

# SAN FERNANDO VALLEY BUSINESS JOURNAL

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## Up Front



Glendale building gains Platinum LEED designation.  
**PAGE 3**



Local small retailers have mixed holiday.  
**PAGE 6**

## Products



Entrepreneur's recession-proof businesses.  
**PAGE 21**

## ECONOMIC UPDATE: LIGHT AT THE END OF THE TUNNEL?



Siamak Farah expects his company, InfoStreet, in Tarzana will do well now that the concept of cloud computing has caught on.

PHOTO BY DAVID SPRAGUE

## Up in the Clouds

Depending on Their Niches, Some Firms Expect Great Year

The new year 2011 is expected to bring a local economy that is marginally better than last year, most economists predict. But what they have not been talking about is that it should be a very good year for particular industries and companies – some you may expect and others may be a bit more surprising. Here, the Business Journal profiles three companies expecting to do well this year.

By **MARK R. MADLER** Staff Reporter

Siamak Farah is a man with his head in a cloud. As chief executive of InfoStreet, a Tarzana information technology provider, Farah is a booster of cloud computing, the concept of a business having no servers on site but instead accessing e-mail, sales

and customer relation software and other applications through the Internet.

InfoStreet has provided this type of computer outsourcing for a decade but now that the concept has caught on, the company is expected to do "phenomenally" well in 2011, according to Farah.

New hires were brought on in 2010 and the new year is expected to bring more, perhaps as much as a 25 percent addition.

All this is to meet what will be a cloud explosion. "Everyone will feel lacking if they are not in the cloud," Farah said.

A combination of educating clients about the benefits of accessing business functions via online

Please see **COMPANIES** page 10

## On Assignment's Global Moves

**STAFFING:** Firm gains strength in life-science arena with purchase.

By **JESSICA VERNABE** Staff Reporter

Professional staffing firm On Assignment Inc. has boosted both its global presence and its strength in the growing clinical research sector with the acquisition of a Western European firm.

On Dec. 22, the Calabasas-based firm announced that it signed a letter of intent to acquire the unnamed company for about \$17 million. The transaction, which has a two-year earn-out component, is expected to be complete within 45 days.

On Assignment President and CEO Peter Dameris said he is not yet disclosing the company's name and exact location due to certain acquisition procedures that still need to occur.

Please see **STAFF** page 31

## Teledyne Braces For Shift in Work

**TECH:** Purchase of DALSA boosts business in commercial sector.

By **MARK R. MADLER** Staff Reporter

In anticipation of a drop in military and defense orders, Teledyne Technologies Inc. is positioning itself to get more work in the commercial and industrial sectors.

To that end, the Thousand Oaks-based electronic components manufacturer acquired digital imaging products company DALSA Corp., based in Waterloo, Ontario on Dec. 22. The deal is worth about \$340.5 million.

The acquisition follows a pattern of adding to its imaging and sensor equipment portfolio. In March, Teledyne subsidiary Teledyne Scientific & Imaging bought a minority share in Optical Alchemy, a New Hampshire based company. In June, Teledyne acquired Optimum Optical Systems Inc., in

Please see **TELEDYNE** page 36

## Investor Takes Bigger Portion of Asian Food Sector

**DINING:** Pick Up Stix purchase adds fourth chain to portfolio.

By **JESSICA VERNABE** Staff Reporter

A local financier and restaurateur who now owns Pick Up Stix said he plans to revitalize the chain, which is being added to his portfolio of three other Asian casual dining restaurant chains.

Lorne Goldberg is a former investment banker and the owner and operator of Sherman Oaks-based private investment firm West Coast Capital.

Through the entity of Stix Holdings, LLC, Goldberg acquired Pick Up Stix from Carlson Restaurants Inc., the owner of the T.G.I. Friday's restaurant chain. The transaction closed on Dec. 20.

"We're not looking to expand Pick Up Stix on day one," Goldberg said, adding that the focus will first be on obtaining operational excellence. "We're going to freshen the brand, modernize the brand and make it very hip, cool



Goldberg

and exciting."

Goldberg said his specific goals to enhancing Pick Up Stix include unifying the brand, improving the food, modernizing the stores, improving the guest service experience, simplifying the menu and reducing the guest wait time.

Goldberg is no stranger to the Asian casual dining market. He owns and operates three other Asian

Please see **STIX** page 37

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# Stix: Asian Fast Casual Dining Is Fast-Growing Category

Continued from page 1

fast casual dining restaurant chains – Lecann Chin, Mandarin Express and Chin's Asia Fresh. With Pick Up Stix being added to the mix, Goldberg now owns and operates 160 restaurants. Pick Up Stix has 70 corporate-owned locations, which are all in Southern California.

## Growing sector

Goldberg said he entered the restaurant industry "accidentally" when he was an investment banker and was asked to sell the Mandarin Express chain. Instead of selling, he liked what he saw and decided to buy it in 2004. After adding two other Asian dining chains to his portfolio, Pick Up Stix seemed like a natural fit, Goldberg said.

"It's a business we understand very well, and there's a lot of potential in the category for growth and expansion, and it has become a niche," he said. "(Pick Up Stix) was auctioned, and it made sense to us economically to do the deal."

Goldberg said he was already eyeing the chain when the opportunity to buy was presented to him through an investment banker.

David Bonrouhi, managing director of Calabasas Capital LLC, which served as the investment banker and financial advisor for Goldberg in the deal, said it was his client's current involvement in the market that gave him leverage against other bidders.

"We won this deal because we had the lowest risk of execution," Bonrouhi said. "There was not financing contingencies, and we demonstrated that we understood the business better than any other buyer."

Bonrouhi, who said the restaurant industry is one of Calabasas Capital's main industry focuses, added that Goldberg is moving forward in a booming sector.

"It's one of the fastest growing sectors of the restaurant industry, one being the Asian food category and the other being the fast casual category," he said. "It's a lower ticket price, and in this kind of economy, people are looking for value."



**Goldberg:**  
*'We don't really view Panda as a competitor. They have a different concept than Pick Up Stix.'*

## Terms of comparison

As for competition in the dining sector, Bonrouhi said with the acquisition of Pick Up Stix, Goldberg now owns one of the

largest portfolios of Asian fast casual restaurants in the country. The largest is Panda Express with nearly 1,300 units nationwide.

Goldberg said Pick Up Stix should not be compared to Panda Express.

"We don't really view Panda as a competitor," he said, adding that the Rosemead-based chain is in a different playing field. "They have a different concept than Pick Up Stix. They're so much larger, and they have a different price point than we do."

Goldberg added that Pick Up Stix is also different because customers' food is cooked to order.

There are Pick Up Stix restaurants at various locations throughout the San Fernando Valley region, including Calabasas, Studio City, Westlake Village, Porter Ranch, Granada Hills, Simi Valley and Valencia.

Goldberg said that while he will be consolidating some of Pick Up Stix's operations in Minnesota, where his other restaurants are headquartered, the chain will keep its headquarters in San Clemente, Calif.

**Chains:** Pick Up Stix, left, has restaurants in Southern California. Mandarin Express, below, is based in Minnesota.



# Bankruptcies: Some Not Prepared for Field of Work

Continued from page 7

ruptcy but then I started seeing how it can really help people get back on their feet, how much it actually helps, and I started seeing that as more of a role I'd like to play as an attorney compared to other practice areas," he said. "The fact that California is in a recession and is one of the worst states to suffer economically also makes bankruptcy a good long-term area to practice in."

## Complex task

Ram, who received his law degree in 2006 but didn't practice law until 2009, said practicing bankruptcy law is not as easy as many people flocking to the field might think.

"On the surface it may seem like a very easy practice, but you really need to know what you're doing; it's much more complex than pushing papers – especially a chapter 13," he said.

As profitable as it sounds, many attorneys who were expecting it to be easy, who thought clients would be lining outside their door, can find themselves overwhelmed by the complexity of unraveling huge financial messes in bankruptcy proceedings, which they are not prepared to handle, he added.

"Those that are starting out really need to rely on mentors and have a strong support net-

work of experienced bankruptcy professionals," he said.

With the growing appeal of the bankruptcy legal practice, some attorneys are concerned about what they perceive to be an increasing number of inexperienced or ill-prepared professionals performing very complex tasks.

"Bankruptcy is the hot topic right now and there's a lot of people going into the field, and some of them should not be," said Leventhal.

"I've had clients walk in here asking for help after another attorney filed a case that shouldn't have been filed and which put them in terrible straits."

Leventhal is also concerned that people without a law degree, including paralegals, may also be preparing bankruptcy documents for vulnerable clients in today's market, and may also be putting clients at risk.

Experts agree that given the cyclical nature

of the economy now is the time to be looking for opportunities in the field of bankruptcy, however Ross warned that given the complexities of the field, newcomers should really be careful in the way they practice and seek out mentors and experienced bankruptcy attorneys to help them.

"I think it's a lot more complicated than most folk think it is but I can't fault them for trying to get into the field," she said.

# Develop: Companies Helped by Decision

Continued from page 4

by the city to incur about \$1.7 million in bridge and thoroughfare fees and \$19,800 in transit impact fees.

## Timing is key

Hennawy said the length of time the payments are delayed depends on the individual developers.

"Some projects take over a year," he said, referring to the time that exists between map recordation and building. "Some projects

(are) within a month. It depends how fast they're moving and how anxious the developer is to start building."

Before the deferment was established, Hennawy said developers who might have held off recording their maps for financial reasons ran the risk of missed deadlines, which could mean having to go through the project submission and approval process all over again.

The president of JSB Development, the company that is developing the Vista Canyon development, said that while his project will not be directly affected by the recent exten-

sion, it is a step in the right direction for the city.

"I think that they are recognizing that there are a lot of other costs in the way (of development)," Jim Backer said.

Rothman said he wouldn't assume developers come to Santa Clarita specifically for the incentive, but he suspects the benefit probably impacts the way they view the city.

"I think what it shows to prospective developers is that (Santa Clarita is) a forward-thinking city, and that it's maybe the type of municipality that is willing to work with a developer," Rothman said.