

TENTH ANNUAL FAMILY OWNED BUSINESS AWARDS

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An Advertising Supplement to the Orange County Business Journal • November 2, 2009



UnionBankSM

Increase Your Fraud Protection in a Down Economy

by Scott Connella, Union Bank Market President

Congratulations to all of the nominees for the 2009 Orange County Business Journal's Family Owned Business Awards. At Union Bank, we join in saluting your accomplishments, particularly in this challenging environment.

And we believe that even for family-owned businesses, there's no time like the present to make sure your internal fraud control systems are in place and up to par. That's because, historically, internal fraud losses mount during down economic times and in the first few months of an economic recovery, says fraud prevention expert Mark Sullivan, who is the practice leader for forensic accounting and investigative services at Grant Thornton LLP in Chicago.

"Family-owned businesses might not have the same internal protections in place as publicly-traded or venture-capital owned businesses," he says. Yet family-owned businesses should take the same precautions, and look for the same warning signs about internal fraud in case an employee is taking advantage of the family-owned atmosphere.

"What we see in this downturn, and we've seen in other downturns, is that many people are finding themselves in desperate situations, where they may have lived beyond their means, tapped out their credit lines, bought a house bigger than they should have," Sullivan says.

"They're barely making it, and thinking they need to find a way to survive. People who before might never have entertained the idea of stealing from their company, now they are tempted," he continues. "And given that, companies need to be vigilant," Sullivan warns.

Statistics show the grim reality

The Association of Certified Fraud Examiners' 2008 annual report estimates that U.S. organizations lose about 7 percent of their annual revenue to fraud, Sullivan says. About 90 percent of internal fraud occurs in a company's check-writing function, according to the 2009 AFP Payment Fraud and Control Survey. That survey also found a 30 percent increase in attempted fraud from 2007 to 2008, and a 38 percent increase in attempted fraud in the second half of 2008, as the economy worsened.

Fraud Control Tips

- Limit the number of signers on your company checking account.
- Assign different workers the task of issuing checks, reviewing payment discrepancies and approving payments.
- Watch your employees for signs of stress in their lives that might tempt them to commit fraud. Signs include getting collector calls at work, discord at home, loss of a spouse's job, loss of a car or other major possession.
- Watch for employees who repeatedly decline to take vacation time – they might be wary of exposing a fraud scheme to their substitute.
- Test your payment systems routinely. For example, run a report that shows you the day and time of day that checks are written against your company accounts, then compare those to the regular work hours of your accounts payable staff. Investigate any discrepancies for potential fraud.

Your bank can offer solutions

Union Bank has seen attempted fraudulent check activity spike in recent quarters, says Russell Ellsworth, a vice president and product manager in charge of the bank's check-payment services. "Your financial institution should be able to offer you ways to be vigilant," he notes.

Products like Union Bank's Positive Pay and Payee Positive Pay allow companies to decide whether to approve checks presented for payment that don't reconcile with your payment records.

Here's how it works:

Positive Pay customers give the bank their issue file, with a record of each check written that includes the account number, serial number, dollar amount and issue date. As checks are presented to the bank for payment, the bank reconciles the information on the check against the information in the issue file – and holds any discrepancies for customers to approve or reject.

It's a great way to catch internal fraud, by flagging checks that have been altered or written outside the normal issue procedures.

Companies can take it a step further by adding Payee Positive Pay. It's like Positive Pay, with the added protection that comes from the bank reconciling check payee names from the customer's issue file against the names on checks presented for payment.

"That's where we're seeing the trending going now on check fraud," Ellsworth says. "The crooks are always trying to stay a step ahead of fraud protection services, looking for weak links."

The fees for the service vary by type and transactions, but generally range from \$55 to \$100 a month, Ellsworth notes. And that's a pretty low cost, when you consider the potential savings.

"We had a check presented for \$168,000 recently," Ellsworth explains. "Fortunately, the company is on our Payee Positive Pay, and we were able to flag it, and stop it."

"It's a great insurance policy for that company. In fact, Positive Pay is really an insurance policy for any company."

Scott Connella

Scott Connella is the Market President for Union Bank's Commercial Banking Group – Southern California Division. He oversees corporate banking at the Orange County, San Diego, San Gabriel Valley, and Inland Empire

regional offices. Scott can be reached at

Scott.Connella@unionbank.com

or (949) 553-6855.



About Union Bank

Headquartered in San Francisco, UnionBanCal Corporation is a financial holding company with assets of \$78 billion at September 30, 2009. Its primary subsidiary, Union Bank, N.A., is a full-service commercial bank providing an array of financial services to individuals, small businesses, middle-market companies, and major corporations. The bank has 337 banking

offices in California, Oregon, Washington and Texas, and two international offices. UnionBanCal Corporation is a wholly-owned subsidiary of The Bank of Tokyo-Mitsubishi UFJ, Ltd., which is a subsidiary of Mitsubishi UFJ Financial Group, Inc. (NYSE:MTU).

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Opening Your Own Business

Legal Options for Protecting Your Personal Assets

by Stephen E. Blaine, Principal, Callahan & Blaine APLC

It's something you've thought about constantly. You're confident that the market for your special product or service is ready and waiting. You've refined your vision from a simple, albeit ingenious idea to a well defined business concept with a thoroughly thought-out business plan, budget and projections. You've located vendors with just the right combination of quality and pricing to make you a serious competitor in your particular industry. Your initial operating capital needs are either met or certainly achievable. Even the timing is right. You've seen the slowdown at your "day job" and have even experienced an occasional concern over job security. All things considered, the lower opportunity cost compared with what you might face in a more vibrant economy is pushing you to go for the gold. Then, sitting around the kitchen table honing your plans with your husband and soon to be new business "partners," the thought crosses your mind: What business form should your family-owned business adopt?

Determination of this all important question is based upon a number of various factors, including your desire to minimize personal liability, the number of owners and "managers" envisioned, the cost to formally set up the entity through which you will operate your business and, of course, what your accountant recommends to minimize taxes. For many, the most important of these factors is risk management and avoidance of personal liability.

While you have every good intention to work long, hard and smart, break into the designated market and grow the business from infancy to success, life experiences remind you that not everything works out as planned. Should matters beyond your control ultimately overwhelm your startup operation, at the very least you would like to rest assured that any business blip will not spill over into your personal economic affairs and place your family finances in peril. The question is how best to protect yourself from such contingencies.

Consider the risks

Trying to minimize your startup costs, you're tempted to simply adopt a new business name, record a fictitious business name statement in the Office of the County Recorder and start out as a sole proprietor. Depending upon whether you are in it just for yourself or, alternatively, if other family members will also have an ownership interest, you may think of becoming a partnership.

While many businesses start in such fashion, operating a business as either a sole proprietorship or a general partnership invites personal financial disaster. Should you choose to operate your new business as a sole proprietorship, you will personally be liable for all company related debts and obligations. Similarly, general partners are each jointly and severally liable for their partnership's debts, irrespective of any agreement that allocates the risk internally among the partners. Third party creditors and claimants typically pursue all partners, ultimately hoping to satisfy their claim against whoever has the deepest pockets, leaving it to the partners themselves to divvy up the loss, based upon their respective ownership interests or other negotiated arrangement.

A better option

To minimize the risk of personal liability for business debts, sole proprietorships and general partnerships should be the last options on your list. A far better solution to minimize personal liability would be to establish a corporation. The cost is minimal and amounts to virtually nothing over the long haul. The corporation's owners are referred to as shareholders. Shareholders generally have no personal liability for the company's debts and obligations, other than to pay the agreed upon value for the stock which is issued to them when the corporation is formed. If the board declares a dividend, generally the profits are distributed to the shareholders based upon their percentage ownership in the corporation.

Shareholder status is perfect for those investors/owners who do not intend to be involved in the day to day business operations yet wish to generate a return on their investment without assuming attendant personal liability.

In fact, corporate shareholders have very little to do with the business they co-own, other than to periodically elect the corporation's board of directors. The board of directors serves as the overall managing body of the corporation. Among other things, the board designates the corporation's officers – a president, secretary and treasurer at a minimum – to handle the day to day affairs. While board members and officers may owe duties to the company, their fellow insiders and in some instances to outside parties, they are generally not liable for the company's debts and obligations absent signed guarantees or some form of personal involvement in company activities which gives rise to third party claims.

A flexible alternative

Alternatively, many entrepreneurs choose to run their business as a limited liability company instead of a corporation. Roughly speaking, a limited liability company or "LLC" offers many "good" characteristics of a partnership while providing the owners with essentially the same protection against claims based upon business obligations as enjoyed by corporate shareholders. Whereas a corporation is owned by its shareholders, an LLC is owned by its members, based upon each member's respective capital contribution, as is the case with corporate shareholders. However, LLCs provide inherently greater flexibility

in management and financial matters than that typically available to basic corporations. For example, an LLC's operating agreement (roughly the equivalent of a partnership agreement) may allow cash distributions to be allocated according to whatever arrangements the members negotiate, thereby permitting the member who contributes most of the initial operating capital to recoup his investment, in whole or in part, on an accelerated basis, prior to the distribution of profits to the other members. This same flexibility is not available to the vast majority of corporations, most of which are authorized to issue but a single class of stock, with each share entitled to the same profit distribution rights (i.e., "dividends") as the shares owned by all of the other shareholders.

Whereas a corporation's overall business management is entrusted to its board of directors, an LLC operates under the watchful eye and guidance of one or more designated "managers." Relatively few LLCs designate officers, as required in corporations, although the right to do so certainly exists. And as with corporations, an LLC's manager and subordinate officers are generally not personally liable for company debts and obligations, unless they sign guarantees or participate in the conduct giving rise to the third party claims.

Insurance adds additional protection

Whether operating as a corporation or an LLC, the prudent entrepreneur will also consult with her insurance broker and, with the broker's learned advice, decide what type of insurance is desired, at what levels of coverage and at what price. Insurance serves as another layer of protection against claims, both personal and business related. While insurance policies do not provide protection against any and all claims, selecting the correct type of coverage may very well pay large dividends down the road, should a claim arise which is potentially covered under the policy. Not only will the carrier indemnify the insureds for covered claims, it is also obligated to appoint and pay for defense counsel to help prevent the potentially covered claim from ever becoming an actual judgment. Defense paid for by the carrier is a huge benefit under your policy.

Explore all avenues

Other options exist to provide still further protection against personal liability for company debts, including without limitation the formation of a family limited partnership. Would-be entrepreneurs are well advised to consult with experienced counsel to discuss these and related issues. By so doing, the new business will not only be well grounded, legally, but its movers and shakers will face minimum risk of personal financial loss should their new business come upon hard times. With proper planning, all the pieces will fall neatly into place, providing the new business owner peace of mind knowing that she has done all she reasonably can to expect the best, while hedging against a possibly less favorable outcome.

Stephen E. Blaine

Mr. Blaine has been practicing law for nearly 30 years in Orange County and surrounding environs, serving thousands of clients as corporate and outside general counsel. His practice focuses upon business and transactional representation, intellectual property, corporate, environmental, real property, entertainment and business law and related litigation. He has been with Callahan & Blaine since 1990.

Mr. Blaine is a graduate of Loyola Law School (J.D. 1980 Dean's Scholarship); he earned his Bachelor of Arts in Political Science and Economics from California State University, Northridge (1976). Mr.

Blaine was admitted to the California State Bar in 1980. He is a member in good standing of not only the State Bar, but also with the U.S. Tax Court, all United States District Courts located in California, the U.S. Court of Appeals, Federal Circuit, and the United States Supreme Court.

Mr. Blaine can be reached at (714) 241-4444 or at sblaine@callahan-law.com.



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Difficult Economic Times

Recent events affecting the nation's financial markets have left many wondering where and when the economic and industry carnage will end. Banks used to be the only ones asking the tough financial questions, but not anymore. Business owners are now the ones doing the asking, and rightfully so. At CommerceWest Bank, we believe that now more than ever is a great time to take inventory and reassess your current banking situation.

Many banks today are not able to offer the security and stability that every business deserves. And if they are able to offer this, the services that they offer are the same as the bank next door. CommerceWest Bank is proud to announce that we are **STRONG, SOLID, and SECURE**. We are conducting business as usual despite these difficult times. The best part is that we are finding new ways to stand out from the rest of the crowd.

Bank on the Difference

Since inception, CommerceWest Bank has maintained the philosophy of providing specialized banking services in an untraditional manner. Because of this philosophy, CommerceWest Bank has been an innovative leader in the banking industry and continues to set the expected standards for the **Signature Services** that should be offered for Business Banking.

Remote Deposit Solution (RDS)

CommerceWest Bank proudly introduced the "Green Machine," also known as Remote Deposit Solution (RDS), to our clients in 2006. The "Green Machine" has set a precedent in the industry for businesses to save time and money, while contributing to saving the environment as well. Additional benefits of RDS are that it brings the bank to you. Through our secure website, clients can make deposits electronically at their locations, without the need to purchase, install or maintain specialized software. It is quick and easy to use and has made deposit slips obsolete.

Finance Center

Paving the way for another industry "first," CommerceWest Bank recently launched Finance Center in conjunction with NetBanker Online Cash Management. Finance Center allows clients accessibility to over 8,000 online financial accounts from one location. Clients can visit various accounts such as Merrill Lynch, Charles Schwab, Visa and MasterCard. We even offer online access to accounts held with other banking institutions. Finance Center will save countless hours and headaches from trying to remember different user logins and passwords.

More Signature Services

CommerceWest Bank is committed to furthering its philosophy of banking in an untraditional manner. Not content to stop short with our Remote Deposit Solution and Finance Center **Signature Services**, CommerceWest Bank also offers its clients the following conveniences:

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The banking industry is infamous for "bankers' hours," but not here at CommerceWest Bank. We understand that there are times where you need to reach your personal banker after hours or on the weekends. That is why we offer 24/7 Emergency Banking.

Concierge Services

CommerceWest Bank deeply values the relationships that we develop with our clients. As a way of showing our appreciation, we offer specialized Concierge Services at each

of our regional offices to help clients with their everyday needs – whether it's scheduling an anniversary dinner, booking child care, coordinating a special event, or helping you find a new vehicle. And the benefits do not stop there. We're proud to contribute to the success of our clients; therefore, we provide in-house referrals when someone utilizes our concierge services. If we are able to recommend one of our client's services or utilize their services to meet our own needs, we will do so.

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CommerceWest Bank does not believe in long lines or quickly rushing our clients in and out of the door. We prefer an atmosphere that is conducive to making clients feel welcome while meeting their banking needs, and so we offer Banking by Appointment. We also understand that money is confidential, and that is

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Most people do not like being different, but here at CommerceWest Bank, we do. We have developed a seasoned staff of professionals who are ready to assist you with your banking needs.

*We invite you to visit our website at www.cwbk.com for more information on the additional **Signature Services** that CommerceWest Bank offers. If you are ready to "Bank on the Difference," contact Ivo A. Tjan directly at (949) 251-6959 or via email at itjan@cwbk.com. • Member FDIC*

Ivo A. Tjan

Ivo A. Tjan is Chairman, President and Chief Executive Officer of CommerceWest Bank, N.A. He is the founder of the company and launched an Initial Public Offering in 2001.

Mr. Tjan holds a Bachelor of Arts Degree in Business Administration with an emphasis in Marketing from California State University, Fullerton. He sits on the boards of American Bankers Association Council and Marconi Foundation, and is a member of the Young Presidents' Organization (YPO), Generation NeXt, Pacific Club and Western Independent Bankers, as well as a former member of the board of directors for California State Fullerton University Philanthropic Foundation, Advisory Board for CASA, and the Children's Museum. Mr. Tjan supports a variety of charities in Southern California, like Big Brothers Big Sisters, American Cancer Society, Orangewood, TACA, MDA, Canyon Acres, local schools, and many more. Mr. Tjan was recognized as one of Vivid Magazine's Annual Top 10 Asian American Entrepreneurs for 2007; in 2006 he was named one of OC Metro's Hottest 25 People of Orange County.



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(213) 542-1128

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CommerceWest Bank

CommerceWest Bank, N.A. is a full service regional commercial bank with a unique vision and culture of focusing exclusively to the business community. The Bank has a national charter and is headquartered in Irvine, Calif., with Regional Offices serving Orange County, Los Angeles, Inland Empire, and San Diego.

In 2009, CommerceWest was named a 5-star rated bank by [bauerfinancial](http://bauerfinancial.com), bankrate.com, and received premier ratings by thestreet.com and Findley.

In 2008, the Bank was ranked 3rd most profitable bank in Orange County by the OC Business Journal, named one of the friendliest banks to small businesses by the Orange County Register, and recognized as the best performing bank in 2008 by the Findley Report.

CommerceWest Bank was recognized as one of the top 100 fastest growing companies in the country according to the 2006 Entrepreneur Magazine, PricewaterhouseCoopers survey.

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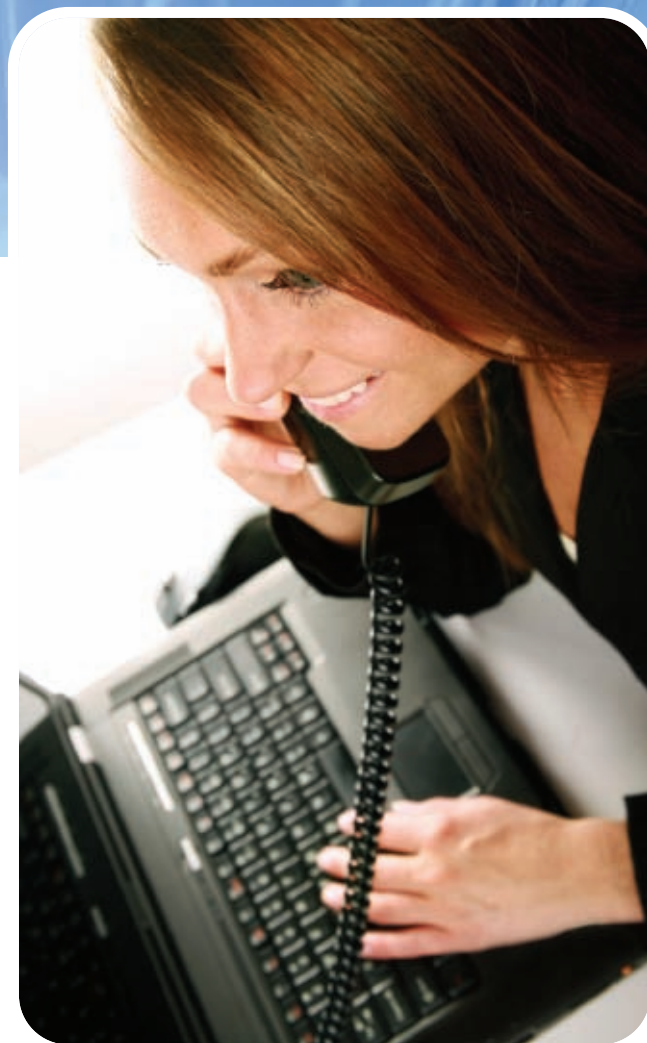
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If your spouse is the beneficiary of your life insurance policy, the proceeds will not be subject to federal estate taxes. As long as you pass away first, this strategy is effective. If, however, your spouse predeceases you, then you're back to square one, and the life insurance proceeds could be subject to taxes unless you take further action.

Avoiding Estate Tax on Life Insurance Proceeds

by Ralph Kuhen, CPA, Tax Partner, **HEIN & ASSOCIATES LLP**

Why buy life insurance? Very often, it's to protect your loved ones from financial hardship. You expect that all of the proceeds will go to your beneficiary. But did you know that life insurance proceeds are sometimes subject to federal estate tax?

Many people don't realize that life insurance proceeds are an asset that must be included in an estate for federal estate-tax purposes.* In 2009, the top federal estate-tax rate is 45%. In that bracket, nearly half of your insurance proceeds could go to Uncle Sam instead of your loved ones. Of course, \$3.5 million of estate assets generally escape taxes in 2009. But, before you assume your estate is too small for you to worry about taxes, factor in your life insurance.

If you have a large life insurance policy, a relatively modest estate could actually rise above the threshold and be subject to estate taxes. Fortunately, there are ways to avoid taxation and still protect your family with life insurance.

Don't Own the Policy

If you never own the life insurance policy, it can't be included in your estate. Instead, your beneficiary (or beneficiaries) may be able to buy and own a policy on your life. If your beneficiaries are your children and they can't afford the premiums, you can give them the money to pay the insurance company. Avoid paying the premiums directly, however, because it may indicate to the IRS that you have "incidents of ownership" in the policy.

Incidents of ownership are any specific ownership rights that you have in the policy. These include the right to change the beneficiary, assign the policy or pledge it for a loan, borrow against the policy's cash value, and surrender or cancel the policy. If the IRS determines that you retain any incidents of ownership in a life insurance policy, the proceeds will be included in your estate.

Transfer the Policy

If you already own a life insurance policy, you could transfer it to someone else to avoid having the proceeds included in your estate. You can transfer it to a beneficiary, such as your spouse or a child, or to a life insurance trust. And, of course, you cannot retain any incidents of ownership in the policy after you have transferred it. If you transfer the policy to a trust, it should be an irrevocable life insurance trust, and you should have no rights to the trust. One disadvantage of an irrevocable trust is that you cannot change its terms or terminate it once it is established.

There is one catch to transferring ownership of a life insurance policy. If you die within three years of the transfer, the proceeds will be treated as part of your estate. So, don't

wait until you are ill or elderly to transfer your life insurance policy.

Name Your Spouse as Beneficiary

If your spouse is the beneficiary of your life insurance policy, the proceeds will not be subject to federal estate taxes. This is a result of the tax law's unlimited marital deduction. As long as you die before your spouse, this strategy is effective.

If, however, your spouse predeceases you, then you're back to square one, and the life insurance proceeds could be subject to taxes unless you take further action. So, look closely at your personal situation before naming your spouse as beneficiary in an attempt to avoid estate taxes on your insurance proceeds.

Call Us for Help

Our estate planning professionals can work with you to help ensure that your life insurance proceeds will be available to protect your loved ones. Please contact us if you'd like to discuss your situation.

* While the federal estate tax is scheduled for repeal in 2010, the tax will return in 2011 unless Congress decides otherwise.

Ralph Kuhen, CPA

Ralph Kuhen, CPA, is a Tax Partner in the Irvine office of HEIN & ASSOCIATES LLP. He provides tax planning, consulting, and preparation services for a variety of companies, and specializes in tax-related solutions for complex business matters regarding closely-held and family enterprises. Ralph can be reached at 949.428.0288 or rkuhen@heincpa.com.



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specialized industry knowledge to forge customized solutions for your business. We are ranked as one of the top 60 accounting and advisory firms in the country¹, and our SEC practice is recognized as among the largest in the nation.² In addition, HEIN & ASSOCIATES LLP is consistently recognized by Inside Public Accounting as a "Best of the Best" firm, an honor bestowed on only 25 firms per year based exclusively on management performance.

¹ Accounting Today, April, 2009

² Public Accounting Report, March, 2009



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The Olde Ship British Pub & Restaurant Shares Recipe for Success

The family-owned business treats customers and employees like family, too!

The Olde Ship British Pub & Restaurant, with locations in Fullerton and Santa Ana, has been a family-owned business for more than 15 years. Owning a pub had been the lifelong dream of British-born Doug Collier, who left the corporate world to follow his passion. He opened the Fullerton restaurant and pub in 1993. His son, Simon, helped his father build and paint, and later worked behind the bar. Encouraged by the restaurant's success, Doug opened a second location in Santa Ana. When Doug died in April 2006, Simon took over the business, per a request in his father's trust. "In his trust, he asked if I would like to take it over and run it," said Simon, who left a successful career in the biotechnology industry to honor his father's wishes. "He was too English and proud to have asked me when he was alive."

The pub makes most of its food on site but receives staples, such as crisps (potato chips) from Simon's mother, Jacqueline Wyld, who owns and operates a nearby British import shop called The British Grocer.

Here are some of Simon's tips for successfully running a family-owned business, particularly in a challenging economy.

#1 – Create a unique niche and exploit it

When Doug created the concept behind the Olde Ship, he wanted it to have the feel of a cozy home. British pubs are considered the great equalizer, where what you do and where you come from are not factors in the level of service you receive. The Olde Ship counts every demographic in its clientele, from millionaires to students to lawyers to laborers. Simon said his goal is to treat everyone who steps inside his restaurants equally, with the same British charm. In addition to a unique atmosphere, The Olde Ship offers traditional British food and beer, which cannot be found at many restaurants.

"We want everyone to feel comfortable and to make new friends or have stimulating conversation," Simon said. "We feel that everyone who comes aboard will feel welcome." The business has an appropriate motto: "You'll be a stranger here but once."

#2 – Have staff understand the importance of everyone who comes through the door

Simon makes sure that he and his staff ensure that everyone who comes into the restaurants has a great experience. Many of his employees know customers by name and always greet people in a prompt and friendly manner. Simon believes that this cannot be emphasized enough. "They say in business that a happy customer tells one or two people, but an unhappy one tells ten," he said.

#3 – Reinvest in the business

Even though business is down compared to previous years, Simon said it remains critical to invest in his business and make improvements when he can. In the Fullerton restaurant, he remodeled the bathroom and in the Santa Ana restaurant, he expanded the wooden flooring. He adds new kitchen equipment that uses less energy and is more environmentally friendly whenever possible. "I think customers notice when they see you're proud enough of your business to put money back in so that they have a nice place to dine," Simon said.

#4 – Create a warm environment

The Olde Ship puts a lot of effort into creating a warm environment, one where customers will enjoy spending time. Both restaurants are decorated with authentic antiques that take diners to a different time and place. Photographs of ships and nautical curios abound. British tourists visiting Southern California who have come to the pubs have remarked on how authentic they are, Simon says, adding that they feel like they are stepping into their country pub back home. Many of the employees are from Great Britain, which also helps create a warm and authentic experience for diners from the area and beyond.

#5 – Focus on consistency and quality of food and service

Simon always buys top-quality ingredients from reputable suppliers. The cod used for the restaurant's "fish and chips" is from a sustainable Alaskan fishery. Clam chowder and other soups are made from scratch. Cottage pies and Cornish pasties, English favorites, are handmade. Simon believes that if customers know the food is consistently prepared and tastes good, they will come back. "And," he said, "the focus on quality sets the restaurant apart."

#6 – Nurture regular customers, giving them incentives to spend with your business

The restaurant has a rewards program and distributes a monthly newsletter that informs customers of upcoming events and also offers nautical trivia. The newsletter also features an authentic British recipe that customers can try at home. Through those mechanisms, Simon has an extensive e-mail data base of customers.

#7 – Be accessible

Despite being the owner, Simon is at both restaurants every day. He believes that

continued on page B-36



The inside of the bar at The Olde Ship British Pub & Restaurant, which has locations in Fullerton and in Santa Ana. The business was founded by Doug Collier, who left the corporate world to pursue his dream. Doug's son, Simon, took over ownership and management of the business after Doug's death in 2006.

Image by: Derrick Tortorella

Cox Business: The Right Technology, the Right Attitude, Right Here in Orange County

Whether you run a family-owned business such as The Olde Ship, work from your home office or operate a medium or large-sized company, Cox Business can help make your business more efficient by providing dependable telecommunications services.

Businesses that partner with Cox Business receive superior network reliability and local world-class customer service 24 hours a day. Cox Business products are delivered over a secure network built and maintained exclusively for Cox Business customers. Communications needs can be simplified by bundling various solutions that maximize productivity and save money.

In addition to high-speed Internet services, switched voice and long-distance services, and other offerings, Cox Business recognizes that business owners need to make video a compelling and affordable part of their business purchase. Cox Business is targeting a video product for restaurants and bars, doctors' offices and other businesses with waiting rooms.

"We're trying to design packages that are even more attractive to clients, things like packages without sports, for example, that would reduce some of their costs," compa-

ny spokesman Todd Smith said. "Some waiting-room environments may not have the desire to have all the premium sports channels, but they may want some of the basics to entertain their customers."

"We're trying to do things like restaurant/bar packages, a financial-only type package, a family-type package, things like that," Smith added.

Cox Business works well for any company, regardless of its size. It provides the right technology and the right attitude – right here in Orange County.

Offering advanced-networking capabilities like Ethernet service gives Cox Business the ability to provide seamless services for larger companies. With Metro Ethernet, virtual private

networks and other advanced business services, Cox Business is the perfect partner for your business.

For more information about Cox Business's telecommunications services and how they can help your business, please visit www.coxbusiness.com.



Cox Business

Cox Business is a division of Cox Communications, the nation's third largest cable broadband communications company. The company offers high-speed Internet services; switched voice and long-distance services; and dedicated voice, data and video transport services for home offices, small, medium and large-sized businesses, school districts and hospitality, government and military properties in 28 markets across the nation.

Cox Media, a subsidiary of Cox Communications, is one of the coun-

try's largest cable television advertising sales organizations, reaching more than eight million subscribers. The first to commercially deploy digital program insertion and on-demand advertising, Cox Media uses advanced research and media planning, customized promotions and state of the art commercial production to help businesses connect with their audiences. From broad reach on highly rated programs to laser-sharp targeting of specific audiences, Cox Media provides more choice, better value and smarter advertising solutions to its clients.

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BCS
Ben's Asphalt Inc.
Cabo Foods Inc.
Collins Flowers
Daddy Cakes
Dining as Art
Earth Friendly Products
Epicuren Discovery
Estey-Hoover Inc.

Europoint Inc.
Frieda's Inc.
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KEYNOTE SPEAKER



**ANDREW TRUETT
CATHY**

*Human Resources Consultant
Chick-fil-A Inc.
Grandson of Founder
S. Truett Cathy*

*A portion of the proceeds will benefit the CSUF Family Business Council.

Shoot, Ready, Aim ... Why Most Family Businesses Eventually Fail!

by Thomas V. Schwarz, Rick Muth Family Endowed Chair in Family Business, California State UniversityFullerton

It's a cliché. We have all heard it many times before – we even quote it to others: “Fail to plan and plan to fail.” Why is it so difficult for successful, driven, and talented family business leaders to plan, and to do it well? What stands in the way? Can planning, in fact, be done less painfully and more productively? The answer to this last question is “yes.”

But first, let's examine the evidence. Sadly, the statistics haven't changed for the last twenty years. The fact remains that 70% of family businesses fail to pass to the second generation and 90% fail to make it to the third generation. The latest national survey, conducted in 2007, highlights some of the likely causes for this occurrence – chief among them is the failure of family businesses to plan for major, predictable events in the company's future.

Consider the following:

- Only 37% of family firms nationwide have a written strategic plan;
- Only 31% use a formal process to prepare a strategic plan;
- Only 37% of family business have buy/sell agreements;
- While 20% of CEOs plan to retire in 5 years, and another 40% in 10 years, only 24 % of all respondents have identified successors;

Of those CEO's planning to retire in 5 years, 54% have yet to identify a successor.

This low level of planning for major predictable events in a firm's future threatens most family firms' very survival. In this day of widespread knowledge, professional education, and with Internet capabilities to link and disseminate knowledge, why is there such a lack of commitment and general resistance to planning? One major reason is the reliance by family business leaders upon false assumptions.

Overcoming resistance to planning

In *Preparing Your Family Business for Strategic Change*, Craig Aronoff and John Ward (Family Enterprise Publishers, 1997) discuss how to overcome the resistance to planning and take proactive steps that are simple, meaningful, and effective. Here are some of their key points:

Perception is often not reality. Change perception. For example, reasons often given by owners against planning in general is that it limits flexibility, it is useless because there are so many

uncertainties, and it requires owners to share sensitive information. The reality is that planning expands flexibility, helps firms anticipate and cope with uncertainty, and empowers organizations with more responsibility, commitment and understanding.

Develop skills in planning so that the organization continues to be innovative and adaptable to the changing marketplace and world environment. Chances are that the next key strategic idea won't come from the current owner.

Make change less threatening by creating a culture of strategic change, much in the same way that family firms create a culture of shared values. This can be accom-

plished by allowing disturbing issues to surface and be discussed, creating investigative teams to brainstorm and analyze change solutions, seeking other expert input, sharing concerns with other peers, and experimenting with a different approach, and then finally celebrating this change culture within the firm.

Many times a core organizational strength can become an organizational weakness. For example, the average tenure of a family business CEO is roughly twenty-five years; over three times that of a large publicly-traded firm. Because of the long tenure of the CEO and reliance on a business model that has historically been successful, the leader and firm can become set in their ways, relying on past tried and true formulas for success, avoiding taking new risks and adjusting to the dynamics of the marketplace.



Thomas V. Schwarz

Learn more

Are you concerned that your family business may be planning for failure without even knowing it? Do you want to learn more about planning to succeed? An excellent opportunity is right around the corner. I encourage you to join other Orange County family business leaders and explore how education and planning can help your business survive.

Visit www.csuffamilybusinesscouncil.com for a list of Cal State Fullerton's Family Business Council workshop topics, or contact Mike Trueblood, CSUF Family Business Council Director, at 657-278-4182.



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Management Department

Welcome Andrew Truett Cathy

Human Resource Consultant, Chick-fil-A, Inc.

This year's Family Owned Business Awards keynote speaker represents the third generation in his family to assume leadership roles in a company that is as acclaimed for its values and philanthropy as it is for its business success.

In his role as human resource consultant, Andrew Cathy is involved in the selection of Operators on the West Coast for Chick-fil-A, Inc., one of the nation's largest family owned businesses. Andrew is one of Chick-fil-A founder S. Truett Cathy's 12 grandchildren and son of Dan Cathy, who currently serves as president of Chick-fil-A.

In February 1999, Andrew spent five months as one of the managers of the Chick-fil-A in Sandton City, South Africa, the company's third store in South Africa.

A 2002 graduate of the University of Georgia, Andrew attended the Harvard Business School in 2003 for additional executive coursework, including “Families in Business: Generation to Generation.”

Prior to joining Chick-fil-A, Andrew spent three years at Landmark Christian School in Atlanta, Ga. as a teacher and football and track coach. He re-joined the company in January 2006 as an operator of a Chick-fil-A location in St. Petersburg, Fla.

Andrew now resides in Irvine, Calif. with his wife, the former Mandy Wise.

The Chick-fil-A Story

Armed with a keen business sense, a work ethic forged during the Depression, and a personal and business philosophy based on biblical principles, S. Truett Cathy took a tiny Atlanta

diner and transformed it into Chick-fil-A, the nation's second largest quick-service chicken restaurant chain.

Truett Cathy opened his first restaurant in Hapeville, Ga. in 1946. Credited with inventing the boneless breast of chicken sandwich, Cathy founded Chick-fil-A Inc. in the early 1960s. He pioneered the establishment of restaurants in shopping malls in 1967, and Chick-fil-A has since grown to 1430 locations with annual sales of more than \$2.9 billion.

Chick-fil-A remains privately held and family owned. With more than 41 years of positive sales growth, Chick-fil-A continues to set itself apart by pioneering business innovations and delicious products, including its signature Chick-fil-A® Chicken Sandwich.

The company is the first and only title sponsor of the annual college football Chick-fil-A® Bowl, and also sponsors the Chick-fil-A® Kyle Petty Charity Ride Across America, both of which raise significant amounts for universities and charities.

Truett Cathy's tremendous business success has allowed him to pursue other passions – most notably his interest in the development of young people. WinShape Foundation – conceived to “shape winners” – founded more than 20 years ago by Truett and Jeannette Cathy, supports many of the family's philanthropic endeavors, including long-term foster care homes, college scholarships, children's summer camps, marriage enrichment retreats, and personal growth and team training activities.

The author of several books and the recipient of many awards, Truett Cathy is often cited for his business and personal wisdom: “I'd like to be remembered as one who kept my priorities in the right order. We live in a changing world, but we need to be reminded that the important things have not changed, and the important things will not change if we keep our priorities in proper order.”



Andrew Cathy

COX

continued from page B-34

being accessible to customers is an important part of a restaurant's success. It also helps foster the warm and friendly environment that customers appreciate. If a customer has a compliment about a meal, the customer can talk to Simon directly. The same can be said if there is a problem. “How many restaurants can you go into and approach the owner?” he said. “Customers who know they can “reach the top” with a concern or an idea and get a friendly ear/response make them feel they have a stake in your success.”

#8 – Provide good value

Simon has felt the impact of the weakened economy on his business, seeing a drop in customers over the past year. There is no doubt, he said, that everyone has felt that. That is one of the reasons that Simon wants customers to feel that they are getting the most for their recession dollar. While other restaurants might be experiencing a 35 to 40 percent decrease in business, Simon estimates that he has felt a 15 to 20 percent drop. Part of the reason for that, he believes, is that he continues to provide good value and offer a friendly environment for his customers.

#9 – Appreciate your employees

Successful restaurants rely on team work and Simon treats all of his employees equally, understanding that they each bring something important to the table regardless of their job. Front of the house is no more important than the people in the kitchen, he said. The front of the house is the emissary, greeting and inviting customers. But the people in the kitchen are making the food, which is what customers will remember. Simon sometimes takes his employ-

ees to Galaxy games and gives them perks, such as a week's paid vacation, when they reach particular milestones. Simon said he receives four or five job applications a day, but has an extremely low turnover rate. “Everyone is expected to do their job and go above and beyond and be a team,” he said.

#10 – Give back to your community

Simon regularly provides food for charitable events in Fullerton and in Santa Ana. He recently participated in the Taste of Santa Ana at the Discovery Science Center and donates to events sponsored by the Assistance League of Fullerton and other nonprofits. He said he appreciates customers who frequent his business and said it's important to him to give back to the local communities.

#11 – Be creative

The Olde Ship offers a variety of entertainment options for its customers, ranging from quiz nights to jazz concerts to nights devoted to watching World Cup qualifying matches or Champions soccer games. On special occasions, such as Halloween or New Year's Eve, the Olde Ship hosts parties. It also sells merchandise on its website, even promoting an “Olde Ship” tattoo. Next year, Simon hopes to introduce a mobile Olde Ship – a double-decker bus from London that can be rented out for parties or corporate events.

#12 – Love what you do

When running your own business, success is often based on what you put into it and how hard you work, Simon says. Unlike other jobs, running your own business means there is always something else to do. “You have to put the time in and you are always working seven days a week,” he said. “I consider each pub my living room. I enjoy meeting people and having good conversations. And at the end of the day, it's all yours.”

PROTECTING YOUR MOST TREASURED ASSETS



Like treasures, businesses are unique.

They come in all shapes and sizes and their contents vary. Often, family-owned ventures are even more distinct. But, despite their many differences, all successful businesses share one common characteristic – a vision.

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Signature Insurance Group is comprised of knowledgeable, experienced insurance professionals. With its history, Signature Insurance Group recognizes the unique challenges and rewards of working with family-owned businesses. Signature understands the unique needs of these dynamic organizations and believes in the concept that a business – much like a baby – requires the utmost protection. Signature's business is to protect your baby.



Signature Insurance Group congratulates the 2009 Family-Owned Business Award nominees and commends their efforts toward ensuring a brighter future for generations to come.

To learn more about Signature Insurance Group and how protecting today can insure a better tomorrow, call 800-464-3606 or visit signatureinsurancegroup.net

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Ayres Hotel & Spa Mission Viejo Lobby



Entrance to "A Spa" at the Ayres Hotel & Spa Mission Viejo

AYRES HOTELS — Still Building Hotels and Guest Experiences in Southern California

When Frank H. Ayres came to California from Ohio to start his own land development company in 1905, did he know he was laying the foundation of strong family values, work ethic and customer care for over 100 years to come? Yes, most likely.

Four generations later, Donald Ayres Jr. is at the helm of a family business devoted to building and managing superior boutique hotel accommodations in prime Southern California locations. Ayres Hotel Chino Hills opened just last month and Ayres Hotel & Spa Moreno Valley is online to open its doors late Spring 2010.

Ayres properties in Orange County include Ayres Hotel Seal Beach, Ayres Hotel & Suites Costa Mesa/Newport Beach, Ayres Hotel Anaheim, Ayres Hotel Laguna Woods, Ayres Inn Orange, Ayres Suites Mission Viejo, and Ayres Suites Yorba Linda.

Ayres Hotel & Spa Mission Viejo premieres

Ayres is also proud to announce the opening of its first spa hotel at 28951 Los Alisos Blvd. in Mission Viejo. Ayres Hotel & Spa Mission Viejo features 91 deluxe guest rooms featuring the Ayres Dream Sleeper™ bed, complimentary high speed Internet and 2 plasma screen TV's in each room. Property amenities include complimentary full breakfast, 2,700 sq. ft. of meeting space and a four treatment room Spa with services including massage & facials to relax after a long day of business or leisure.



Douglas Ayres, Janet Ayres, Don Ayres Jr., Allyson Ayres-Deliscu, Don Ayres III, Bruce Ayres

"We are proud of our heritage and the accomplishments of the family members who have gone before us," said Donald Ayres Jr.

All 19 Ayres Hotels properties are known for their relaxed elegance, complimentary amenities including breakfast daily, high speed Internet, impeccable service, and inviting living room-style lobbies furnished with antiques and inspiring artwork.

To learn more about Ayres Hotels online, prospective guests are invited to visit www.AyresHotels.com, where they can view each of the hotels and make reservations. There's even an online Request For Proposal (RFP) for planners to easily submit their requirements and to receive a proposal in return, and a convenient At-A-Glance section for a quick overview of rooms, meeting space and capacities.

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Anaheim White House, Anaheim

Bruno Serato, Proprietor
Sylvano Ibay, General Manager
Fred Ibay, Day Manager

In 1987, Italian immigrant Bruno Serato moved to Orange County and took over the ownership of the Anaheim White House, a fine dining restaurant featuring steak and seafood with a Northern Italian cuisine. His award-winning excellence and signature entrees define the establishment; Bruno himself has been hailed as bringing fine dining to Orange County. His philosophy is simple: to treat each and every one of his patrons as a distinguished guest in his home. Simple as it may be, Anaheim's once "hidden treasure" is now recognized worldwide, and is now a "home" to many. 2009 marks the 100-year birthday of the Anaheim White House.



Attorney Assisted California Centers, Orange

Christina Hernandez, Owner
Melanie Hernandez, Assistant
Serena Hernandez, Receptionist

In 2006 Christina Hernandez purchased Attorney Assisted even though it was a failing business that didn't generate a profit at that time. She had a vision as to how it could be made profitable, and in 6 months she realized that vision. Along with her daughters Melanie and Serena and her best friend, Christina runs the company with the larger goal of making a difference.

Christina was named a Phenomenal Woman by Chapman University because of her impressive philanthropic efforts; her business assists Orange-based Friendly Center (a nonprofit organization) by helping out low-income families. Further, Attorney Assisted provides free domestic violence restraining orders.



BCS (Business Communications Solutions), Irvine

Sunny Rajab, CEO
Reza Khorramian, VP of Sales
Ari Rajab, Purchasing Manager
Amir Rajab, Project Coordinator

Wife and husband team Sunny Rajab, CEO, and Reza Khorramian, VP of Sales, form the executive management team at BCS – a company that offers IT/Telecommunications Services & Products. The couple is joined by Sunny's two brothers, Ari and Amir Rajab. In all, the business employs 20 people – each of whom Sunny and Reza treat like family.

BCS has been in business since 2002, and has achieved significant milestones within the Telecommunications and IT industries. From being recognized as a semi-finalist by Ernst and Young's Entrepreneur of the Year program to being featured in American Express's Open Book, the company continues to garner attention from prestigious business organizations.



Baby U R Precious, Foothill Ranch

Lynda Drake, Owner & Founder
Erin Riddle, Co-founder & Co-owner
Rylynn Riddle, Model

The name Baby U R Precious makes a fitting acronym (BURP) for a company that makes unique and luxurious burp cloths, blankets and bibs. All the company's products are made of organic bamboo fabric, which has a distinct softness at a lower price point than silk or cashmere. Even better, the bamboo plant is a grass that can grow a yard or more a day and be cut and re-grown several times a year, making it an eco-friendly choice. Currently, the mother-and-daughter-run company is strictly an online boutique, but has recently begun working with a wholesaler to get their product in stores. Lynda and Erin also run a nonprofit: BURP Ministry, an organization that brings together volunteer seamstresses to sew burp cloths for a variety of charities.



Ben's Asphalt Inc., Santa Ana

Bill Skeffington, CEO
John Skeffington, CFO
Teri Braden, Director of Human Resources

Ben's Asphalt was formed in 1961 by Ben Skeffington. After his passing in 2002, brothers Bill and John took over the family business along with their sister, Teri. The three still work in the same office as the rest of their staff, involving themselves with nearly every aspect of the organization. And their passion for continuing their father's legacy is evident in the admirable way they run the business; known for its unsurpassed integrity and professionalism within the asphalt industry, Ben's Asphalt also gives back to the community in a variety of ways. In addition to sponsoring youth sports teams and contributing to local charities, the company hosted its first blood drive this year, alongside the American Red Cross.

Cabo Foods, Inc., Laguna Hills

Brady Bunte, Founder/President
Christian Bunte, Vice President

The Bunte family started Cabo Foods in April 2004 in (where else?) Cabo San Lucas. In a matter of months, demand for the company's product in the U.S. was so great that they moved operations to Orange County, where they're from. Brady Bunte and his son Christian have mastered the seemingly simple tortilla chip. They use a handful of the best all-natural ingredients, such as non-GMO white corn, expeller-pressed oils, preservative-free soy sauce and real lime juice. Their special batch cooking/seasoning process infuses the seasoning into the chips, resulting in an irresistible flavor with no trans fat. Currently, the father-son team is exploring the idea of expanding their offerings to include more flavors of chips and maybe even some salsas.



Collins Flowers, Anaheim

Colin Butcher, Owner
Vicki Butcher, Owner

Family owned and operated at its original location for longer than 43 years, Collins Flowers Inc. opened in 1966. Owner Colin was drawn to the business's Harbor Blvd. spot by other thriving businesses, including Disneyland. He completed his apprenticeship at Sonny Alexander's Flowers in Los Angeles before branching out and opening his namesake florist. In 1989, his wife Vicki came on board. Today, Collins Flowers offers a diverse range of flower arrangements to suit all occasions. Under Colin's guidance, the store's designers competently produce gorgeous floral creations geared specifically toward their patrons' feelings and sentiments.

The Butcher family is actively involved in the community, contributing time and talent to many organizations.

Daddy Cakes, Newport Beach

Dan Byers, Founder
Jill Byers, Creative Director
Grant Byers, Taste Tester
Blake Byers, Taste Tester

Daddy Cakes is a perfect example of a cutting-edge, young company that has embraced new media

to connect with its customers. And its strategy is working. In January 2009, the brand was only available online and in a handful of specialty stores in OC. By July, it had expanded to major metropolitan areas in more than 50 retail outlets, including Whole Foods Markets and the world's largest e-tailer, Amazon.com. The family-owned and operated business produces nine flavors of pancake and waffle mixes; all of them are vegetarian, six are vegan, and three of those are organic. Providing flavorful yet wholesome alternatives to many mixes on the market, Daddy Cakes utilizes real fruit, whole grains and organic flour.



Dining as Art, Newport Beach

Marc Ghoukassian, Owner
John Ghoukassian, Owner
Karyn Ghoukassian

Owned by the Ghoukassian family, Dining as Art is a collection of top-tier restaurants that have become a favorite of many in Orange County. Time and time again, these dining establishments are lauded by food critics for their innovative menus and consistently excellent products. Comprised of Bistango, Bayside, the Dining as Art Catering Company, Tonic Juice Bar, Tonic Coffee Bar and its latest addition, Kimera, Dining as Art offers unique, culturally enriching experiences centered on the enjoyment of food, wine, music, art and architecture. In addition to helping establish Orange County as a culinary epicenter, the Ghoukassian family supports a number of local charities.

Earth Friendly Products, Garden Grove

Van Vlahakis, CEO
Kelly Vlahakis-Hanks, VP of Media Relations
John Vlahakis, President

In 1993, John E. Vlahakis founded Earth Friendly Products with a simple mission: to provide high-quality cleaning products that are environmentally safe, made with replenishable ingredients, and competitive in terms of performance, price and convenience. The company is a family business that does everything with a special kind of care in a detailed, hands-on manner. Social responsibility is of utmost importance in the company; every year, it makes monetary and in-kind donations to a variety of animal rights, environmental and social causes, including homeless shelters and preschools. In 2007, the organization was named best line of cruelty-free household products by PETA.



Epicuren Discovery, Laguna Hills

Colleen White Lohrman, CEO
Michael White Lohrman, President

Twenty-five years ago, Robert Heiman (an agricultural engineer and developmental scientist) was intrigued by a study in which burn victims were misted with a special protein solution to improve their skin. He then had a "light bulb" moment, deciding to apply that same concept to healthy skin in an effort to minimize the visible signs of aging. He took the concept to Colleen White Lohrman – someone he knew shared his passion for natural healing and wellness – and Epicuren Discovery was born.

The same passion that helped get the business off the ground remains integral to its culture today. Now, Epicuren is owned and run by Colleen (who acts as the CEO) and Michael White Lohrman, its President.



Estey-Hoover Inc., Newport Beach

Dan Hoover, Founder, President & CEO
Joan Hoover, VP of Operations
Tim Hoover, Account Executive

Estey-Hoover Advertising and Public Relations is one of the few surviving "founding fathers" of full-service ad agencies born in OC. The company's predecessor, Hoover & Associates, was founded in 1971 by brothers Darrell and Dan Hoover. In 1975, Dan branched out on his own, forming Estey-Hoover in Newport Beach with Donald Estey, who passed away the next year, leaving Dan the sole stockholder of the fledgling corporation. Today, Estey-Hoover serves numerous high-profile brands, which have included La Paz Products, Castrol Oil, Emachines, and Canon. Creative awards line the walls of its Newport Beach offices. And the agency has been recognized for its extensive public service efforts, having done work for the United Way, Red Cross of Orange County and many others.



Europrint Incorporated, Fountain Valley

Tim Garth, President
Angela Garth, Operations Director

Tim Garth started Europrint, Inc. in 2001 with just \$3000 in capital. In a short period of time, the company found itself with a long list of prestigious clients, including some Fortune 500 companies. It was growing at such a pace that Tim was working 16-hour days. He recognized the necessity to bring someone else on board to better serve his clients, and so his wife Angela joined as Operations Director. Since then, the dynamic duo has grown the business rapidly, earning a spot on the Inc. 5000 List two years in a row and placing on the Orange County Business Journal's 2008 Fast-Growing Private Companies List.



Frieda's, Inc., Los Alamitos

Karen Caplan, President & CEO
Jackie Caplan Wiggins, Vice President
Frieda Caplan, Founder
Alexandra Jackson

For the past 47 years, Frieda's has been changing the way America eats – literally. The company is responsible for introducing the US to roughly 180 'new' foods, including the kiwifruit. Founded in 1962, Frieda's is the nation's leading marketer and distributor of specialty produce, supplying grocery retailers and food service distributors with more than 600 varieties of unique fruits, vegetables and gourmet items. Frieda Caplan, founder, now serves as Chairman of the Board and her eldest daughter, Karen, acts as the company's President and CEO. The company prides itself on being ahead of its industry's curve; in addition to offering fresh, innovative products, it is the first wholesale produce company in the nation to be founded, owned and operated by a woman.



GBS Linens, Anaheim

Pravin Mody, Chairman/CEO
Ashesh Kamdar, President
Sujata Kamdar, President
Parag Mody, Admin. Manager

Pravin Mody came to the US from India more than 40 years ago with a few dollars and a dream. He dabbled in several different jobs before taking over a struggling shirt laundry service (with three partners) in 1984. Since 1989, the Mody family has been the sole owner of that company – GBS Linens. What



then was a small service provider in a 2,400 square-foot facility now has two hub locations and four spoke locations in multiple states. GBS is now one of the largest providers of linen service to the party rental, hospitality and event coordinating industries in the Southwestern United States. In addition to its highly successful business operations, GBS is known for its community and philanthropic involvement.

Golden Construction Development Company, Inc., Huntington Beach

Jason Coleman, Vice President/COO

Joseph Coleman, President/CEO

Janet Coleman, CFO

Holly Coleman, Administrator

After 7 long years as a superintendent in the construction industry, Joseph Coleman started Golden Construction. The year was 1990 and the economy was not ideal, but Coleman, along with his wife Janet had just purchased a home which they put to use for the company, converting a spare bedroom into office space. Fifteen years down the road, the company had outgrown its humble beginnings, and so it moved into an office building. Golden Construction has earned a sterling reputation within the industry's medical buildings niche, and that's due in large part to the tremendous effort the entire family puts into it, day in and day out. Earlier this year, Golden Construction secured the number 28 spot on the Business Journal's Fast-Growing Private Companies List.

Hakanson Construction, Brea

Margaret Hakanson, President

Beatrice Trinder, Human Resources Manager

Peter Rayney, Controller

Margaret Hakanson, family matriarch and head of Hakanson Construction, has demonstrated an outstanding capacity for professionalism, ethics and efficiency within her industry, and has also graciously supported various community events and charitable organizations. Since formation in 1976, Margaret's company has completed many prestigious projects. It's a recognized specialist in the commercial and industrial construction industries, and has been providing the highest quality onsite concrete tilt-up services for more than 30 years. And beyond employing a sister and brother on a full-time basis, she treats all her employees like family.



Hilgenfeld Mortuary, Anaheim

Margie Hilgenfeld Field, President

Gary J. Field, Vice President

Becky Field-Areias, Secretary/Treasurer

For more than 80 years, the Hilgenfeld family has committed themselves to providing more than just professional funeral services to the Anaheim community. They often assist their neighbors by sharing parking lots for city events, they patronize other local businesses, and they encourage their staff to attend local functions. Over the years, different family members have served on the boards of the Altrusa Club and the YMCA of Anaheim, among others. They have also sponsored dances, activities and events for the Senior Center in Anaheim. What's more, the Hilgenfeld Foundation gives grants and scholarships to Cypress College students, interviewing candidates and evaluating their grades and goals.



InfoSend, Fullerton

Mahmood Rezai, CEO

Russ Rezai, COO

Mahmood Rezai started InfoSend in 1996 out of a 1,600-square-foot office in east Anaheim. According to Rezai, the company has since had offers to be bought, but he's turned them down because he enjoys working with his son. And that kind of passion has parlayed into tremendous success; In a less-than-favorable economy, InfoSend has actually managed to grow. During the last three years, the company – which makes and processes paper and electronic bills for cities, water districts, hospitals, companies and utilities, both public and private – has increased its number of employees from 26 to more than 50. What's more, it opened an additional location in Chicago.

Insulectro, Lake Forest

Timothy Redfern, President and CEO

Patrick Redfern, VP

Sean Redfern, VP

Insulectro, headed by Timothy Redfern, is one of OC's most prominent family companies, having been in business for two generations. The organization is a leading North American supplier of materials used to manufacture Printed Circuit Boards (PCB). It combines a premier product offering with local inventory in strategic stocking locations across the country, fabrication capabilities and expert customer and technical support services.

Insulectro serves a broad customer base manufacturing rigid, rigid/flex and flexible circuit boards for applications in a variety of end markets including telecom, data communications, high speed computing, mobile devices, military, and medical.



Keating Dental Arts, Irvine

Shaun Keating, President

Kyle Keating, Marketing

Travis Keating, Technician

Matthew Keating, Shipping Supervisor

Shannon Keating, Human Resources

When Shaun Keating was in high school, he helped his older brother Kevin, a dentist, with his casework. In 1984, he began his career as a dental technician, and his keen eye for detail and obvious passion for his work helped him work his way up the ladder; he was quickly promoted from waxer to metal finisher to ceramist before becoming the crown and bridge manager at a large dental laboratory. He then pursued something larger: parlaying his talents into his own business, Keating Dental Arts. A devoted family man, Shaun has involved his wife, sons and nephew in the company's operations. The family contributes their time and efforts to a number of local charities and fundraisers.



Kellogg Garden Products, Carson

H. Clay "Hap" Kellogg IV, CEO

Kathryn Kellogg Johnson, Chief Sustainability Officer

Janice L. Kellogg, Chairman of the Board

Kellogg Garden Products started out in a dry riverbed in Santa Ana. Back then, the concept of sustainability did not exist. That is, not until H. Clay Kellogg discovered Nitrohumus. Named for the two dominant characteristics that he could measure, the black sediment found in the riverbed worked miracles on his orange trees. His discovery soon caught on with the farming community. Today, H. Clay Kellogg IV leads the company as CEO, while his sister



Kathy holds the post of Chief Sustainability Officer and their mother, Janice, serves as Chairman of the Board. The company and the family involve themselves heavily within the community, giving back to organizations such as Volunteer Centers, Boys and Girls Clubs, Special Olympics and more.

Kona Kai Private Reserve Water, Balboa Island

Kai Beaudoux, Owner

Jaana Beaudoux, President

Elisa Beaudoux, Sales Representative

Ava Beaudoux, Sales Representative

Kona Kai has been in business for more than 6 years, delivering great-tasting purified drinking water to homes and offices throughout coastal Orange County. The company's owner, Kai, grew up in Newport Beach, attending both Newport Harbor High School and Orange Coast College. Together with his wife, Jaana and their two daughters, Elisa and Ava, Kai works hard to ensure his company is putting out an exceptional product with competitive prices and great client service.

Community involvement is important to the Kona Kai organization, which is why it has donated its products to events such as charity golf tournaments.



Label Impressions, Orange

Ted Salisbury, CEO

Jeff Salisbury, President

Carolyn Deyoye, VP/Human Resources

A fast-growing "green" label and flexible packaging manufacturer, Label Impressions, Inc. is the only label printer in North America with both carbon neutral status and FSC (forestry stewardship council) certification. What does that mean? Well, in short, the company is *the* driving force in innovative, eco-friendly printing. It's developed several proprietary green materials, which include FiberStone®, a waterproof tree-free paper made from natural stone that saves 20 trees, 16,000 BTUs of energy and 18,000 gallons of water per ton. And the family-run business is as successful as it is environmentally progressive; since 2001, it has enjoyed a 635% increase in sales. Since 2006, its profit has risen by 635%.



Lazy Dog Café, Westminster

Chris Simms, President/Owner

Thomas Simms, CEO/Owner

The Lazy Dog Café has been growing a rate that's anything but 'lazy.' Having a total of five restaurants now, the Westminster-based restaurant group is anticipating opening another 3 stores per year. Having approximately 750 employees and gross revenue of about \$18 million, the company expects its growing size to give it access to better contracts from suppliers, further bolstering its profitability. Featuring menu items inspired by cultures around the world, the Lazy Dog Café is run by Chris Simms and his father, Thomas. The ability to run a successful dining venture certainly runs in the family; grandfather Arthur J. Simms started Irvine-based Mimi's Café in 1978.





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<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">  <p style="font-size: x-small; margin-top: 5px;">Left to right: Douglas Ayres, Janet Ayres, Donald B. Ayres Jr. Allyson Ayres D'Eliscu, Donald B. Ayres III and Bruce Ayres.</p> </div> <div style="width: 50%;"> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top;"> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>ANAHEIM</p> <p>LAGUNA WOODS</p> <p>MISSION VIEJO</p> <p>MISSION VIEJO SPA</p> <p>ORANGE</p> <p>SEAL BEACH</p> <p>YORBA LINDA</p> <p>COSTA MESA</p> </div> <div style="width: 50%;"> <p>Ayres Hotel</p> <p>Ayres Hotel</p> <p>Ayres Suites</p> <p>Ayres Hotel</p> <p>Ayres Inn</p> <p>Ayres Hotel</p> <p>Ayres Suites</p> <p>Ayres Hotel & Suites</p> </div> </div> </td> </tr> </table></div></div>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>ANAHEIM</p> <p>LAGUNA WOODS</p> <p>MISSION VIEJO</p> <p>MISSION VIEJO SPA</p> <p>ORANGE</p> <p>SEAL BEACH</p> <p>YORBA LINDA</p> <p>COSTA MESA</p> </div> <div style="width: 50%;"> <p>Ayres Hotel</p> <p>Ayres Hotel</p> <p>Ayres Suites</p> <p>Ayres Hotel</p> <p>Ayres Inn</p> <p>Ayres Hotel</p> <p>Ayres Suites</p> <p>Ayres Hotel & Suites</p> </div> </div>
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Lucca Café, Irvine

*Cathy Pavlos, Owner/Executive Chef
Elliott Pavlos, General Manager, Sommelier*

Husband and wife team Cathy and Elliott Pavlos are the driving force behind one of OC's most unique eateries, Lucca Café. The restaurant is known for its one-of-a-kind menu and is reminiscent of a Euro bistro.

A former architect and college professor, Cathy Pavlos has always been drawn back to cooking. Having traveled to Italy every year for the past three decades, she's developed a collection of remarkable recipes, inspired both by her grandmother's cooking and her favorite restaurants in Europe. At Lucca, these recipes incorporate California flavors, utilizing healthy, high-quality ingredients. With husband Elliott working as GM and sommelier, engaging with guests and sharing his passion for wine, Cathy is able to focus on the kitchen and its ever-changing menu.



Mr. Stox Restaurants, Anaheim

*Charles B. "Chick" Marshall, Chairman
Ron Marshall, President
Debbie Marshall, Manager & Co-Owner*

Located conveniently near Disneyland and the Anaheim Convention Center, Mr. Stox has been owned and managed by the Marshall family since 1977. Today, Chick, Debbie and Ron Marshall are active in the business. Over the years, Mr. Stox has accumulated a number of awards in recognition of its excellence in service, cuisine and ambiance. One of the first was the Wine Spectator Grand Award, first received in 1983. Most recently, Mr. Stox was selected by the Nation's Restaurant News for their Fine Dining Hall of Fame. The Zagat guide continually rates the restaurant as "outstanding."

MS International, Orange

*Manu Shah, President
Rika Shah, Secretary, Treasurer
Rajesh Shah, EVP
Rupesh Shah, EVP*

Founded in 1975, MS International is the largest importer and distributor of natural stone countertops, flooring and landscaping products in the United States. It's a multi-generational company that Rika and Manu Shah founded in the family's basement, using their entire savings as capital for the venture. After graduating from college and working on Wall Street for two years, the couple's sons joined the business in 2003. Today, each family member works full-time – and their hard work is evident in the company's impressive numbers. MSI now has revenues in excess of \$275 million in addition to ten national distribution centers across the US. In 2007, Manu Shah received the prestigious Ernst and Young Entrepreneur of the Year award.



National Equestrian Centers, Inc., Huntington Beach

*Mary Behrens, President
Bill Harris*

In 1986, Mary Behrens and her father, Bill Harris purchased what now is Huntington Central Park Equestrian Center and built it into one of OC's premier equestrian facilities. HCEC currently is home to 420 horses, the businesses of ten trainers and a riding school, ETI Corral 100.

In addition to running a successful equestrian business, Behrens is a generous and active contributor within her community. She's a supporter of many OC charities, and in early 2009, she formed her own charitable organization with partner Susan Pierce: Red Bucket Equine Rescue. The charity's mission is to save and rehabilitate horses, restore their trust in humankind and find them safe, loving homes.

Nationwide Support Services, Irvine

*Joanne Garneau, Founder/CEO
Art Garneau, CFO
Tara Taylor, Human Resources Director
Amanda Counts, Enrollment Department*

After researching the debt settlement industry in the early 2000s, Joanne Garneau was intrigued – consumers in need of this type of service were being denied help by regulatory agencies, not to mention put in harm's way by unscrupulous companies. Seeing an incredible opportunity amidst this challenge, Joanne started her own debt settlement company in 2002. Three years later, she launched Nationwide Support Services as a "back" service provider to the industry. She enhanced the existing business model and applied the concept of new technology to more efficiently manage the processes. Her commitment to customer service has earned the company an unprecedented retention rate in the industry. Today, her husband, daughter and granddaughter each play an active role in the organization.



Olen Properties, Newport Beach

*Igor Olenicoff, President
Natalia Olenicoff, Vice President – Asset Management*

According to Igor Olenicoff, Olen Properties began out of necessity. It was the early 1970s, he was working for an OC real estate development company, and he wanted more time to spend with his family. Even though the economy was less than ideal at that time, he launched Olen with his former assistant, working out of her tiny Tustin home. Today, the company employs more than 300 employees and is headquartered at Fashion Island, having developed well over 100 commercial real estate projects. Igor's daughter, Natalia, works as its VP of Asset Management. And Igor is most proud of having built a company that calls each of its employees "Olen Family Members."



Palo Capital, Newport Beach

*Kevin O'Grady, President/Chief Investment Officer
Nella Webster O'Grady, Principal*

Palo Capital is a marriage of what many consider to be one of the finest investment minds in Orange County (Kevin) and OC's queen of relationship marketing (Nella). This marriage has made Palo Capital the fastest growing financial services firm in OC, with assets under management increasing by more than 150% since the beginning of 2009. The company's exceptional performance is due largely to Kevin's unique skill set – he's trained in economics, business and medicine. As for Nella, she has more than 30 years' experience in senior management and client service roles at national and regional banking and trust companies, and is well-known in the area's business and philanthropic circles.



Patton Sales Corporation, Ontario

*John Novack, President
Paula Ziedman, EVP
Joshua Ziedman, Purchasing Manager*

Patton Sales Corporation began in 1959 on Patton Road in Ontario. Since those early days of warehousing Army and Navy surplus, the family-owned and operated company has prided itself on providing unsurpassed customer service, exceptional value, and an extensive selection of products. Over the past 41 years, Patton's has opened up several locations throughout Southern California, growing to more than 90 employees. What's more, the organization believes in giving back to the communities it serves. For more than 15 years it has supported the Salvation Army, and for the past decade it has given financial support to the City of Hope.

Reborn Cabinets, Anaheim

*Vincent Nardolillo Sr., Chairman of the Board
Vincent Nardolillo Jr., President
Anthony Nardolillo, CFO
Brenda Nardolillo, CEO*

Founded in 1983, Reborn Cabinets is currently run by the second generation of its founding family, the Nardolillos. Continued customer demand has shaped Reborn into an elite manufacturer and industry leader – and it has earned numerous awards and recognitions to prove it. Citing "Craftsmanship with Personal Service" as its number one priority, Reborn has been lauded by publications such as Qualified Remodelers Magazine consistently through the years.



Roy Englebrecht Promotions / Events, Newport Beach

*Roy Englebrecht, CEO
Drew Englebrecht, Operations, Marketing Manager*

Roy Englebrecht Promotions was launched in 1981, sold to Oscar de la Hoya in 2001, and re-established in 2004; in 2006, he formed Roy Englebrecht Events. The company is the third largest boxing promoter in California. It owns Fight Promoter University, the Professional Boxing League, Sports Entrepreneurship Seminars and Knockout Night at the Fair. Englebrecht's Battle in the Ballroom series, held at the Irvine Marriott, is the longest running and most successful club pro boxing show in the country. Englebrecht's Fist Series, now in its third year, features martial arts shows, also staged at the Irvine Marriott.

Englebrecht was an original owner of the Class A Rancho Cucamonga Quakes baseball team and is a minority owner of the Anaheim Arsenal NBA developmental team. He also owns and operates the SportsCaster Camps of America, the leading sports broadcasting training school in the U.S.



Saddleback Educational Publishing, Irvine

*Arianne McHugh, President
Brian T. McHugh, Secretary*

In 2009, Thomas Milano retired from his post as the head of Saddleback Educational Publishing, a company that he founded in 1982, selling the company to his daughter Arianne and son-in-law Brian.

The company started off as a distributor of educational books, media and software through a direct mail catalog. Although the first order was only \$3.25, it was a beginning to what soon would become something much greater. Today, the couple continues





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Milano's legacy, running Saddleback with the same principles that made it a success 27 years ago.

In addition to distribution of educational materials, Saddleback Educational publishes its own product line with fall and spring publication schedules. In all, the company publishes more than 1000 titles.

Safe Navigation, Inc., Long Beach

Janet Mavi, President
Devinder S. Mavi, Vice President
Harpreet S. Mavi, Director
Rajinder Mavi, Receptionist

Janet and Devinder Mavi – a husband and wife team –were the first of the Mavi family to become involved with Safe Navigation, a company that Devinder has held an ownership interest in since its 1989 inception. Today, both the couple's sons play integral roles in the business as well; Harpreet, their eldest, is in the process of earning his MBA, which will equate to new insight and a heightened advantage for the family business.

The company manufactures and sells nautical navigation products all over the globe, from the United States to England and New Zealand. Since its launch, the company has maintained steady growth and expanded its territory tremendously.

Savvy Employment Specialists, Newport Beach

Kellie Lewis, President & CEO
Danny Castro, Office Manager
Janice Kaufman, Secretary

Kellie Lewis founded Savvy Employment Specialists in August 2004 after racking up a decade's worth of experience in the industry. Today, she continues to be the driving force behind the business, which also employs her husband, Danny Castro and her mother, Janice Kaufman. By delivering a personal, committed approach to staffing, Janice and Savvy have proven to be critically valuable to a number of clients and job seekers. Janice's passion for the staffing business is clearly evident in the caliber of business she does, and she's proud to work closely with her family as she continues to grow her organization.

The Saywitz Company, Newport Beach

Barry Saywitz, President
Jeff Saywitz, VP Brokerage
Michael Saywitz, Chairman

The Saywitz Company is the successor to Howard Ecker & Company, which was founded in 1974, and opened operation in Orange County in 1985. In 1989, Barry Saywitz joined that organization, of which he would become partner three years down the road. In 1994 he purchased the west coast operations, changing the name to The Saywitz Company, which today is one of the largest commercial real estate brokerage companies in Orange County – not to mention one of the area's largest privately held companies of its kind. It has been named as one of the top commercial real estate brokerage firms in the country by Real Estate Forum Magazine and National Real Estate Investor Magazine for the past several years.

Silver Star Casting Company, Irvine

Luke Burrett, President/CEO
Charis Burrett, VP
Jeannie Ebert, Assistant to President's Office
Jake Boyle, Silver Star Kids Division Spokesman

Silver Star is a lifestyle brand that was born on the streets of Southern California. What started as one man's vision has become a family affair – Luke Burrett, his wife and co-owner Charis and son, Jake infuse the company with their spirit and drive. Established in 1993, Silver Star originated as a jewelry and accessories line forged exclusively for Hollywood's elite. Today, Luke and his family run the company based on the belief that living like a champion makes anything possible. Their participation as a prime sponsor of the Armed Forces Foundation reflects their commitment to giving back to those whose champion spirit keeps us all free and safe.

Sno on the Go, Mission Viejo

Laura Wright, Co-owner
Mark Wright, Co-owner
Timber Charter, sno-baller
Charlie Wright, order-taker
Jesse Wright, host
Darla Wright, hostess
John Wright, maintenance

In addition to the personal service and warmth that only a "mom and pop" shop can provide, Sno on the Go offers custom "sno balls" made to order by Laura Wright, who also is responsible for the seasonal recipes featured on the menu. Mark Wright takes and fills orders at the window and the children (ages range from 5-14) clean up after guests and pass out stickers. The sno ball (not your typical sno cone) is a delicious treat Mark and Laura discovered in New Orleans: soft, fluffy shaved ice served in a cup and topped with syrups ranging in flavor from cotton candy to chocolate. Before next summer, the Wrights plan to add at least one additional location.

Specialized Marketing Services, Santa Ana

Gloria Robbins, CEO
Michael Stannard, President, COO
Christopher Stannard, Director of Operations
Christina Stannard, Data Entry

Gloria Robbins founded Specialized Marketing Services to fill an industry void. Prior to its launch, she had searched for a single resource that could reliably deliver a comprehensive end-to-end direct response campaign. With little more than a vision, a folding table, a computer and a borrowed printer, she set up shop in her spare bedroom, recruiting her mother and teenage sons as employees. Twenty years later, SMS counts companies like Samsung, Neutrogena and Kaiser Permanente as clients. And Gloria's sons now hold executive positions, Michael as President and COO and Christopher as Director of Operations. Heavily involved with her community, Gloria gives time and effort to organizations such as Beacon Day School for Children with Autism, Working Wardrobes, and NAWBO.



Susan's Healthy Gourmet, LifeSpring Home Nutrition, and Xan Confections, Irvine

Susan Johnson, Founder/CEO
Kerry Johnson Anthony, President
John Johnson, CFO

With a family history of both cancer and heart disease, Susan Johnson is conscious of the benefits of a healthy lifestyle. She has fused this with her love of great cuisine via her three synergistic family-run companies. Susan's Healthy Gourmet pioneered and perfected the concept of delicious and nutritious calorie-controlled meals delivered to homes and offices twice weekly throughout Southern California. Meanwhile, LifeSpring Home Nutrition provides healthy and affordable frozen meals to seniors, and Xan Confections (created with celebrated OC chocolatier Tracey Downey) offers all natural, gourmet artisan chocolates. With husband John Lowery Johnson and daughter Kerry Johnson Anthony on board, the Johnsons exemplify successful homegrown family business. Combined revenues have surpassed \$8 million, with nationwide expansion on the horizon.



Ted Johnson Propane Company, Baldwin Park

Julie A. Cesena, President
Cassie Cesena, Administrative Assistant
Jeremiah Johnson, Sales

There aren't a whole lot of high-level female executives in the propane business. But that hasn't stopped Julie Cesena from doing a stellar job as the head of Ted Johnson Propane, which she took over several years ago after its namesake patriarch Ted Johnson passed away. Under Cesena's leadership, the company continues its excellence in maintaining successful partnerships with its customers and holding high standards in safety, education, training and more. In business since 1965, Ted Johnson Propane offers a full range of supplies, delivery services, and product safety training throughout Southern California. Cesena's children, Cassie Cesena and Jeremiah Johnson, contribute to the company's remarkable achievements.



Tel Phil Enterprises, Inc., Costa Mesa

Robert "Bob" Teller, Chairman of the Board
Jeffrey Teller, President
Ryan Miller, Vice President

Bob Teller started the Orange County Market Place in 1970. His vision was to create a place where other entrepreneurs could come together and succeed in establishing their own businesses as he had done. That was the start of one of the most prestigious swap meet operations in southern California. Since its inception, the Orange County Market Place has been family-owned and operated. Jeffrey Teller, now the company's president, started "trading" bicycles at the age of four, literally growing up in the business. The Teller family works hard to ensure that the Orange County Market Place maintains its sterling reputation for quality and professionalism.



Wonderland Bakery Inc., Newport Beach

Allyson Ames, President, Co-founder
Sondra Ames, CEO, Co-founder

Allyson Ames has always been a whiz in the kitchen. At the age of 17, she was named the Best Young Chef in America. Having a special fondness for baking, she launched Wonderland Bakery with her mother Sondra in 2005. Since then, their brand has become a household name in Orange County, earning the duo numerous prestigious honors such as the 2008 California Business of the Year Award, given by Senator Harman and Governor Schwarzenegger. And the company continues to grow with no end in sight. Its holiday 2009 expansion will stretch from coast to coast, hitting well-known retailers such as FAO Schwarz.



YEAR-END PLANNING & TAX SAVINGS OPPORTUNITIES YOU DON'T WANT TO MISS

By Sean P. Thorntenson, CPA, MST, Senior Tax Manager

As the year end rapidly approaches it's time to take a look at where we are in relation to income/profitability and income taxes. Is there anything we can do to minimize our income tax liability, or at least take advantage of some tax provisions still available to us that might not be after year end? Unless Congress acts to extend them, these tax breaks won't be around in 2010.

For Businesses, the higher Internal Revenue Code §179 expense deduction ("§179 deduction"), along with the bonus depreciation deduction, change dramatically in 2010. The research tax credit, commonly referred to as the "R&D Credit", is also set to expire at the end of 2009.

Currently, the §179 deduction allows businesses to deduct up to \$250,000 of the cost of property placed in service. This \$250,000 amount is reduced by \$1 for every dollar of equipment acquired in 2009 which exceeds \$800,000. For 2010, the §179 deduction will be cut in half to roughly \$125,000. Bonus depreciation allows taxpayers to deduct 50 percent of the cost of newly acquired assets used in their business in the year of purchase, as well as the normal depreciation expense on the amount of remaining cost not deducted. This provision for bonus depreciation expires in 2009 and is currently not available for assets placed in service in 2010.

For Individuals, the above-the-line deduction for qualified higher education expenses expires in 2009. The first-time homebuyer tax credit of up to \$8,000 is also set to expire in November of 2009. Currently the Alternative minimum tax or "AMT" exemption amounts are set to drop significantly next year. It is anticipated however, that Congress will once again extend the AMT rates at the last minute as they have done for the past several years.

Lastly, some key amounts and tax rates are set to change in the near future, which gives rise to abundant tax planning opportunities to many of us and our clients. Whether it's the exemption amount for taxable estates which changes dramatically over the next two years, or the long-term capital gains rate, or even the ordinary income tax rates, all of which are likely to change, planning now could save you lots of money in the future. Remember, failing to plan is planning to fail.

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Andrew Stein
CEO
TST, Inc.

You're forging the next generation.

Ask CEO Andrew Stein about the new realities of the aluminum industry, and he'll tell you it's a melding of global competition and the rising prices of scrap materials. For three generations, one true constant has been the partnership TST has forged with its commercial bank. Like his father and grandfather, Andrew relies on Union Bank for financial strength and industry expertise. Andrew has taken TST in exciting new directions, expanding production and modernizing operations. We've supported his rapidly changing capital needs, allowing Andrew to weather the market and maintain his profit margin. You might say, together, we've cast the mold for what a banking relationship should be.

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