

TECH & CYBER SOLUTIONS

Presented by





Medical Technology Industry Grows in Murrieta, California

When contemplating the emerging technology hubs in Southern California, most are probably quick to think about Los Angeles, Irvine, and San Diego. After all, the innovation that comes out of their myriad of universities and business incubators is seeing much success and these regions are hotspots for startups. What is probably not considered is Riverside County. Yet, as the evolution of tech startups has headed towards Southern California, it has also turned inland. As it turns out, there is a blossoming technology ecosystem that is forming in Riverside County and a growing culture of entrepreneurship. In Murrieta, this didn't happen on its own. Early on Murrieta's City Council recognizing the need to grow a regional economy and outlined a plan that incorporated tech, healthcare, manufacturing, and an international focus. Early on, Murrieta's City Council recognized the need to grow a regional economy and they outlined a plan that incorporate tech, healthcare, STEM companies, large and small businesses, advanced manufacturing, international business and a number of other valuable economic goals for the community.

The focus that Murrieta placed on technology companies early on is beginning to pay off. Business is flourishing for the City with unemployment hovering at 3.4%, which is lower than both State and County averages, and Murrieta is currently experiencing a windfall of growth for both startups and small businesses. New business permits in the City have tripled over the last year as the City's highly-educated workforce is turning away from commuting to work centers for their employment and instead focusing on entrepreneurship and bringing their businesses home to Murrieta.

It's a busy January night in Murrieta as startups are quickly setting up presentations, food is being served, and investors are listening intently. This evening's activity is indicative of the region as a whole, which is busy at work with growing an economy that can compete with its larger neighbors. On this particular night, the City is hosting a Foreign Investment Mixer at their City run incubator, The Murrieta Innovation Center, also known as the MIC. This particular event features multiple investors that have traveled to the City from mainland China and they are looking for technology companies here in the US

that have innovative ideas and are seeking funding and the opportunity to share in technology transfer between our countries. There are eight companies pitching their business concepts to this group, all have been brought in by special invitation to share the ideas that they seek funding for with the hopes of turning these innovations into businesses. This event is by no means uncommon, the Innovation Center has hosted nearly 300 events in just the last year alone featuring pitch events, business workshops, mixers, round tables and networking events. More importantly startup companies have begun to take interest in utilizing space in the center to grow into businesses that can support themselves in the larger market. In the last year the MIC, whose primary purpose is to grow medical technology based companies, has grown from having no startups incubating within the facility up to having four that are either operating in the center or finalizing agreements to lease space there.

The City of Murrieta converted their former City Hall into the Murrieta Innovation Center about 3 years ago, and it started out as a space for businesses to receive free education and mentoring, with opportunities for all local businesses to come in for free services. While space is limited at the MIC, there was also a goal of developing medical technology startups within the facility. The Center quickly filled offices with free business counseling services such as: SCORE, The Veteran's Business Action Committee, 5-D Women, and the YES Place! Each filled a specific role in assisting small business, for example: SCORE offering free business mentoring and services that include writing a business and marketing plan, the Veteran's Business Action Committee works on local Veteran entrepreneurship and assists companies in applying for federal contracts, 5-D Women works to help female entrepreneurs and offers counseling and mentoring services, and the YES Place!, also known as the Young Entrepreneurs Success Place, is focused on helping students build the tools to open their own business. The most important step in the center's evolution came when a group approached the City with a plan to bring genomic research to the region. This type of DNA sequencing is not found in South Riverside County, so this new industry was met with approval and excitement from the surrounding health care service providers and business



Investors listen to business pitches at the Murrieta Innovation Center

partners. Thus Murrieta Genomics was formed and will offer not only genomics sequencing, but will serve as a genomics incubator, offering education, training, and access to venture capital that will springboard new businesses out into the region. They are currently working on tenant improvements to transform the former City Council Chambers into a state of the art genomics lab.

"Murrieta was the perfect choice for our genomic sequencing incubator," states Jay Goth of Murrieta Genomics. "This cutting edge technology is needed by researchers and scientists throughout Southern California – this will be only the second business incubator for next generation sequencing that we are aware of in the entire United States. The combination of location, city support, proactive healthcare companies and professional workforce in Murrieta made this an easy selection. Precision medicine is driving demand for new technology ideas and companies, and we believe that we can build an innovation community for precision medicine here that will rival the medical device region of Orange County and the biopharma region of San Diego."



Jay Goth, Murrieta Genomics



When the City of Murrieta was founded in 1991, it was primarily a commuter city to San Diego and Orange Counties. This made perfect sense, as the City has a wonderful central location in Southern California, making all of the major markets accessible. This small bedroom community offered affordable home prices with large size homes, great schools and a safe community, so much so that in the short time since then, Murrieta has grown to be the largest city in South Riverside County. With this growth, along with a focus on healthcare, manufacturing, and technology came opportunities to expand the local economy. Today, Murrieta serves the region as a healthcare hub that is quickly becoming a key location for startups and technology companies. In fact, Southwest Riverside County is being called the Valley of Innovation and with good reason. "Innovation is *the* key component of our region," says Doug McAllister, Executive Director of the Economic Development Coalition for Southwest Riverside County. "While this is obvious in our burgeoning tech sector, it is also clearly expressed in how our regional stakeholders, both government and private sectors, are committed to the kind of innovative thinking that finds a way to 'yes.' It is why, if you want to do business in California, the Valley of Innovation is the best place in California in which to locate!"

The entire County of Riverside is feeling the effects of booming technology growth and a series of business and technology incubators have sprung up across the region. The Economic Development Manager for Riverside Counties Economic Development Agency, Rob Moran, says "Riverside County's technology and innovation economy is blossoming and is particularly evident in

the Southwest Riverside County community of Murrieta. The Murrieta Innovation Center is a critical piece of the entrepreneurial infrastructure of the region and helps entrepreneurs transform ideas into new companies. The neighboring city of Temecula also supports innovation at the Temecula Valley Entrepreneur's Exchange." There is a great synergy amongst these regional business incubators and much of this collaboration has been due to the efforts of UCR and the EPIC (Entrepreneurial Proof of Concept and Innovation Center), which partners with facilities throughout the County of Riverside to offer educational programs for business startups. An important connection for the Murrieta Innovation Center has been Scott Browsky, who is an Entrepreneur in Residence at UCR and the Executive Director for InSoCal CONNECT. His guidance at the center has helped it develop into the med-tech focused facility that it is today. "From the Murrieta Genomics Lab and startup accelerator opening at the Murrieta Innovation Center, to the push into Ag Tech and Green Energy/Clean Tech by the University of California, Riverside and their key industry partners, to UCR's Highlander Venture Fund which is putting money to work by providing Seed funding to tech startups both on campus and in the Inland Southern California region, there has never been a better time to be a tech entrepreneur in Murrieta and the Riverside County area," says Browsky.



Rob Moran, County of Riverside Economic Development Manager

While the growth of a startup ecosystem is a main element to Murrieta's success, it's not just startups and small businesses coming to Murrieta. Kaiser Permanente opened phase I of an approved 825,000 square foot project in the North Murrieta Technology Corridor in October 2017. The first structure to be built is a medical office building with high tech features throughout. Kaiser has been a great partner with the City of Murrieta since its arrival and their Chief Administrative Officer, Bob Blair, stated, "Our new medical office building really is focused on transforming health care for our members and the community. In over 82,000 sq. ft., the building boasts a number of sustainability features including electric vehicle charging stations, preferred parking for carpool and low-emitting vehicles, cool roof, bike storage and LED lighting, just to name a few. We are excited to be able to introduce these types of features in Murrieta. We are absolutely thrilled to be in this community. The values that make south Riverside County such a special place to live—values such as community engagement, physical activity, health and wellness—are shared by all of us, and I can't think of a better place to launch this new approach to ambulatory care. We're also striving to be good neighbors to this community, which is why we designed the campus in such a unique way. Our Murrieta

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Networking at a Foreign Investment Mixer



Kaiser Permanente Murrieta on the day of their Grand Opening

MURRIETA

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medical offices feature: Thrive Path, community Garden, community meeting spaces and room for a possible farmer's market in the future", said Bob Blair, Chief Administrative Officer, Kaiser Permanente, Riverside County.

As Murrieta continues to expand and attract business to its borders, there will be many more busy nights, investor events, and businesses created. The focus of the City will remain on growing all types of business, large and small, experienced and startup, and on continuing to be active in the entrepreneurial ecosystem. The focus on promoting the expansion of technology based industry will continue as well as the particular emphasis on healthcare related

technology. The Cities combination of affordable land prices, a business friendly community, and a focus on bringing development to market quickly are an appealing combination in attracting new businesses. In addition, Murrieta remains a great place to live as it was recently named the safest city in the United States in terms of having this lowest violent crime by FBI Statistics for cities of over 100,000 residents. This combination of safety, affordability, and attention to economic development will continue to make Murrieta a leader in the growth of South Riverside County.

To learn more about the Murrieta Innovation Center, the Economic Development of Murrieta, or the startup ecosystem in South Riverside County, please contact Scott Agajanian, Business Development Manager at the City of Murrieta at 951-461-6003 or by email at Sagajanian@MurrietaCA.Gov.



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IT and Engineering Staffing – What Is Ahead for 2018?

2017 ended the year strong with the unemployment rate coming in at 4 percent nationwide. With the new year ahead of us, the push for hiring will continue to increase as 61 percent of companies expect to bring on more talent than the previous year! In addition, 56 percent of employers are aiming towards growth positions vs. backfilling open roles. Leading the way is the continued trend for technological advancements – drones, streamlined product development, data analysis, robotics and automation and upward trends in medical device are all factors dominating the marketplace. As a result, organizations seeking to stay competitive, will be looking to partner with industry staffing experts to hire top tech talent.

Let's look at three growing industries Marquee Workforce Solutions specializes in:

Robotics and Automation. According to the Bureau of Labor Statistics, the demand for qualified Robotics Engineers is expected to grow by as much as 13 percent through 2018. This is significantly higher when compared to the expected growth for all other occupations at 7 percent! As more companies turn to Automation and Robotics as a solution to freeing their employees from mundane and repetitive tasks, the need for industry experts becomes crucial. With the increased use of robots in the marketplace, we are starting to experience a shortage in workers with the necessary skills to program and maintain the complex machinery.

Aerospace. With rising employment rates, steady sales and increased diversification, the aviation industry is set to continue growing as we head into 2018. Some rising trends include emerging markets, the addition of defense projects, and rising aircraft production. From avionics to mechanical, electrical, CAD/CAM, environmental engineers and beyond, partnering with a recruiting specialist can allow organizations to fulfill their growing staffing needs in these areas.

Medical Device. The current market value for the medical device industry is estimated at \$389 billion. Last year, approval rates for innovative medical

devices increased in the first eight months of 2017 and venture financing deals rose by 56%. This year will not be any different as discovery and innovation continues to dominate the industry. Upcoming technological advancements include 3D printing, unique device regulations, increased need for cybersecurity, and the continued emergence for "digital health." In addition, as manufacturers begin to actualize the benefits of data and analytics, artificial intelligence and new digital tools, the medical device industry will continue facing new opportunities for increased growth and market share.

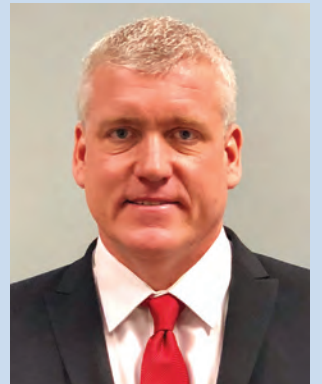
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Chris Kappes

In January 2018, Marquee Workforce Solutions was proud to announce the addition of Chris Kappes as Senior Executive Vice President. With over 20 years of staffing experience, Chris specializes in aerospace, medical device, robotics/automation and industrial implementation. By partnering with Chris and his team, organizations are guaranteed to build a top IT and engineering team focused on innovation, quality and industry knowledge! Contact Chris at CKappes@marqueewfs.com.



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The H-1B Visa Program's Shift for Tech Workers

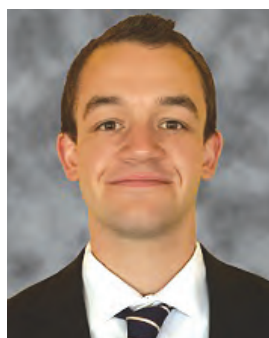
by Mitch Wexler, Partner, and Fred Doctorovich, Associate, Fragomen Worldwide

The H-1B visa program was created by Congress with the intention of spawning job growth and economic prosperity in the United States. The program offers temporary visas that allow American employers to hire highly skilled foreign professionals, working in areas with shortages of qualified American workers. Each year, the U.S. Citizenship and Immigration Services (USCIS) runs a random selection process to determine who will receive H-1B visas (last year the USCIS received 199,000 petitions for the available 85,000 visas), known as the H-1B CAP lottery. After last year's lottery, President Trump signed the "Buy American, Hire American" executive order, which has been used to justify extra scrutiny on H-1B visas, changing the way they are adjudicated, especially for workers in technology-related fields. The shift has resulted in the USCIS challenging H-1Bs, which would have had no problem being approved in the past. The increased scrutiny has been seen through "Requests for Evidence (RFE)," which are requests for additional evidence or clarification on visa eligibility. Such requests nearly doubled last year, while the number of denials also significantly increased.

The majority of challenges from the USCIS have focused on claims that the positions are not "specialty occupations" or that the wage level is not commensurate with the complexity of the role. Employers hiring workers in technology-related fields were targeted further, with the USCIS insisting that a person employed as a computer programmer, who uses information technology skills and knowledge to help an enterprise achieve its goals, is not sufficient to establish the position as a specialty occupation. These challenges have changed the way employers and their immigration attorneys are filing and responding to H-1B visa petitions.



Wexler



Doctorovich

In the wake of these changes, certain precautions are recommended:

Consider submitting petitions with non-entry-level salaries (officially known as a Level 1 wage, the lowest salary the Department of Labor (DOL) allows foreigners to receive in certain professions)

Provide extra proof that the foreign worker needs a bachelor's degree to perform the job that they are being hired for by including job postings within similar industries and university curricula.

Be prepared for changes in procedures and requirements. Though the Trump Administration's future plans to alter the H-1B petition process are not expected to affect the FY 2019 filing season, last-minute changes in USCIS and DOL processes and policy are always possible, including suspension of premium processing – a service which adjudicates petitions within 15 days for an additional fee.

The USCIS will begin accepting petitions on April 2, 2018 and will stop accepting petitions on April 6, 2018.

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Why Do Lawsuits Cost So Much Money?

Litigation has two prices: expensive and really expensive. Efficient attorneys can save clients gobs of money. Below are mistakes that unnecessarily drive up fees.

Litigating without a plan. Would you hike through the Amazon jungle without a map? If not, why litigate without a well-developed plan? Smart lawyers prepare a written strategy to take the case to trial and provide budgets for anticipated expenses.

Being aggressive for the sake of being aggressive. Some clients play "hardball" with the other side, refusing to budge on any issue, no matter how small. Aggressive posturing sometimes works, but it often leads to unnecessary disputes that drive up costs. Good lawyers know which issues to press and which ones to drop.

Failing to control the discovery process. Discovery (e.g., depositions, interrogatories, etc.) is usually the most expensive part of a lawsuit. In the days of Perry Mason, lawyers did not take depositions because they knew how to cross-examine witnesses on the fly. Budget conscious clients should limit depositions to key witnesses who will testify at trial to the most important issues the jury will decide. Good lawyers know how to cross-examine peripheral witnesses without the benefit of a deposition transcript. Most written questions to opponents do not result in useful answers. Sending hundreds of questions is rarely a good idea. Good lawyers know how to craft narrow written discovery that will reveal weaknesses in the opposing side's case.

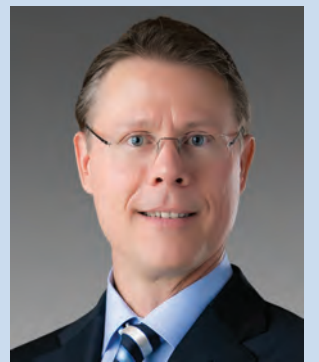
Picking the wrong attorney. Legal advice is not a commodity. Picking the

right attorney is critical. Check the attorney's credentials, experience, reputation, and results before signing the fee agreement. While there are few recognized "specialists" in California, picking a "know it all" is a bad idea. A lawyer who says she is experienced in handling trade secrets disputes, family law, bankruptcy, criminal cases, real estate, appeals, probate disputes, and construction law is probably not very knowledgeable about any of those areas. If you do not know how to choose or interview an attorney, get advice. The person you hire will have a huge influence on the outcome of your legal matter.

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Mark B. Wilson

Mr. Wilson, a trial attorney, has won nearly every case he has tried or arbitrated. He lost only one jury trial, but then obtained a complete reversal on appeal. This year, Mr. Wilson was listed in the Super Lawyers® Top 50 Orange County list, and he is a past Chair of Orange County Bar Association's Business Litigation section.



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Cybersecurity to Protect Trade Secrets

by Jared J. Braithwaite & Tyson K. Hottinger

Thoughtful cybersecurity practices protect information from hackers as well as trade secrets from theft by departing employees and competitors. In light of the cybersecurity threat to businesses of all sizes, businesses should develop their cybersecurity plans with protection of trade secrets in mind.

Under most trade secret laws, businesses must prove that their trade secrets are valuable and subject to "reasonable" protections. Today, most business information is stored electronically. Similar strategies may be used to protect information from hackers and to protect trade secrets from theft by departing employees.

Identify. Businesses should identify and understand where their trade secrets are kept and determine what protections and retention policies are applicable. This may include informing employees about what the business considers trade secret so that employees know what information should be treated with increased confidentiality.

Protect. Computer and network access restrictions, strong-password policies, firewalls, and other network security should all be considered to protect trade secrets from outsiders as well as prohibit access by employees that do not need access. And in addition to basic cybersecurity training for employees focusing on the dangers of email, phishing, and malware, employees may also receive training on policies applicable to trade secrets, including how trade secrets should be handled on phones, USB drives, and other mobile devices, and when trade secrets can be printed and how to securely store them in physical form.

Detect. Systems may be implemented to detect breaches when they happen, which may include systems to detect threats from within, such as network monitoring and computer logs to determine when trade secrets were accessed and by whom.



Braithwaite



Hottinger

Respond & Recover. Determining how to respond to cyberbreach or trade-secret theft in the wake of an incident is not ideal. "Incident response plans" should be in place *before* any cybersecurity breach occurs, and similar plans are appropriate for trade-secret misappropriation. Upon departure of an employee, access to trade secrets should be immediately revoked, all company devices collected, and company information removed from personal devices. Circumstances surrounding departing employees may help determine whether to archive employee email and preserve relevant access logs. If employees are suspected of misappropriating trade secrets, a response plan helps to efficiently investigate the matter and determine whether court intervention is necessary. The plan may include the collection of relevant computer logs for investigation and possible use in court, contact information for forensic experts to help with investigation, and procedures to contact the rogue employee or to prepare for court intervention. While a response plan may not be absolutely necessary for protection of trade secrets, it can help make responding to trade secret theft easier.

Ideally, determining how to protect trade secrets should be done long before court intervention becomes necessary and may be considered in connection with cybersecurity efforts. What constitutes "reasonable" protection varies by business and depends on the nature of the trade secrets. So, there is no single checklist of protections that is applicable in all situations, and in-house counsel or an outside attorney may be consulted.

Mr. Braithwaite and Mr. Hottinger are shareholders at the law firm of Maschoff Brennan where they litigate intellectual property, trade secret, and security issues. Mr. Braithwaite is also a Certified Information Privacy Professional (CIPP/US) by the International Association of Privacy Professionals. Contact Mr. Hottinger at 949-202-1900 or visit www.mabr.com.

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