decades with interest rates near zero. Their stimulus efforts went to prop up "zombie banks" and did not allow the market to establish a clearing price for the collateralized assets. The net effect has been a prolonged period of reduced demand and lower prices for most assets — including real estate.

Back in the States, where our stimulus is not getting outside the banks to allow for new loans that fuel demand, it is unlikely that the velocity of domestic funds will increase anytime soon.

Changed spending habits fuel deflation

Consider the current U.S. economy where consumer spending accounts for nearly two-thirds of our economic output. With real wages in decline, excess capacity in the labor market, a contraction of available credit to consumers and a potential secular shift in spending habits among consumers — the savings rate for U.S. households has risen from nothing to more than 5 percent of income in a short period of time — it is doubtful that we will be able to rely on the Jones' consumption patterns to stoke the economic engine sufficiently to produce inflation. When a cyclical recovery does occur, it is likely to be sluggish for quite some time.

So that's why deflation, rather than inflation, might be the peril we need to be watching for. How will that affect commercial real estate in the near

We have already seen a general decline in rents across all commercial property types by as much as 50 percent in some sectors. The cost of building continues to decline, although at a much more subdued rate, but without available credit, it is improbable that there will be enough demand to spur new development. Although the economy is stabilizing, there is unlikely to be a sustainable force of consumption to maintain historical growth rates.

With adversity comes opportunity. Investors who have over-leveraged will discover that risk does not pay during deflationary periods and cash becomes king. Opportunities will continue to arise as the calamity unravels and a new generation of capital flows into the market. This, of course, will take years to play out and good sound counsel will again be at a premium.

Mike Eyer is an advisor with Sperry Van Ness/The Group Commercial Inc. in Fort Collins. You can read his blog at http://mikeeyer.blogspot.com/.





It's only fitting that Bixpo caps the region's largest business expo with the only regional Business After Hours in Northern Colorado. Business leaders from around the region converge over beverages and hors d'oeuvres to mingle, network and socialize while perusing the exhibitor booths in the Bixpo exposition hall. Whatever your game,

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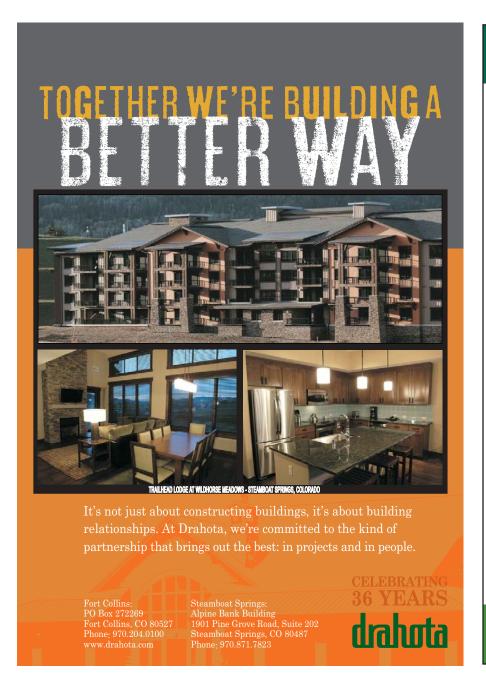
Largest Wellington and LaPorte Employers Private sector, ranked by no. of employees



RANK	PREV RANK	COMPANY ADDRESS PHONE/FAX	EMPLOYEES 2009 EMPLOYEES 2008	REVENUES 2008 REVENUES 2007	TYPE OF BUSINESS	E-MAIL WEB SITE	PERSON IN CHARGE TITLE YEAR FOUNDED
1	2	GRANT FAMILY FARMS INC. 1020 W. Larimer County Road 72 Wellington, C0 80549 970-568-7654/970-568-7655	200 200	N/A N/A	Certified organic fresh-market vegetables, onions, winter squash, corn, wheat, and dry beans. Nursery stock: trees and shrubs. Certified Organic Colorado Dept. of Agriculture. Tri Sulom Kosher.	info@grantfarms.com www.grantfarms.com	Andy Grant; Lew O. Grant President; Founder 1974
2	1	ADVANCE TANK & CONSTRUCTION CO. 3700 E. Larimer County Road 64 Wellington, CO 80549 970-568-3444/970-568-3435	150 230	\$38,000,000 \$68,000,000	Steel plate products such as ethanol, biodiesel, water storage tanks, bins and silos.	lclay@advancetank.com www.advancetank.com	James Clay; Lisa K. Clay President; General counsel 1981
3	3	OBERMEYER HYDRO INC. 303 W. Larimer County Road 74 Wellington, C0 80549 970-568-9844/970-568-9845	57 55	\$11,298,000 \$9,596,554	Large scale water-control gates for water storage, flood control, river diversion, environmental flow release, irrigation and hydropower.	hydro@obermeyerhydro.com www.obermeyerhydro.com	Henry Obermeyer President 1987
4	9	PLANTORIUM GREENHOUSE & NURSERY 2933 W. County Road 54G Laporte, CO 80535 970-482-9145/970-530-0804	50 27	N/A N/A	Greenhouse specializing in bedding & outdoor plants, perennials, trees, shrubs and certified organic vegetable starts.	info@plantorium.com www.plantorium.com	Jim Roberts; Cindy Roberts Owners 1946
5	4	VERN'S PLACE 4120 W. Larimer County Road 54G Laporte, CO 80535 970-482-5511/	45 45	N/A N/A	Restaurant specializing in homecooked meals and cinnamon rolls.	N/A N/A	Nick Lanteri; Val Lanteri Owners 1946
6	5	FRONT RANGE STEEL INC. 3620 Jefferson Ave. Wellington, C0 80549-0630 970-568-9002/970-568-9740	41 45	N/A N/A	Structural steel, miscellaneous metal and fabricator/erectors.	N/A www.frontrangesteel.com	Dave Denney General manager 1981
7	7	LA LUNA DAIRY INC. 9003 N. Larimer County Road 9 Wellington, CO 80549 970-568-7314/970-568-3015	30 30	N/A N/A	Dairy farm.	N/A N/A	Susan Moore President 1981
8	6	T BAR INN 3803 Cleveland Ave. Wellington, C0 80549 970-568-9829/970-568-0438	30 30	N/A N/A	Full-service bar, family-style dining.	N/A N/A	Brenda Thompson; Ken Thompson Owners 1980
9	10	TAPESTRY HOUSE EVENT CENTER 3212 N. Overland Trail Laporte, CO 80535 970-472-1010/970-472-1019	28 26	N/A N/A	Event center hosts weddings, receptions, business meetings, parties, retreats and workshops.	info@tapestryhouse.com www.TapestryHouse.com	Bobbie Randolph Co-owner 2003
10	8	FITNESS1 (1) 8017 First St. Wellington, CO 80549 970-568-4444/	23 30	N/A N/A	Health club.	matt@fitnessIclubs.com www.FitnessIClubs.com	Matt Beeners Owner 2003
11	12	LOG KNOWLEDGE 4615 U.S. Highway 287 Laporte, CO 80535 970-493-1973/970-224-9879	18 18	N/A N/A	Log homes, heavy timber and truss manufacturer and large commercial log creations.	N/A www.logknowledge.com	Pete Cotter President 1974
12	NR	KORBY SOD LLC P.O. Box 989 Wellington, CO 80549 970-568-7633/970-568-7635	15 18	\$2,500,000 \$1,800,000	Specializing in sod for commercial and large residential sites.	steve@korbysod.com www.korbysod.com	Steve Korby Owner 1985

Based upon responses to Business Report survey researched by Michael D. Wailes To be considered for future lists, e-mail research@ncbr.com

N/A-Not Available Region surveyed is Wellington and LaPorte "First tie-breaker is revenue, second tie-breaker is year founded (1) Formerly known as the Wellington Athletic Club LLC





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Largest Fort Collins Employers

Private sector, ranked by no. of employees



RANK	COMPANY ADDRESS PHONE/FAX	EMPLOYEES-LOCAL 2009 EMPLOYEES-LOCAL 2008	REVENUES 2008 REVENUES 2007	TYPE OF BUSINESS	E-MAIL WEB SITE	PERSON IN CHARGE TITLE OF PERSON IN CHARGE YEAR FOUNDED
1	POUDRE VALLEY HEALTH SYSTEM 2315 E. Harmony Road, Suite 200 Fort Collins, C0 80528 970-237-7000/970-237-7090	4,269 4,096	\$512,797,000 \$460,697,000	Health care, including Poudre Valley Hospital, Mountain Crest Hospital and Medical Center of the Rockies.	pvhs@pvhs.org www.pvhs.org	Rulon F. Stacey President/CEO 1925
2	COLUMBINE HEALTH SYSTEMS 947 Worthington Circle Fort Collins, CO 80526 970-482-0198/970-482-9148	1,250 1,250	N/A N/A	Nursing home, assisted-living, independent living, therapy, medical equipment, restaurant, catering, convention center health club, medical and non-medical home health-care and pharmacy services at 22 sites.	yvonnemyers@columbinehealth.com www.columbinehealth.com	Yvonne Diana Myers Health systems coordinator 1971
3	ANHEUSER-BUSCH FORT COLLINS BREWERY 2351 Busch Drive Fort Collins. CO 80524 970-490-4502/970-490-4506	700 700	N/A N/A	Brewing, Also has interests in the entertainment, packaging and agricultural industries.	N/A www.anheuser-busch.com	Kevin Fahrenkrog General manager 1988
4	INTEL CORP. 4701 Technology Parkway Fort Collins, C0 80528 970-898-4295/719-273-1602	420 400 (1)	N/A \$38,334,000,000	Semiconductor chip design.	N/A www.intel.com	Jerry Edsall N/A 1968
5	MIRAMONT LIFESTYLE FITNESS 901 Oakridge Drive Fort Collins, C0 80525 970-282-1000/970-282-9294	350 400	N/A N/A	Health club with fitness and wellness programs.	shaneh@miramontlifestyle.com www.MiramontLifestyle.com	Shane Hunsinger General manager 1979
6	NEW BELGIUM BREWING CO. 500 Linden St. Fort Collins, CO 80524 970-221-0524/970-221-0535	320 310	\$93,000,000 \$89,000,000	Belgian-style craft beers, including six year-round and four special-release brews.	nbb@newbelgium.com www.newbelgium.com	Kim Jordan; Jeff Lebesch Co-founders 1991
7	SAFEWAY FOOD & DRUG - FORT COLLINS 1426 E. Harmony Road Fort Collins, CO 80524 970-484-9534/	283 N/A	N/A N/A	Operates 140 full-service supermarkets in Colorado and neighboring states, including three in the Fort Collins area.	homeshopping@safeway.com www.safeway.com	Brian Murphy District Manager 1927
8	MISTER MONEY HOLDINGS INC. 2057 Vermont Drive Fort Collins, CO 80526 970-493-0574/970-490-2099	265 275	\$30,854,000 \$36,399,400	Sub-prime banking services, retail.	N/A www.mistermoney.com	Timothy Lanham; Doug Will CEO; CFO and President 1976
9	FIRST NATIONAL BANK 205 W. Oak St. Fort Collins, CO 80521 970-495-9450/	250 557 (2)	N/A N/A	Full-service bank.	N/A www.1stnationalbank.com	Angie Penland Branch manager N/A
10	FORNEY INDÚSTRIES INC. 1830 LaPorte Ave. Fort Collins, CO 80521 800-521-6038/970-498-9505	240 250	\$39,000,000 \$40,500,000	Provides abrasives, diamond blades, chain, air accessories, safety, steel, welding supplies, hydraulic hose and accessories, drill bits, gloves, hand tools.	sales@forneyind.com www.forneyind.com	Steve Anderson CEO and President 1932
11	WELLS FARGO 3600 S. College Ave. Fort Collins, C0 80525 970-266-7776/970-266-7771	230 140	\$41,897,000,000 N/A	Banking, insurance, wealth management and estate planning, investments, mortgage and consumer finance.	N/A www.wellsfargo.com	Dan Gasper President 1852
12	LSI LOGIC CORP. 2001 Danfield Court Fort Collins, C0 80525 970-223-5100/866-574-5742	200 (3) 341 (4)	N/A N/A	Semiconductors for the communications, consumer and storage markets.	N/A www.lsi.com	Wilf Corrigan; Abhi Talwaker Non-executive chairman; President 1981
13 N/A-Not Availat	THE NEENAN CO. 2620 E. Prospect Road, Suite 100 Fort Collins, CO 80525 970-493-8747/970-493-5869	200 225	\$179,445,000 \$152,000,000	Design-build firm specializing in education, health care, municipal and commercial buildings.	info@neenan.com www.neenan.com ed upon responses to Business Report survey resea	David G. Neenan; Randy Myers Founder; CEO and President 1966

NR-Not Previously Ranked
Avago Technologies, No. 6 on the 2008 list, was unable to provide employment numbers due to a 40-day quiet period in conjunction with the company's recent IPO filing.
Previous top-10 companies: Hewlett-Packard, Center Partners, and Bank of Colorado failed to respond by press time.
(1) Business Report estimate
(2) Includes all Fort Collins locations
(3) Estimate from LSI Logic Inc.
(4) From www.ncedc.com

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STEPPING UP IN DOWN TIMES FROM THE LEGAL AID FOUNDATION OF COLORADO

The Legal Aid Foundation of Colorado salutes the following individuals and law firms from Larimer County who contributed to legal aid so generously despite the economic downturn. The Larimer County Campaign for Justice raised approximately \$22,000 for Colorado Legal Services, which provides civil legal assistance for low-income individuals and families in Larimer County and across Colorado. We extend a special thank you to Richard S. Gast and Randy Lee Williams for chairing the Campaign.

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AUTOMOTIVE

Auto industry on wild ride in Northern Colorado, too

Local car sales swept up in '09 economic tsunami, clunker cash

Bv Luanne Kadlub

news@ncbr.com

How do you describe the roller coaster Northern Colorado auto dealers have been riding the last year or two?

If you're cruising and listening to tunes, a Katy Perry lyric comes to mind: 'Cause you're hot then you're cold You're yes then you're no You're in then you're out You're up then you're down.

OK, so maybe she's singing about relationships, but when you consider the hot and steamy relationship Americans have with their cars ...

To say that the last year has been anything but interesting thanks to Detroit and the economic tsunami would be an understatement. GM goes into bankruptcy and then all of a sudden is out of bankruptcy, and sells off Saturn. Pontiac is no more. Chrysler lets hundreds of dealerships loose, though none in the immediate Northern Colorado region. The federal government puts billions into a Cash for Clunkers program. Iron Mountain Autoplex in Windsor shuts its doors for good.

The current state of auto sales in Colorado is contained in a report released by the Colorado Automobile Dealers Association, which says new car sales are down 41.4 percent through the first half of the year from the same period of 2008, a steeper sales decline than the nation as a whole. Those numbers represent the slowest new-car sales for a six-month period in Colorado's modern history, according to CADA President Tim Jackson. The national year-to-year decline was 35.1 percent.

In Colorado, 46,424 cars and light trucks were sold in the first six months of the year, down from 79,192 in the same months of 2008. The report projects 98,524 cars will be sold in Colorado for all of 2009, down 32.4 percent from last year. And the 2009 decline follows several years of more modest drops in Colorado auto sales. The report says 182,310 cars were sold in the state in 2005, nearly twice as many as it expects to be sold this year.

Looking on the bright side

But leave it to Northern Colorado auto dealers to see what bright side there "Our previous best month, anytime over 300 sales, was 310 in 2004."

Roger Belisle, general manager Markley Motors

Roger Belisle, general manager of Markley Motors in Fort Collins, said the dealership is on track to have its best sales month of new and used cars since 2004. Kriss Spradley, general manager and co-owner of Spradley Barr in Fort Collins, said they're "on the upswing." And Warren Yoder, owner of Weld County Garage in Greeley, says he needs more salespeople to handle the number of customers coming in to look at new and used vehicles.

Markley Motors still houses Buick, GMC, Honda and Saturn but, like many other dealers across the country, said goodbye to Pontiac, a "nostalgic loss" more than anything else, Belisle said. "We just did not sell that many of them. Pontiac had a niche of performance cars. That's a tough area because it's filled with competitors."

Saturn, however, is no longer under the GM umbrella, having been bought by race-car driver Roger Penske, who owns 109 auto/truck dealerships and affiliated businesses. "I think it will be better for Saturn retailers," Belisle added, explaining that Saturn was once touted as "a different kind of car and a different kind of car company" but ultimately became a vehicle that wasn't all that different after all.

And Belisle said he wasn't surprised at how quickly GM exited bankruptcy. "Chrysler showed them how to do it."

Paperwork a real clunker

Cash for Clunkers, a \$3 billion government-funded program, pays consumers \$3,500 to \$4,500 for older vehicles provided they purchase new, fuelefficient cars or trucks. Each purchase must be signed off by the government and consumers usually end up waiting some time before they can take the car off the lot.

In August, Belisle had 72 cars set aside See AUTOMOTIVE, 30

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ABOUND, from 5

Financing for solar projects

With its background, Renewable Ventures is in a position to organize capital around solar projects through debt and equity instruments. The project at CSU will be the first for its Solar Fund V.

The \$200 million fund will be used to finance new solar energy projects across the country, ranging in size from one to 10 megawatts. The firm sets up the funds as long-term instruments, so the projects are typically structured for a 20-year life – as is the case with CSU.

"We choose to finance over as long a term as possible," Renewable Ventures CEO Matt Cheney said, likening it to having a longer mortgage with smaller payments.

During the 20 years, Renewable

Ventures will be able to sell its renewable energy credits to Xcel as well as sell its energy to CSU.

"For CSU, it's a wonderful hedge," Cheney said. "They now know what their energy will cost today and 20 years from now (from the project)."

Solar projects typically run from \$5 to \$7 per watt or from \$5.5 million to \$6.5 million for a one-megawatt system. But because the Foothills Campus can see winds of up to 100 miles per hour, the system had to be built more robustly, for an estimated total cost of between \$10 million and \$12 million.

This spring, Renewable Ventures tapped London's AMEC plc as project integrator. AMEC will also build the \$7.3 million, one-megawatt solar power plant at Buckley Air Force Base in Aurora.

Renewable Ventures also selected the panel manufacturer — Changzhou, China-based Trina Solar.

Timing not right for Abound

Dollard said it would have been nice to work with Abound — a company built on technology developed at CSU — but the timing wasn't right.

"We've been talking to (Abound) for years," Dollard said. "The truth is, they weren't ready when we put out the RFP for engineering."

When CSU started working on the plans for Foothills, Abound still went by the name AVA and it hadn't even selected a site for its first manufacturing facility, now located near Longmont.

Abound is still completing the buildout of its first line and plans to have the second line producing early in 2010. The company is waiting to hear from the U.S. Department of Energy regarding its application to participate in the loan guarantee program that could significantly boost the company's capital expansion coffers. Even if Abound had been approached for the CSU project, Mark Chen, director of marketing, said he's not sure if the company could have accommodated the project, as its production capacity through the end of the year is already committed. He was not able to disclose the details other than that Abound panels are going to multiple projects located in the United States and Germany.

Another factor against Abound was Renewable Ventures' decision to use crystalline silicon technology rather than the thin-film photovoltaic option. "We are sensitive to risk, subsequently we are sensitive to technology risk," Cheney said.

The crystalline technology has a long history and generally higher efficiencies than some of the newer technologies, but can be much more expensive because it depends on the volatile price of silicon. Right now, silicon is relatively cheap because of the recession.

"The track record for the thin-film technology in commercial operation is shorter," Cheney pointed out.

The project will use another locally developed and manufactured technology, though. Advanced Energy's Solaron power inverters will be used to make the DC power output of the photovoltaic panels usable AC current.

AE started shipping its 500-kilowatt Solaron inverter earlier this year, following the debut of a 333-kilowatt version the year before. In the first quarter, six of the new inverters were sold, rising to 18 in the second quarter. A single inverter sells for \$125,000 to \$150,000.

Due to its relatively low volume, the inverters are manufactured at the company's Fort Collins headquarters, rather than in Shenzhen, China. The company plans to launch a one-megawatt Solaron in 2010.

"There's already a lot of interest in the one-megawatt," said Larry Firestone, CFO of AE.

So far sales of the product have been predominantly in the United States, but the company plans to launch into the European market by the end of the year.

Almost didn't happen

Technology selections aside, the CSU Foothills plant almost didn't happen.

"It's hard to pull all of this together," Dollard said, listing myriad variables that must align. "When the bottom fell out of the economy, we thought the project was falling apart."

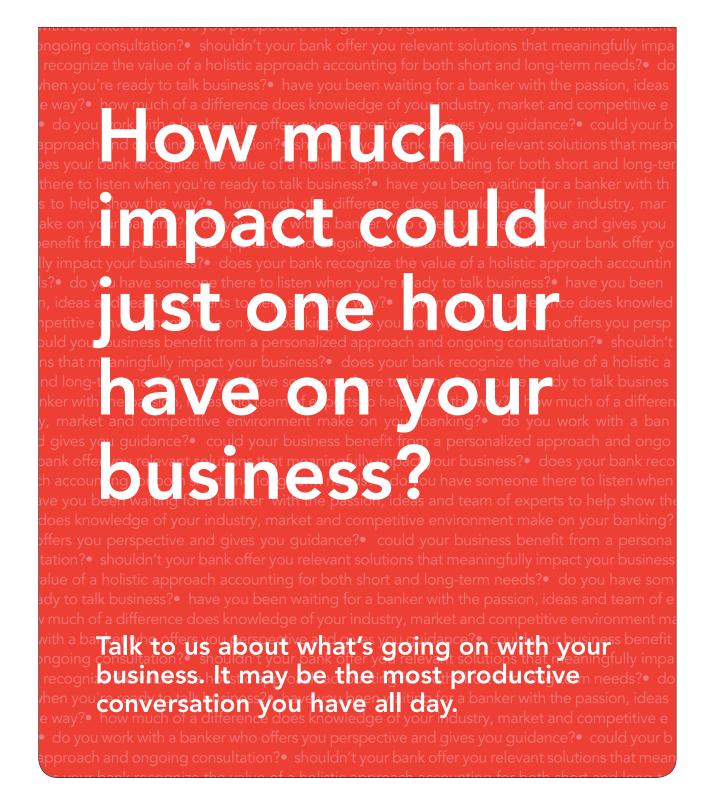
Cheney's company had spent years helping to foster a market for solar fund investment that could have been crushed when worldwide financial markets virtually halted following the September failure of Lehman Brothers.

"Last October, I was very concerned," he said, adding that a typical downturn can take four years to rebound.

Cheney feels that the firm's ability to complete a fund is a good indication that the market is back on track.

Dollard hopes to see the Foothills project complete by the end of the year. The timeline seems manageable since the 18.9-kilowatt, roof-mounted system for the Engineering Building went up in less then two weeks. The project, led by Louisville-based Bella Energy, was under a time constraint to receive funding from the Governor's Energy Office 2009 Solar Rebate Program. Dollard said the money was in hand at the end of February and the system had to be installed by June 30.

"Really, the hard part of these things isn't the technology," she said, explaining that it's putting together funding, partnerships, contracts. "I think that it will be easier as more of these things go in."



Contact Jim Hitz at 720-904-4263

Named top bank for customer service.

– BusinessWeek 2009



MARKETING, from 9

budget and your expectations, you run the risk of either feeling let down or ripped off. After all, if you know where you ultimately want to go, it's going to be much easier to identify the best vehicle to get you there.

When setting a marketing budget, there are no hard and fast rules for how much you should invest. Generally, companies look at marketing as a percentage of their gross revenues and spend anywhere from 2 percent to 20 percent on marketing, which includes a whole spectrum of activities that will (a) create satisfied customers and (b) produce the profits that allow you to continue doing business.

With a marketing budget of any size, it's important to keep in mind that your marketing dollar is supporting two types of investments: the initial investment of establishing or upgrading your presence, and the ongoing investment of maintaining your presence in the market.

In car terms, your annual budget will buy the car you need and put gas in it. If you decide that your goals will be better satisfied through greater visibility, your budget should leave room for the spoiler, lift kit, winch or iridescent paint job that gets the results you want.

Key budget variables

To determine what's appropriate to meet your business development goals, give yourself a theoretical starting budget of 10 percent (which is a general recommendation by the U.S. Small Business Administration and SCORE) and then consider this list of key variables as you add and subtract percentage points to or from the budget:

■ How big is your business? Small companies add; large companies subtract.

A company with \$2 million in gross revenues may invest 8 percent to 10 percent in order to make a worthwhile impact. That \$160,000 to \$200,000 per year is working hard with the sole purpose of attracting the customers who create your bottom line. In larger companies, a smaller percentage of the gross goes farther. A \$100 million company investing 2 percent is still devoting \$2 million to marketing, on top of the visibility a company of that size already has working in its favor.

■ Who is your audience? General audience add; specific audience sub-

Companies that occupy a very specific niche or deal exclusively with government contracts will likely invest less than average, while companies that have to vie aggressively for business-to-business or business-to-consumer loyalty will have to invest more.

■ How long have you been at it? New marketing efforts add; established marketing efforts subtract.

If you're launching a new business or new product, or if you haven't had an active marketing presence, it will take more time and money to register in the consumer's mind. A strong first impression can be the key to success. For example, McDonald's set aside more than \$100 million in marketing to support the May 2009 launch of its premium coffee product, McCafé. By July, according to Brandweek.com, McDonald's sales had risen 3.5 percent nationally and 4.8 percent worldwide, while overall restaurant traffic declined by 2.6 percent from the previous year.

■ What is your competition doing? Active competitors add; complacent or non-existent competitors subtract.

It's always good to know what your competition is doing. Determine what your competitive advantage is and then broadcast that message. Consider the above McCafé example from the perspective of Starbucks.

If the percentage of your revenue dedicated to marketing ends up being on the high end of the range, you are likely a small business that serves a general audience and faces healthy competition. You may either be new to the market, have a new offering or never needed to market much in the past.

As your business grows, as your ideal customer crystallizes and as you establish a stronger market presence, your percentage of revenue invested in marketing efforts can decrease. Many successful organizations, however, choose to maintain that "new to market" mode even though they have established a firm footing in the marketplace.

Regardless of your position, a continuous audit of your marketing efforts' effectiveness will ensure the best allocation of your resources.

Doug Hay is business development manager for Linden in Fort Collins.

ENTREPRENEUR, from 10

Timeshare

A Timeshare culture is easier to get into as the exclusivity factor is lowered. The organization is accessible to almost anyone who meets very basic criteria. The culture lives in process rather than people; the focus lies in maintaining a set standard and operating procedure, with little or no attention to uniqueness and individuality.

Consequently, employee buy-in is lower. The timeshare is the generic version of the members-only club; anyone can apply and nearly everyone is accepted. There is little bonding amongst staff and it is unlikely that the vision or mission of the company will be part of daily culture. You can show up when you want and as long as you follow basic rules, you are part of the group.

Campground

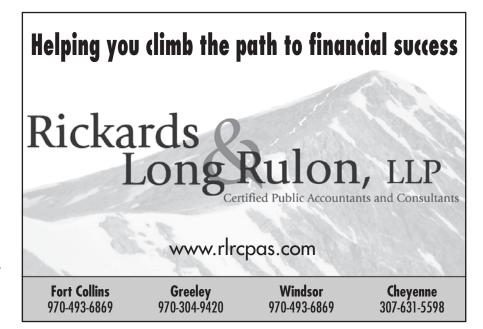
Lastly, the Campground culture is

literally "public access." So little focus is applied to hiring the right people and creating any type of synergy within the organization that workers are disconnected, anonymous, even removed from the internal and external functions of the business. They are forced to be entirely self-sustaining and operate in a non-culture where the need to be heard and connected to others is entirely overlooked and ignored. As a result, there is little loyalty and usually high turnover.

What type of culture are you creating in your business? Are you an open or closed door operation? What keeps people attracted to your company? Defining what you want to portray and what types of people will fuel your enterprise and vision is paramount to your ability to attain long-term success and positive public perception.

Dawn Duncan is the co-owner of Broadreach Recruiting & Consulting, a Fort Collins-based firm. Contact her at 970-221-3511 or www.broadreachrecruiting.com







Kids' Café sends students back with full bellies

Rock Bottom, others team up with Food Bank to fight hunger

When the **Rock Bottom Restaurant** and **Brewery** opened up in Centerra in Loveland, so did an opportunity for the **Food Bank for**

Larimer County.

"As a restaurant business, we felt that we needed to address hunger as part of our mission," said Angie Leach, community relations manager for the nonprofit Rock Bottom Foundation, started in 2001 by the



Jane Albritton

Louisville-based parent company of Rock Bottom and **Old Chicago Restaurants** as well as several other eateries across the country.

"The foundation provides support through our restaurants to organizations and programs that deal with this social issue. From the beginning, we decided to be active with food banks in the communities where we have restaurants," Leach explained.

With that in mind, the staff of the Rock Bottom in Centerra contacted the Food Bank, a private nonprofit organization, about a year ago.

"They said they would like to do something with the **Kids Café**," recalls Kristin Bieri, relations manager for the Food Bank.

Kids Café is a concept that grew out of what was first seen as a petty crime.

"In the late '80s in Savannah, Ga., a boy broke into the kitchen of his housing project's community center to get food for his little brother. They were hungry," Bieri explained. "That news got the attention of the **Second Harvest Food Bank** in Georgia, and they started the first Kids Café locally."

In 1993, Second Harvest — now known as **Feeding America** — launched the national Kids Café program. In 2005, the local Food Bank struck up a partnership with the Boys and Girls Clubs of Larimer County to provide a hot meal for kids at six locations.

"In the summer, we serve breakfast and lunch, and in winter we serve din-



Jane Albritton, Northern Colorado Business Report

SUPPERTIME — Adam Weimold, manager of Food Bank for Larimer County's Kids Café; Kara Curtis of the Rock Bottom Foundation; Collin McDowell, managing partner of the Rock Bottom Restaurant and Brewery in Centerra; and Martin Fabian, executive chef at the Rock Bottom, prepare to serve up the regular Thursday night meal at the Boys and Girls Club.

ner," Bieri said. "We serve 400 to 500 kids a day in summer and 250 to 350 in winter. Children who are eligible for free or reduced-price meals can get lunch during the school year, so summer becomes an expensive proposition for parents who have to work."

She added that while restaurants and farms such as Spoons Soups and Salads, Hot Corner Concepts (Austin's American Grill, Austin's Homestead, Moot House and Enzio's) and Wolf Moon CSA have ongoing and generous relationships with the Kids Café, the assistance from Rock Bottom is different.

"The Centerra team wanted to do something on a weekly basis," Leach said. "We do a lot of special events, but they thought it would be a great idea to provide the Kids Café in Loveland with kid-friendly meals every Thursday. We prepare the meal in our kitchen, deliver it and serve it. We regard this as an exceptional service project."

Bieri agreed.

"It's huge what they're doing," she said. "We have our own commercial kitchen, and Adam Weimold, our Kids Café manager, plans the menus and cooks all the meals. So far this year, we've already served 43,798 meals. So you can imagine what a reliable once-aweek meal means to the program. Rock

Bottom doesn't make a big deal out of it. They just show up. The kids love it."

Leach noted that part of what had made the partnership successful was Bieri's clear communication about what was needed and how they could help.

"This is a natural fit," she said. "We are looking for ways to bring Old Chicago on board."

When the Kids Café was just getting off the ground in Larimer County, Tom Stoner, owner of Spoons, supplied soup once a week for a full school year.

"I have told them I am always ready to back them up in a pinch," Stoner said. "We also raise money for the Food Bank with the Stone Soup project that will be starting its third year this September at the **Old Town Farmer's Market**. We get contributions from local farms, the Colorado State University agricultural department, and many backyard growers. Then we make it into soup and sell it by the quart."

All proceeds from the Stone Soup cooked up by Stoner and chef Dave Nawrocki go to the Food Bank. In 2008, that amounted to almost \$3,000.

"This fall we will again sell hot soup at the **Grant Family Farms** annual Harvestival, and again, 100 percent of the proceeds will go to the Food Bank," he said.

Hunger in NoCo

Those of a skeptical temperament might regard all this activity focused on hunger as little more than a way for businesses to make consumers feel OK about getting and spending. The numbers, however, suggest that hunger is real — and growing — in Northern Colorado.

and growing — in Northern Colorado.

"In the summer of 2006, we served 13,723 meals through Kids Café," Bieri said. "In 2007, it was 18,828, and in 2008 it was 56,569. Our growth was so staggering that we had to renovate our kitchen to add the equipment we needed to process food. Child poverty is growing faster in our area of the state than in the state in general."

While poverty is only a rough proxy for what the government calls "food insecurity" in children, there is a connection. In the Poudre School District, one in four kids is eligible for free or reduced-priced school meals. At Irish Elementary, it is 80 percent; Lincoln Junior High, 60 percent to 70 percent; Harris Bilingual, 50 percent.

A 2003 article on Kids Café in the Journal of Pediatric Health Care concluded that "undernourished children may not present with severe clinical symptoms, but their ability to learn and psychosocial behavior can be affected. Feeding programs such as Kids Café can help decrease child hunger while improving learning and overall health."

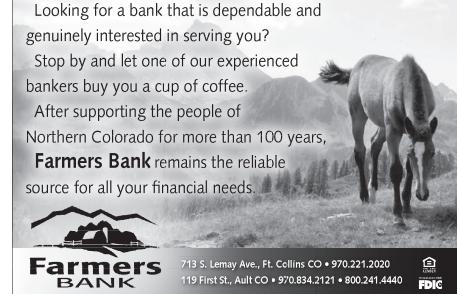
Simply put, hungry kids do not do well in school. And if it is in the economic interest of this country and this state to have a well-educated workforce, then it might be a good idea to make sure that the student body is well fed. Whole Foods and the W.K. Kellogg Foundation have recently put their considerable snap, crackle and pop behind initiatives to make school lunches better nationally.

The efforts of restaurants like Rock Bottom, Spoons and Hot Corner Concepts to feed kids nutritious meals prepared from locally grown produce stand as a model for what can be done in all Colorado public schools. Good work.

Now, back to school.

Jane Albritton is a contributing writer for the Northern Colorado Business Report. Her monthly column features restaurant and hospitality industry news. She can be contacted at jane@tigerworks.com.





Largest Payroll Service Providers

Ranked by number W-2s processed

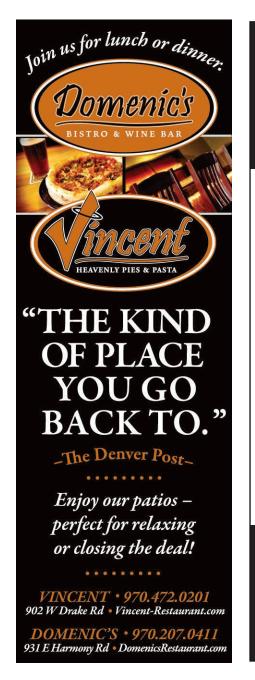


RANK	PREV RANK	COMPANY ADDRESS PHONE/FAX	NUMBER W-2s Dollar volume processed 2008	NO. OF CLIENTS 2009 INTERNAL STAFF 2009	SERVICES OFFERED	E-MAIL Web site	PERSON IN CHARGE TITLE YEAR FOUNDED
1	1	PAYCHOICE (1) 185 N. College Ave. Fort Collins, CO 80524 970-416-0711/970-484-0095	1,900,000 \$10,000,000,000	120,000 320	Payroll and tax services; automated timekeeping systems; human resource software and support; employee benefit plans; integrated retirement plans; workers compensation insurance; employee background screening services; and more.	saleswest@paychoice.com www.paychoice.com	Andy Hairgrove Regional vice president 1995
2	2	EMPLOYER SOLUTIONS GROUP 3760 E. 15th St., Suite 201 Loveland, C0 80538 970-612-2022/970-612-2021	14,479 \$189,765,256	482 70	Provides complete HR outsourcing, coordinating payroll, benefits, risk management, tax compliance and HR consulting.	jessica@esghr.com and sstolen@esghr.com www.esghr.com	Clark Merkley; Jessica Hergenreter President; Director - Colorado 1997
3	NR	UNIVERSAL MERCHANT SERVICE 2900 S. College Ave., Suite LC Fort Collins, C0 80525 970-472-4111/970-416-6846	3,000 N/A	80 2	Payroll, credit-card services, accounting, tax return preparation.	lpinfo@ledgerplus.net www.ledgerplus.net	Morgan Bolls Manager 1997
4	5	FIRST PRIORITY PAYROLL 2842 Claremont Drive Fort Collins, CO 80526 970-204-9449/970-204-9669	1,100 N/A	100 4	Accounting, auditing, bookkeeping and payroll services.	firstprioritypay@cs.com N/A	Fred Martin Manager and President 2001
5	NR	ANDREA J. SMITH AND ASSOCIATES INC. 760 Whalers Way Bldg. A, Suite 110 Fort Collins, C0 80525 970-232-3122/970-232-3123	799 \$4,978,552	45 4	Income tax services, payroll and bookkeeping services. Specializing in QuickBooks software. Advanced QuickBooks Certified ProAdvisor.	andrea@fortcollinsaccounting.com www.fortcollinsaccounting.com	Andrea J. Smith, CPA CB and Owner 2005
6	8	FRAYER & ASSOCIATES CPA PC 501 Stover St. Fort Collins, C0 80524 970-419-3200/970-419-3201	539 \$3,025,174	65 4	Payroll, formal financial statements, and employee benefits and certified OuickBooks adviser, health insurance and retirement plans.	mfrayercpa@yahoo.com N/A	Tiffini Harris Office manager 1990
7	7	CAPITAL ACCOUNTING & FINANCE INC. 1015 37th Ave. Ct., Suite 101 Greeley, CO 80634 970-352-8118/970-353-6690	500 N/A	60 3	Individual & business income-tax preparation, full-payroll and bookkeeping service, QuickBooks consulting, installation and training.	Heidi@CapitalAFl.com www.CapitalAFl.com	Heidi Klepper President 1990
8	4	HOOVER HARRIS & CO. PC 4075 W. 11th St. Greeley, CO 80634 970-352-1642/970-352-0284	294 \$6,331,489	40 3	Complete payrolls processed, direct deposit available, payroll reports completed.	nward@hooverharriscpa.com www.hooverharriscpa.com	Wayne Hoover Principal 1969

Based upon responses to Business Report survey researched by Michael D. Wailes To be considered for future lists, e-mail research@ncbr.com

gion surveyed includes Larimer and Weld counties, and the city of Brighton

NA NOT Available.
NR-Not ranked/no previous rank.
NR-Not ranked/no previous rank.
Paychex Inc., No. 3 on the 2008 list and Sample & Bailey CPA PC, No. 6 on the 2008 list did not respond before press time; Rickards Long & Rulon LLP, No. 10 on the 2008 list declined to participate







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ST. MICHAEL'S, from 1

cent of the retail space was occupied.

In early 2008 retailer Tara's Ark Floral and Design Studio stopped paying on the lease, and shortly after that, Tranquility Spa and Salon closed. The developer won default judgments against both businesses and their owners — \$243,476 from Tara's Ark and \$196,011 for Tranquility — that would have covered the lease value through the end of the contracts. However, the owners have filed for bankruptcy protection.

Calvin said it was a fairly steady decline from there on out, with about one St. Michael's tenant a month going out of business or closing up. Despite the development's attempt to work through issues with the retailers, there wasn't much that could be done.

"There were a lot of mom-and-pop (shops) out here," he said, explaining that many of them were less focused on necessity than discretionary spending. "Their suffering was immediate."

Back to the banks

Today, the center is only about 50 percent occupied, according to Calvin. While there is still interest in the development, the offers are on rent are too low at \$8 to \$10 per square foot. Calvin said that at its peak St. Michael's was pulling from \$18 to \$22 per square foot.

"Some buildings have been turned back to the banks," he said. In many cases, Calvin said, the development has worked with the lenders on a solution. Where that hasn't worked, the bank has taken its collateral.

That is the case with Scottsdale, Ariz.-based Goldwater Bank. On July 17, Town Square 2 LLC and Town Square 7 LLC — entities headed by David Calvin — filed warranty deeds in lieu of foreclosure to hand over several of the retail properties to the bank for a \$3.2 million promissory note. The filings noted that the fair market value of the property is less than the indebtedness. The judgments against Tara's Ark and Tranquility have also been assigned to the bank.



Kristen Tatti, Northern Colorado Business Report

VACANT VISION — The St. Michael's Town Center is now a far cry from its original vision as a bustling neighborhood center. On a sunny Saturday, the center is devoid of shoppers and many of the storefronts sit empty.

It is not clear if Goldwater Bank will immediately list the properties for sale. Calvin said he believed a Denver-based property management company is now working with the bank. Inquiries to Goldwater Bank were not returned in time for publication of this story.

In April, Loveland-based Advantage Bank filed in Weld County District Court to collect on a \$649,000 promissory note with Meyer Farm Development, the entity largely responsible for the residential development at St. Michael's. The property tied to the note is 3050 67th Ave., which houses Calvin Enterprises' headquarters, David Calvin's Bataa Oil Inc.

"It's a very difficult situation for everyone," DJ Calvin said.

Residential faring better

The residential side of St. Michael's is faring well but has not been unscathed by the economy. Since the start of 2008, about 30 properties in the development have entered foreclosure. The neighborhood still has a number of undeveloped sites and building has definitely slowed down, according to Debbie Calvin, a broker with Keller Williams and wife of

DJ Calvin.

"We didn't see spec for a while but did have some custom homes in the last year," she said. While there are several homes under construction now, it has been more than a year since a lot has

Calvin feels that several factors have kept the St. Michael's neighborhood from taking the full brunt of the housing bubble burst. One was that not a lot of homes were built around the time of the crash.

"Our houses aren't all the same," she said. The development, which was originally platted for 400 homes, has built more than 100 homes ranging in value from \$180,000 to \$850,000.

"If a certain price point is struggling, we don't all get hit at the same time," she said.

Calvin believes that the diversity has also helped keep the home values from getting too depressed from neighboring foreclosures. She explained that if a certain model of home goes into foreclosure in a neighborhood, it has a direct and immediate impact on every other home of the same model.

Calvin does recognize that things

aren't what they used to be, though.

"It used to be we had people in line,"

Almost all of the larger lots in the development sold out quickly; however, Weld County public records show that more than 60 platted properties are still owned by Meyer Farms Development.

Battling through recession

In the tradition of its namesake patron saint, the development plans to battle through the current economy. While the residential side must simply wait out the slump, DJ Calvin said the retail center is actively battling the recession.

"I think the center itself is trying to turn its focus to office and medical," he said. "It is a difficult switch."

About six months ago, the development signed on otolaryngologist Sanjay Gupta for 3,600 square feet. Calvin added that he is actively marketing the center to office and medical but doesn't feel that the vision of the development — as a neighborhood center with upscale retail and dining — will change.

"I think the atmosphere will still be the same," Calvin said.

The intent was always for the retail center to be a bit more secluded, especially since it features an event center that hosts weddings throughout the summer. However, that seclusion also means that the site isn't easily visible from most of the traffic.

In 2006, U.S. Bank purchased property on the development's north side. Discount Tire also owns a parcel and Kum'n'Go convenience store is about to close on a deal. Calvin feels that the addition of the national names will create an important traffic link.

"This center really needs that activity on the highway," he said.

The development might get a boost from the city of Greeley. On Aug. 18, Greeley City Council approved a temporary 20 percent rollback of capital expansion fees for commercial buildings that receive a permit before the end of the year.

KODAK, from 3

Impact of Carestream

More directly affecting the Windsor site was the 2007 sale of the health-products business group. Canadian private equity firm Onex Corp. purchased the business in a deal worth \$2.55 billion, creating Carestream Health Inc. In Windsor, that meant a nearly 50/50 split, with each company retaining 800 employees.

Carestream has also undergone some growing pains in the past few years. The Windsor site is now down to about 600 employees, though most of the reduction has been completed through attrition, according to Chris Schmachtenberger, Carestream's worldwide director of aqueous media.

The Windsor facility is Carestream's largest manufacturing site, churning out film for wet laser, general radiology and mammography applications. The film is sent to facilities in China, Germany, Mexico or India for finishing before regional distribution.

Carestream is not fully immune to the digital transformation, but unlike Kodak, has a much more balanced portfolio. In addition to traditional medical imaging equipment, the company continues to roll out digital options.

"Long-term, and I don't know what long-term is, businesses are transforming to digital," Schmachtenberger said of Carestream's medical market.

According to a Frost & Sullivan white paper posted on Carestream's Web site, the information from almost 70 percent of all imaging procedures is in digital format. Schmachtenberger said the company is well suited to take on and thrive from the digital transformation.

However, the Windsor site is really focused on traditional film products. In order to balance out the declining film business, the facility is actively taking on new clients that can benefit from Carestream's expertise and equipment water-based coatings. Schmachtenberger couldn't list the specific applications but said that most of them were outside of the film and imagery sector. He added that a significant portion of the local business would eventually come from outside products as the digital transition in the health care industry picks up.

"We're looking at every opportunity that comes our way," he said.

FROM THE ARCHIVES

Find related stories free of charge in the *Northern Colorado Business Report* archives at ncbr.com:

- Kodak loss means more job cuts," 8/2/06
- "Kodak Health Group now Carestream Health Inc.," 5/25/07
- "Kodak Colorado Division carries on after divesture," 7/20/07
- "Kodak to cut 300 jobs in Windsor," 3/24/09

Focused on digital future

Like Carestream, Kodak is largely focused on its digital future. In a recent quarterly earnings filing with the U.S. Securities and Exchange Commission, the company explained that its non-GAAP (generally accepted accounting principles) measurements are based on digital revenue growth and digital earnings. Publicly traded companies often offer non-GAAP information as a supplement to the required GAAP reporting to reduce the impact of one-time charges or acquisitions or to focus on other spe-

cific areas of the business. In Kodak's case, the company is viewing the digital revenue growth and earnings as its internal measure of performance.

"We have said in strategy meetings that Kodak's traditional business is one that we are managing for cash," explained Kodak spokesman Christopher Veronda in an e-mail interview with the *Business Report*. "It is obviously in decline, so we cannot expect to achieve future growth from it. Our future profitable growth will come from the digital businesses that now account for about two-thirds of our revenues."

He also stressed that the traditional business continues to be important to the company. The remaining product lines at Kodak Colorado are both for retail customers. The color photographic paper is used by mini-labs and large photofinishing operations to provide prints from film and digital media. The retail kiosk media is distributed to retailers with the famous yellow photo booths, of which there are 105,000 worldwide.

"As we've said many times, we remain strongly committed to and offer the industry's broadest portfolio of traditional products," Veronda wrote.

HEALTH-CARE REFORM: TWO POINTS OF

Business Report Commentary

Government has proper role in health-care system

While the Colorado Legislature is out of session, the battle for health-care reform has been raging in Washington and in town hall meetings across the country. With the House and Senate declining to pass a major reform bill before their summer recess, and hundreds of insurance, hospital and pharmacy lobbyists filling the halls of

Congress, it's hard to know what the final product will

Meanwhile, there is a colossal amount of misinformation being thrown at the American people and members of Congress in a high-priced and disingenuous campaign to kill healthcare reform.



GUEST COLUMN Rep. John Kefalas

Despite the uncertainty, what we do know is that our current employerbased health-care finance and delivery system is deeply flawed and unsustainable in terms of cost, quality and access. We all have stories about the failings of our system and the impact on family, friends and businesses.

Insurance premiums and overall health-care costs continue to skyrocket out of control, and the quality of care for the amount of money we spend is a serious problem. More people are uninsured or underinsured, more small businesses cannot cover their employees, and we pay more per capita than other countries.

At the same time, there are those who express satisfaction with their health insurance, especially those who work for large employers that can still provide generous health plans. An important question, though, is how long these companies can continue to provide such benefits while competing in the global marketplace.

A development worth noting came recently when Rep. Dennis Kucinich, D-Ohio, passed out of committee an amendment to H.R. 3200, America's Affordable Health Choices Act, to allow states to establish their own singlepayer systems — 14 Democrats and 13 Republicans voted yes.

Single-payer more efficient

A single-payer system is one in which medical providers remain private while a not-for-profit health-care entity, government or non-government, provides health insurance and pays the bills more efficiently, saving us money. Private health insurance companies would provide supplemental coverage and focus on quality medical care. Everyone is covered and insurance is portable so entrepreneurs can start new companies and workers who lose their jobs have security if a serious illness occurs.

There are different approaches for financing such a system, and if done right, health care will cost less with improved quality.

Obviously health-care reform is complex, and the American public is cautious about systems change. However we must have courage to advance the necessary structural changes based on American values and evidence-based policy decisions, and, yes, there is a proper role for government to provide a public health insurance option.

A 21st-century health-care system must embrace what the American people want: choices, fairness, guaranteed access, affordability, cost-containment and improved quality. They want a system that promotes personal and shared responsibility, focuses on primary care, prevention and wellness, and honestly addresses long-term and chronic-care issues. Be well and keep in touch.

John M. Kefalas is the State Representative for House District 52 in Fort Collins.

Private market solution holds key to health care

With health-care costs at a crisis stage, there is no shortage of sweeping health-care reform ideas in Washington and throughout the nation. No one will argue that reforms need to take place, but the fundamental question is what type of reform do Americans want?

The reality is that every health-care reform idea takes one of two roads

increased government intervention or a private market solution. Each reform provides a means to a very predictable end; therefore, the debate over the next few months will focus on what end we wish to achieve. Will we continue to buy our health care in the free market, or



GUEST COLUMN Matt Anderson

will we allow the government to take over our health-care system?

Whether you are discussing a singlepayer system or a state plan, every government solution calls for increased regulation and government control regarding how we finance our health care. These plans begin with radical changes to our current financing system, and in many of the reforms, completely do away with our current insurance system.

This is alarming for two reasons. First, health-care costs are not expensive because of insurance; rather, insurance is expensive because of rising health-care costs and the increased demand created by unhealthy lifestyles. Attempts to fix the financing mechanism, rather than trying to fix the rise in health-care costs, does not address the real problem.

Second, while most Americans do not want government-run health care (a socialistic approach), the reality is that this is the ultimate end to any government solution. The architects of these specific types of reforms do not necessarily aspire to create governmentrun health care; yet, it is the only realistic way any government solution can control rising health-care costs.

Private market focused on competition Private market reform solutions

focus on creating competition and transparency to reduce or eliminate these fee increases. The government solution for reducing or eliminating the increases is government control over the health-care providers. This creates a health-care system in which care is rationed. We certainly do not want the government to control or ration health care. Although some Americans support government reform plans, these individuals are unaware of the negative impact such plans will have on the quality of American health care.

Most of us have, or know someone who has, experienced enhanced quality and length of life due to the advances in our medical systems. A governmentrun health plan would greatly diminish the improvements in treatment, research, development and innovation that Americans have enjoyed.

Thus far, government reform solutions have failed to provide transparency, reduce rising insurance premiums, or reduce the uninsured rate. However, private market solutions have succeed-

We already have government-run plans such as Medicare and Medicaid, and can look to them for an idea of how larger government plans might fare. So far, they have controlled costs mainly by artificially limiting payments, essentially paying less than the cost of care. While that does hold the lid down on spending for those plans, it does not save costs in the big picture, as those underpayments are "cost-shifted" to the insured plans and private companies who are paying the bills for their employees.

If the whole country went to one government system, that strategy applied to the entire market, instead of around half — would essentially blow up the whole system.

Any health-care reform idea that takes the road of government intervention fails to address the fundamental problem of rising health-care costs. We need to be sure that any reform chooses the path of a private market solution so that we can ensure our health care can be purchased in the free market both today and in the future.

Matt Anderson is a Group Benefits Consultant with Volk & Bell Benefits LLC in Longmont.



COMMENTARY

EDITORIAL

Early spade work makes I-25 projects shovel ready

Fortune favors the prepared mind, Louis Pasteur once said.

Take the groundbreaking for improvements to the interchange at Interstate 25 and Crossroads Boulevard. During last spring's public discussion of whether the Centerra Metropolitan District should spend its money on upgrading Crossroads or the U.S. Highway 34 interchange first, a significant fact was largely overlooked: Both projects were "shovel ready."

At no small expense, the design and engineering were begun years ago — before John Q. Hammons and the county commissioners finished wrangling over the now wildly popular Embassy Suites, and before the Autoplex at Centerra began attracting new dealerships as other locations shed them. And the metro district has been collecting fees from tenants specifically for the upgrades.

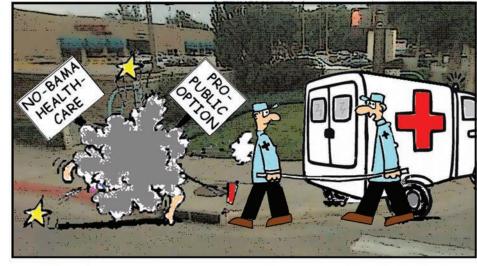
While the metro district will cover about one-third of the construction costs, with federal transportation and stimulus funds paying the rest of the \$6.5 million, the planning process has been facilitated through agreements between the metro district, the city of Loveland and the Colorado Department of Transportation. Because of the preliminary work done by Centerra developer McWhinney — both on the drawing board and in the board rooms to secure the agreements — by next summer, the Crossroads project should be completed.

Bids for the Highway 34 project were to be opened after the *Business Report* went to press and should be awarded by Sept. 15. But one fact that emerged earlier is that there will not be enough money for the entire project designed before the Great Recession tossed financial projections under a passing 18-wheeler.

With no fewer than 16 candidates running for office in Loveland — four sitting council members contending for the mayoral seat — debate over how or even if to fund anything above and beyond safety improvements could become lively.

Speaking of safety, down the road a piece, Colorado Highway 392 over I-25 continues to deteriorate as Windsor and Fort Collins work feverishly on a plan to fix it. Given that the project got the green light from the state transportation commission in January, work has been on a frenetic pace so final documents can be submitted for additional federal funding in conjunction with CDOT by mid-September.

But chasing federal dollars is not the same as prudent planning. Windsor and Fort Collins have been forced to work together to get this badly needed project done on time. We hope this will encourage greater regional cooperation for the future as well.



"This of course raises the question of who will pay for all of this..."

LETTERS TO THE EDITOR

The 'in' box is open

Write the *Northern Colorado Business**Report to comment on our content or to raise issues of interest to the business community.

Letters must be limited to 300 words. Longer guest opinions may be considered upon request. Please include address and telephone numbers so that we can verify your submission.

The *Business Report* reserves the right to edit for length, and to reject letters that are potentially libelous.

E-mail letters to Kate Hawthorne, khawthorne@ncbr.com or submit comments through our Web site, www.ncbr.com. Snail mail to 141 S. College Ave., Fort Collins, CO 80524.

Greeley rolls back fees for King Soopers, other projects

(Business Report Daily, Aug. 19, 2009)

Why? Why? If the market share is there to launch a new project, these companies are going to build there anyway. Who is Greeley in competition with for these developments? Is King Soopers going to go elsewhere? Short-sighted planning and bad math will sink the ship.

Jane Paudaux

Greeley

Ritter announces budget cuts of \$320 million

(Business Report Daily, Aug. 18, 2009)

"... a 1.5 percent reduction in healthcare provider rates." I suppose this means insurance premiums will increase to make up for the lower payments to providers. Bloomberg has reported that "Inadequate reimbursements by programs such as Medicare and Medicaid increase the annual cost of covering a family of four by \$1,788."

See: www.patientpowernow.org/

2008/12/24/medicaid-medicare-cost-shift-premiums/

Brian T. Schwartz Boulder

CSU Student Media wins Emmy

(Business Report Daily, Aug. 10, 2009)

This is so impressive, and as an alumnus at CSU I am proud to be part of this community filled with brilliant young professionals! Great job!

Chelsea Portland, Ore.

Vestas sets job fair in Brighton

(Business Report Daily, Aug. 10, 2009)

I am attending meetings with activists protesting against the closure of Vestas UK wind manufacturing plants. Over the past month, workers have been occupying part of one of the factories in a sit-in, in an attempt to save their jobs and the UK's wind manufacturing capacities. The reason for this extreme sit-in response is that Vestas gave very little notice to workers about the closure of their factory. They were simply handed a redundancy package and the doors were closed. Vestas' response to their occupation was to sack the workers without redundancy and to try to starve them out. Are people in Brighton, USA aware of this company's cutthroat poli-

It may seem like a bright future for the people of Brighton — creation of hundreds of jobs and production of alternative energy — but have you got job security and workers' rights? Will Vestas decide in the future to leave Brighton without notice?

I am sure my comments are not welcomed by the bosses of the company and the recruitment fair, but this is a message to the workers: unionize! Fight for your rights. Don't let the same happen to you as has happened to our workers already.

Jo Coliano Brighton, UK

See LETTERS, 27

Northern Colorado BUSINESS REPORT

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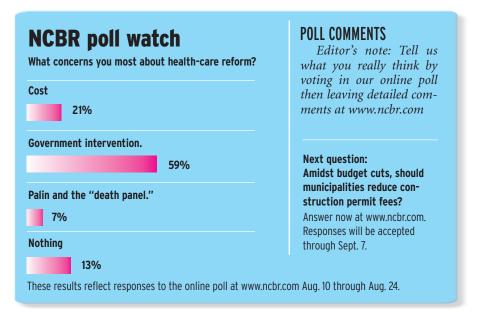
LETTERS, from 26

Does anyone have job security in this uncertain global economy? The future of wind energy in the United States looks promising and the factory is almost in the center of the USA. With a factory for the towers and the blades within a hundred miles, it was a sound choice by Vestas. I work for an airline that is in bankruptcy and I'm sure I will be looking for another job within the year's end. I'm leaning toward this new industry. My prayers go out to you and the fellows in Brighton, UK. Cheers.

Tim Mesch Denver

coverage as an individual. If he cannot find a job quickly, he will become one of the millions of Americans without health insurance, and if he does wind up in the hospital, will likely have to claim bankruptcy because of an inability to pay the bills, or even worse, might postpone going to the hospital, when he should, in fear of not being able to pay the bill. Another friend, age 61, can't find a job, his wife is no longer working, and they too are facing a soon-to-expire COBRA situation. Medicare doesn't kick in till age 65, so he is facing four years of a very stressful situation if he can't find a job either.

Brian Schwartz Fort Collins



POLL COMMENTS

Editor's note: Tell us how you really feel by voting in our online poll at www.ncbr.com, then leaving an extended comment on the subject.

What concerns you most about healthcare reform?

I am concerned that we are focused more on changing the system for everyone to fix the problems of a minority of citizens. I do not want to see the U.S. "throw the baby out with the bathwater," so to speak. Our health-care system provides a great deal of innovation. Let's not "break" it in the process of "fixing" it.

Bob Cuomo

Government has a bad record of running anything, much less something as personal as health care.

Steve Wathen

The government never has run a business efficiently. Also, governmentrun or regulated business removes the competition

Larry Hartshorn

With over 500 elected representatives and senators plus the "tagalong" lobbyists, the interests that will suffer will be the general interests of the general population. Less government is the best government.

John Gentzkow

Are you revved up for the Cash for Clunkers car trade-in program?

(Poll question, July 31)

Cash for Clunkers is a joke. A person can get \$3,500 of taxpayers' money for trading an SUV for one that gets only two MPG more. How's that going to save the planet? Some have warned about how the scarcity and prices of used vehicles will go up as a result of the program. Don't think for a minute that this is an unintended consequence. The federal government is the majority owner of General Motors.

Jon Little

BLOG COMMENTS

The Age of Discrimination

(Carrie Pinsky, Aug. 3, 2009)

I believe age discrimination in these challenging times is far more painful than ever before and at the root of our health-care crises. I sat down with two friends over the past week: one is 50 who has had a mild heart attack, has been unemployed long enough that his COBRA coverage is about to run out. Now he is being denied health insurance







Courtesy Christine Hardy

ONLY SLEEPING — Members of the team that performed vasectomies on bull elephants in South Africa and Swaziland this summer with an anaesthetized patient. The team included Dean Hendrickson, DVM, lead surgeon and director of the Colorado State University Veterinary Teaching Hospital (left), and Christine Hardy, DVM, director of the VTH's Animal Cancer Center (sixth from left).

ELEPHANTS, from 3

Hendrickson's leadership. "I don't think failure was ever an option because we'd traveled an awfully long way," she said. "It was the best example of teamwork I've every experienced."

Hendrickson said he's hoping to train a local vet to perform the procedure, which he has pioneered, so local animal park teams can do operations whenever they believe there is a need.

"For me, the most exciting thing in

the last few years has been partnering with the South Africans," he said. "Our goal is to train them so they can carry on themselves."

That's probably going to mean at least one more trip next year to Africa, Hendrickson said. "I have every reason to believe we'll be back there next year," he said.

And Hardy hopes she can again be part of that adventure. "This was a once-in-a-lifetime opportunity and it may be twice, which I'm pretty excited about," she said.

MAROSTICA, from 2

Also, creative industries are vital to the state. Creative enterprises and creative occupations account for over 186,000 jobs in the state.

Q: You've been quoted as saying the key to bringing Colorado out of recession is to start replacing the 100,000-plus jobs lost over the last year. How can that most quickly be accomplished?

A: I'm looking at how Colorado can expand businesses — especially small businesses — in the state. OED also needs to work hard at retaining the businesses we have. That is why I'm reaching out (and collaborating with strategic economic partners) to First Data and Frontier Airlines (recently purchased by Indiana-based Republic Airways). Colorado has a stake in protecting these jobs, as well as preventing future job losses. We can't be content with sitting on the sidelines and taking a wait-and-see attitude.

Q: You co-sponsored Senate Bill 228 in the last legislative session that repealed the Arveschoug-Bird budget cap. Supporters of the bill said it would help untie the state's hands as it climbs out of the recession. Do you think that stand — unpopular with your fellow Republicans — led to Ritter's appointment offer?

A: I have a reputation as a problemsolver and I think that's what Gov. Ritter respects. As a state legislator, I displayed a willingness to work with all those who were interested in finding practical solutions to the challenges facing our state. I plan to continue working in this pragmatic fashion. Q: The Republican House Minority Leader (Rep. Mike May, R-Parker) recently named Rep. Kent Lambert of Colorado Springs to replace you on the Legislature's Joint Budget Committee. Lambert has been called "a true fiscal conservative" and a staunch defender of TABOR. Do you think TABOR must be repealed if the state is going to move out of the last tier of states when it comes to funding roads, education and Medicaid?

A: I respect Rep. May's wisdom in this matter. After all, Rep. May selected me as well. I wish Rep. Lambert every success. His success on the JBS is the state of Colorado's success.

I support TABOR; the formulas don't work along with people's personal income. I'm looking forward to the outcomes from the Fiscal Long-Term Stability Committee. I believe the committee members are doing everything they can to understand the financial complexities Colorado faces, and determine what actions will be needed to create sound fiscal policy for Colorado's future

Q: Are you optimistic that Colorado will show significant progress in emerging from the recession by the end of 2009? And if not, what's your expectation of when that might happen?

A: I don't think the current slowdown is going to be over this year. This recession was years in the making and will take some time to resolve. Colorado is fortunate to have an abundance of assets such as natural resources, intellectual capital and a highly educated workforce. It is imperative that we work together to build on these strengths and remain ahead of the economic curve.

North College Urban Renewal Area Plan projects

Several projects are in the works in the URA, some supported by tax-increment financing.

- North College Marketplace Grocery-anchored commercial development at North College Avenue and East Willox Lane approved for \$8 million in TIF; expected to break ground in late 2009 and open in
- Union Place Mostly residential project just west of College Avenue on West Willox Lane approved for \$2.2 million; expected to break ground end of September.
- Kaufman and Robinson Manufacturing company in area approved for \$215,000 to expand into a new building near Conifer Street and Blue Spruce Drive; expected to start construction in March 2010.
- RMII New four-story building for technology incubator on East Vine Drive seeking approval for \$2.8 million in TIF; expected to break ground this fall.
- Old Town North New 24-unit expansion to existing development at Vine Drive and Jerome Street seeking \$930,000 in TIF from city council on Sept. 15.

SOURCE: BUSINESS REPORT RESEARCH

NORTH COLLEGE, from 1

assists the board — whose members are the same as the city council — in making funding decisions. The council/URA board can accept the citizen advisory group's recommendation or ignore it.

But Sweere said the economic downturn has forced her to seek a bigger chunk than normal of the TIF that's available to developers in the plan area so she can move her project forward and avoid possible financial disaster.

"We clearly regret the decision by the (citizen advisory group)," she said, noting that the 80 percent in TIF funding she's requesting is needed "to help leverage the project."

"We realize that only 20 percent (of the TIF) would remain in the district for other projects," Sweere added. "But should this request not be granted, it's likely property values in the area will decrease and existing values in Old



LAUTZENHEISER

Town North will also decrease."

And with future development of the North College urban renewal area tied to property taxes collected on increased property values from development, the devaluing of existing properties in the URA is a concern for all.

Created in 1982

Sweere's Old Town North expansion request is the latest project to seek funding under the city's North College URA. The city created the authority in 1982 as a way to help promote development in blighted areas but didn't use it until a group of businessmen in 2001 proposed putting it to work along long-neglected North College Avenue.

Four North College business owners - Ron Lautzenheiser, Dean Hoag, Don Butler and Neil McCaffrey — decided over breakfasts at the Ever Open Café that the area had been neglected long enough and asked then-City Manager John Fischbach to help them.

Fischbach was about to leave Fort Collins, but his assistant, Darin Atteberry, got behind the request and remained a strong advocate after becoming city manager himself.

"Our fear at first was there would be no city support," recalled Lautzenheiser, who owns the Grease Monkey and Big O Tires at 1500 N. College Ave. "They have really put their shoulder behind this."

After adopting the North College Area Plan in 2004, the city began looking at ways to encourage development. The first project to receive TIF approval was when Valley Steel and Wire Co., which was authorized

What's TIF?

TIF stands for tax-increment financing. It's a public-private financing tool for development in which property within a defined area can receive and use a portion of the property tax increase created by the increased value of that property after development.

The amount of TIF is determined in part by the length of time the TIF is in force. In the case of the North College URA, the timeline for the plan ends in 2029.

in September 2005 to use up to \$150,000 to construct a sewer line so it could expand its operation at 200 Hickory St.

Other development projects have recently received TIF funding, including \$8 million for North College Marketplace, a King Soopers-anchored project that's expected to generate about \$16 million in new prop- JENSEN erty taxes.



But perhaps the biggest hurdle to North College development was removed in June when the city was able to move much of the area out of the Dry Creek floodplain through \$10 million in flood control improvements.

"The greatest single impediment to development was the Dry Creek floodplain," said Lautzenheiser.

Full of praise

Business and property owners in the North College URA — which essentially stretches from just north of the Poudre River and Vine Drive on its southern boundary to the Larimer-Weld Canal to the north — are generally full of praise for the city's promotion of the area.

"The city has been phenomenal in really stepping up and promoting the interests of North College in a systematic and intelligent way," said Mike Jensen, a major property owner in the area and head of Keller Williams of Northern Colorado's commercial division.

Jensen said he hopes Sweere can get some URA funding, although he thinks it probably won't be all she's asking for.

"I certainly support everything she's doing out there," he said. "She was a pioneer and I wish her all the success in the world. But I believe the (citizen advisory group) knows best.

"Developers are always trying to find ways to make projects work and the magic is in making it work from all perspectives. But I think she'll find a way to make it happen. Where there's a will, there's a way," he added.

Dean Hoag, owner of Rocky Mountain Battery Service, 1475 N. College Ave., and a member of the citizen advisory group that rejected Sweere's \$930,000 TIF request, said turning it down was hard for the group, made up mostly of local busi-

BUDGETS, from 9

In fact, you don't even have to own a fancy software program to get started. The wonderful World Wide Web offers an array of calculators to help you build a budget for free. And various websites let you start wherever you are most comfortable.

If you're the kind of person who never gets a receipt from the gas pump and are still not convinced that you really need to write all this stuff down, you might start with Money 101. Seriously. That's the name of CNNMoney.com's online tutorial on all things financial. How basic is it? Building a budget is Lesson 2, and budgets are described as a necessary evil for personal finances. Check it out at http://money.cnn.com/ magazines/moneymag/money101.

Business advice

For many who are finally set to start a business, one of their first stops is the local Small Business Development Center. Both the Larimer County and Greeley/Weld County SBDC offices also offer a complete array of online resources to help would-be entrepreneurs take the first steps toward building a business plan. Larimer County's resource links are at www.sbdclarimer.com/sbdc_links.html; County's reside at http://mcb.unco. edu/Programs/sbdc/. But be warned: the Weld County site only works with PCs — not Macs — and requires Internet Explorer to function fully.

That might be why the staff at the Weld SBDC also recommends using the online tools found at Entrepreneur.com. While there is no simple "budget" calculator per se, you will find a cash flow calculator, as well as one for finding your break-even point and your startup costs, even some to help you determine the return on your investment in various aspects of your online business. Click on the Money tab on the lefthand side of the

homepage, or go to www.entrepreneur. com/calculators/index.html.

If you want to get a handle on what it will take to run a business through the first year of operation, stop by www.businessownersideacafe.com/finan cing/budget_calculator.html. Enter all your information, both one-time outlays and monthly expenses, in the spaces provided, hit the calculate button and see exactly how much you'll need to finance under this first set of assumptions. If you want to play around with different amounts, print your first worksheet for comparison and add or subtract accord-

There's also a personal finance side to the budget worksheet to help you get a handle on household expenses, but if you come up with a negative number there, it's unlikely that you'll be able to find a bank willing to float you a loan right now. So, again, adjust as needed.

Everything you'd ever want to know

For the complete number nerd, or anyone who needs — or thinks he or she needs — to figure out anything from the cost of debt on various types of loans to how much you'll owe when your adjustable rate mortgage adjusts, a trip to dinkytown.net could be in the near future. This collection of more than 350 financial calculators comes complete with dynamic graphs, customizable page layouts and commercial options that allow you to license any of the calculators for inclusion on your own website.

All the calculators, even the ones specially designed for Canada and Australia, work on both PC and Mac platforms in a variety of browsers. Dinkytown also thoughtfully includes a troubleshooting page that allows you to customize the look of your calculator – or just understand how to get the required Java plugin to make your budget figuring as painless as possible.

Once you come up with a budget, you're on your own for how painful it might be to stick to it.

ness and property owners.

"That was a hard one because her project has been great for this area and she's a great business person in this area," he said. "As property owners come forward, we take an objective look at them. The goal is to fund these projects but also to build up a pool of funds as a reserve for helping out the area as a whole. It's a fine line and a balancing act."

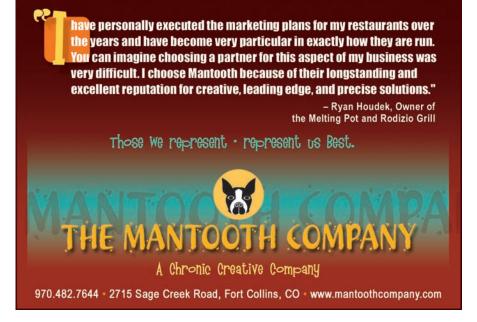
Sweere said the city has agreed to have a third-party consultant evaluate her business plan and offer that to the council/URA board when it considers her request.

"My hope is the URA Board, with addi-

tional information from a qualified evaluator, will make a different decision from the (citizen advisory group)," she said.

And while little can yet be seen in the way of new development in the North College URA, Jensen — who's helping develop a new site for Rocky Mountain Innovation Initiative on Vine Drive said that should change very soon.

"There's so much in the pipeline right now," he said. "I think the opportunity with the URA and the technology incubator means it's going to really grow up in the next three to five years and we'll hardly recognize it."



AUTOMOTIVE, from 19

for Cash for Clunkers. "The paperwork imposed on us is pretty daunting and extensive," he said. "We're doing everything we can to make it right."

Some of those sales are helping the dealership to a record month of 325 sales. "Our previous best month, anytime over 300 sales, was 310 in 2004," Belisle said.

GM also has come out with 0 percent interest for 72 months that could be combined with Cash for Clunkers. Belisle, however, wonders if GM shouldn't have held off on that incentive until winter months when sales tend to dip.

Spradley noted that Ford started losing market share years and years ago and began taking steps early on to position itself for a comeback. Likewise, the Fort Collins dealership was cutting expenses and right-sizing so that when the recession came along, "Being a Ford dealer, we went into the recession in better shape than a lot of the other guys."

So the good news, he said, is that compared to a year ago "we're up quite a bit." The bad news is that there's a shortage of inexpensive used cars. "We look at some of the Clunker trades that would have been a good piece of merchandise to put on the lot," Spradley said.

But the Cash for Clunker program mandates that cars and trucks traded in go to the scrap yard, not back on the highway.

Iron Mountain saga

Which brings us to the Iron Mountain saga. Long story short, Iron Mountain owner John Chamberlain turned over keys to his five-dealer autoplex to Chrysler Financial on July 31, after the Colorado Department of Revenue closed the sales divisions on July 17. Chamberlain described the demise in the press as a "perfect storm" resulting from the recession and the closure of New Frontier Bank, which meant finding a new source of financing.

A result, more than 40 car-buyers learned that the loans on their trade-ins had not been paid off by Chamberlain's Champion Auto Group. They were left paying loans on two vehicles, one of which they no longer had in their possession.

For Chamberlain, this is when you find out who your true friends are. He contacted Lee and Warren Yoder at Weld County Garage about acquiring 20 tradeins for their own dealership. An undisclosed buyer purchased the others. The transaction was handled through a wholesaler and was completed by Aug. 14.

Because the market for used cars has been so good, Yoder said he didn't hesitate to purchase the vehicles. "John came up with the idea," he said. "Because of the position he was in, he didn't have a lot of options on how to dispose of these cars. It made sense at that point in time to do it. I don't need the inventory, but if I was going to take a gamble, now is the time to do it."

Yoder said he's comfortable about the future of GM and where it's heading. And he's excited about the models debuting this year and next.

"With Chrysler going away, Buick will pick up additional lines," he explained. "There's really fabulous, world-class product coming out. The new LaCrosse is starting to debut right now. That is just a phenomenal automobile that will appeal to a large audience. Buick has a smaller car due out the second quarter of 2010."

And now, if he could just find some salespeople ...



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Looking for signs of a bear (market) trap

In local economy, time for doom and gloom nearly over

I'm writing this column in early August because our youngest son is getting married in Oregon, and we will be there.

Although, weddings are not as important as they used to be. In a previous era, weddings were a demarcation point, the dividing line between children's ties to parents and their commitment to their chosen partner, their new family and their



ON THE **ECONOMY**

John W. Green, Ph.D. Regional Economist

own children. Weddings were one of the rites of life's passage, similar to graduation from high school, going off to college, graduating from college, retiring, etc.

Now these demarcation points are much more blurred, much like the national and local economies. What are the signs?

The current fear seems to be that this is a bear market trap; that everyone will get sucked into the recovery, commit their investment funds, and then the economy will set new lows. Reinforcing this fear is the number of pundits proclaiming the recession is over. Whenever most of the analysts are of one opinion, the belief goes, the opposite is likely to happen.

U.S. GDP only declined 1 percent in the second quarter, down from over 6 percent in the first quarter. Is this a sign that the national economy is arresting its precipitous decline that started a year ago and is ending the recession that started in December 2007?

Local indicators

Construction drives the Northern Colorado economy but construction is stimulated by positive signs in a broader realm called economic development. We just saw an article about venture capital that said angel investors are cautious right now but supporting some emerging local industries. These local industries have the potential to stimulate construction, employment and then more residential construction.

There's a surplus of commercial space available in Northern Colorado because of the recession, including commercial manufacturing space.

And there's a surplus of workers available for these new industries. Employment has declined over 3 percent in the last year. There's a substantial pool of workers available for employment when the new industrial ventures garner enough customers to go to full production.

And these employees are already here and have homes or apartments. The surplus of homes on the market seems to have dropped from an 11- to 12-month supply to an 8- to 9-month supply. Home price declines, while very slight in the Northern Colorado market, are reversing. There is buying competition for houses in foreclosure as the "bottom pickers" fear losing out on getting a home at a bargain price.

So construction, other than institutional construction driven by the Recovery Act, might take a while to rebound. The number of new construction projects reported by FW Dodge in May and June show a rebound from the more than 20-year lows of February and March. The square footage of these 100 or so projects jumped to over 400,000 from 186,000 last December. Their value stayed around \$50 million, indicating that, with the exception of a spike to \$140 million in May, these projects are not large, expensive undertakings.

Positive signs

So, are the positive signs up for the Northern Colorado economy? Will the national economy recover and pull the local economy up with it? Or is our recovery engine coming off idle without outside fuel?

I think we'll generate our own economic excitement without prompting by the national economy. The exception is public institutional construction which will pump money into the local economy and further stimulate some of the positive signs that are already up.

The alternative energy industry, especially in the automotive engine efficiency and solar and wind energy areas, is clearly demonstrating that it has a competitive edge and is ready to compete in world markets. Colorado State University is now under new, aggressive economic management. We still have our desirable environment and "cando" attitude.

There are some negative signs we need to watch. Natural gas supplies are very high and prices are very low, which could undercut solar- and wind-generated power development and the broader push for alternative energy sources. Credit is not yet flowing, suggesting that bank balance sheets are still being repaired. And consumers are very cautious about spending money for more than the bare necessities, choosing instead to increase their savings to protect themselves against a prolonged period of economic malaise.

I think it's time to be cautiously optimistic. The time for gloom and doom is over. We've squeezed many excesses out of the U.S. financial system and the Northern Colorado economy has suffered from the process. But we have our own engine and we can get our own economy going without depending on the U.S. economy for more than institutional support.

John W. Green is a regional economist who compiles the Northern Colorado Business Report's Index of Leading Economic Indicators. He can be reached at jwgreen@frii.com.

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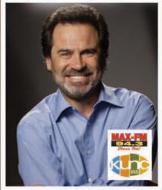
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