



# Business Leader

Economic Development for the Regions of Los Angeles County

www.LAEDC.org

Los Angeles County Economic Development Corporation

Winter 2006/2007

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- Change in LAEDC Governance
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## EL SEGUNDO: MOST BUSINESS-FRIENDLY City National Bank and Toyota receive 2006 Eddy Awards



For full coverage and photo highlights, turn to page 6

Take a Look Into  
**THE FUTURE**  
of Our Economy

## 2007-2008 ECONOMIC FORECAST & INDUSTRY OUTLOOK

February 21, 2007  
Los Angeles  
Marriott Downtown

Find out more on page 3

## C-17 PRODUCTION LINE CONTINUES

### Region's Red Team enlisted support from Governor, US President

On September 29, President George W. Bush signed a Defense Appropriations Bill, allowing \$4.4 billion in funding for the C-17 program. The bill saves 5,500 direct jobs at the Boeing plant in Long Beach through the end of 2009.

The fight to save the C-17 production line has indeed been a tough road since 2005, making the signing of the bill a real victory for the C-17 Program Red Team. The Red Team consists of officials from the City of Long Beach, Boeing, LAEDC, local utilities, and regional and state government including the office of Governor Arnold Schwarzenegger. The Red Team has worked to cut costs for Boeing's Long Beach facility with the goal of maintaining C-17 production at Boeing's Long Beach plant and preserve

this national asset and proven workhorse for military and humanitarian missions.

The Red Team hopes to capitalize on the effort's momentum to extend the life of the C-17 production line even further. With 64 more planes, the production line could be extended until 2011.

In March, the Australian government placed an order for four C-17s to meet its demand for airlift capability. The purchase breathed life and hope into the C-17 production line.

A few days prior to the Defense Appropriation Bill signing on September 26, Governor Schwarzenegger hosted a celebration at Boeing and joined its employees and suppliers to urge

Congress and President Bush to save the thousands of jobs at the manufacturing plant in Long Beach by continuing to fund the C-17 program.

Addressing the Boeing employees, the Governor said, "We have all been fighting for this for years. We have been working overtime to keep all of you working...I joined with other governors to push for continued production of the incredible aircraft. And because of that work and the amazing job you do here, it looks like Long Beach is going to continue building the C-17."

Saving the C-17 and follow-on work is a county-wide priority. LAEDC President & CEO Bill Allen declared such a priority to the

*(Continued on page 4)*

## WTCA Gives Boost to Villaraigosa's Delegation in China

### Los Angeles Mayor officiates at ceremony to establish new office of TEDA in LA

World Trade Center Association Los Angeles - Long Beach President and CEO Steve Harper represented the WTCA and LAEDC in China during the first-ever visit to Asia by Los Angeles Mayor Antonio Villaraigosa in October. During the 2-week mission, the Villaraigosa delegation promoted Los Angeles in Beijing, Shanghai, Hong Kong and Guangzhou before proceeding to Korea and Japan.

The WTCA called upon two of its strategic partnerships in China to assist the Mayor in promoting Los Angeles and advancing his agenda. Through its partnership with the Beijing State-Owned Assets Management Corporation (the Beijing municipal agency which owns the 2008 Olympic Stadium), the WTCA was able to assist the Mayor in his effort to strengthen cooperation between the cities of Beijing and Los Angeles as Beijing prepares to host the 2008 Olympics and LA prepares its bid to become host city for the 2016 Games.

Setting the tone in China for the Mayor's trip, the WTCA also arranged for the Mayor and his delegation to become the first outside group allowed



Left to right: LA Business Journal Publisher & President Matt Toledo, WTCA President & CEO Steve Harper, Los Angeles Mayor Antonio Villaraigosa, Vice Mayor of Tianjin Pi Qian Sheng, and Vice Chairman of TEDA Ni Xiang Yu.

access to the interior of the Olympic Stadium, which had its topping-out ceremony two weeks prior to the Mayor's visit.

The WTCA scored additional points for LA and the Mayor by inking the second phase of a strategic partnership with the Administrative Commission of the Tianjin Economic Development Area (TEDA) through which TEDA has agreed to relocate its Western Regional U.S.

Office from the Bay Area to Los Angeles.

TEDA is a special economic zone in the Port City of Tianjin, the largest commercial city in north China and a special target for rapid economic growth during China's 11th Five Year Plan. Relocation of the TEDA office will take place in the first quarter of 2007. The office will help Southern California businesses to access opportunities in the dynamic Tianjin economy, and also serve as a conduit for the attraction of Tianjin businesses to LA.

Mayor Villaraigosa broke from his delegation in Beijing to attend the signing ceremony in Tianjin and to act as official witness to the agreement between the WTCA and TEDA. Matt Toledo, Publisher and President of the Los Angeles Business Journal and former Chairman of the LAEDC, was also present and described the TEDA commitment as **"...a huge opportunity for Los Angeles and an impressive contribution of the WTCA to Mayor Villaraigosa's mission."** The relationship between TEDA, the WTCA and LAEDC was initiated in September of 2005. ■

## Allen Named to Los Angeles Economy and Jobs Committee

### LAEDC President & CEO joins business leaders in exploring options to enhance city's jobs

LAEDC President and CEO Bill Allen has been appointed by Los Angeles Mayor Antonio Villaraigosa to serve on a committee to help encourage the economic development needed to create quality jobs for the city's growing population.

"I am honored to have the opportunity to serve on this important committee," said Allen. "I congratulate the Mayor on his decision to establish it. The City of Los Angeles has unfortunately lagged the rest of the County in job creation and retention over the past 25 years. This committee will play an important role in helping the Mayor develop and implement an economic development strategy to turn that around."

A vibrant and growing economy that provides good jobs and growing tax revenue is vital to both to the quality of life and the quality of services city government can provide in LA. There is a need for substantially more good



jobs in LA to support the growth of a vibrant middle class.

Although LA leads the nation in start-up businesses, many high-profile companies once based in the LA area have moved or been acquired over the past 20 years. This has had a significant negative impact on employment, tax revenue and infrastructure in the city

The Mayor created the committee comprised of private and public sector leaders to:

- Evaluate the city's current business attraction and retention efforts

- Recommend a detailed action plan to support the Mayor's efforts to attract, retain and grow companies

- Provide specific recommendations to aid in the effective acquisition of the state and national funding to support the infrastructure necessary to improve and sustain a secure, livable, business-friendly environment

The committee will be chaired by this year's Eddy Award winner Russell Goldsmith, Chairman and CEO of City National Bank. The 28-member committee include prominent business leaders and other Eddy Award winners Monica Lozano, Publisher of La Opinion newspaper; Dr. Steven B. Sample, President of the University of Southern California; and Tim Leiweke, President of AEG, as well as LAEDC Board member Frank Clark of LAXTEC and former LAEDC Chair David Fleming of Latham & Watkins. ■

# Look Into the Future: 2007-2008 Economic Forecast

Jack Kyser and a panel of experts to discuss LA regional economy in February 2007

Housing. Film. Financial markets. LA County. What's next for the region more than 10 million people call home? These are the topics that the LAEDC will address at its annual Economic Forecast and Industry Outlook on Wednesday, February 21, 2007. The event will be held at the Los Angeles Marriott Downtown and is annually attended by more than 400 of the region's business, government and civic leaders.

The LAEDC has been providing in-depth analysis on the Southern California region for more than 15 years. Our economic research reports are widely used by media, government and private industry organizations and have been ranked #1 by the Wall Street Journal. This year's economic forecast event

features an expert panel of speakers who will present on our housing, financial, and entertainment markets as well as on the overall direction of our regional economy. LA County alone is the 17th largest economy in the world.

"Our economic research information allows public and private organizations to make informed decisions about their operations," said LAEDC Chief Economist Jack Kyser. "We make every effort to provide timely, accurate data, with a good seasoning of the real world."

We are also pleased to offer our readers an opportunity to receive tremendous visibility as an event sponsor. As an event sponsor,

your company will receive exposure in nearly \$50,000 of advertising in our region's top newspapers including the Los Angeles Times, Los Angeles Daily News, Los Angeles Downtown News and Apartment Magazine. The LAEDC Economic Forecast is broadly covered by the print, radio and television media, including several major international publications, and is televised on local cable channel 36.

For information on sponsorship opportunities, please contact Nhien Barros at (213) 236-4816.

For event information and registration, please visit [www.laedc.org/forecast](http://www.laedc.org/forecast) or call Oakley Boren at (213) 236-4847. ■

## 2007-2008 ECONOMIC FORECAST & INDUSTRY OUTLOOK

Wednesday, February 21, 2007 • Los Angeles Marriott Downtown  
7:30 a.m. Breakfast & Networking • 8:00 a.m. - 10:00 a.m. Program



**JACK KYSER** LAEDC • **LESLIE APPLETON-YOUNG** California Association of Realtors  
**RICHARD WEISS** City National Bank • **STEVE MACDONALD** FilmLA Inc.

*Complimentary to LAEDC Members. Special rate available for one guest.  
Early Bird Rate Available for General Public until January 31*

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## BAP Continues Momentum into 3rd Quarter

**At mid-year, LAEDC Business Assistance Program helps retain, attract, and expand 8,916 jobs**

Continuing on a successful 1st Quarter, the LAEDC's Business Assistance Program finished the first half of the program year (April through September) at 99% of its mid-year goal of 9,000 jobs.

In six months, our regional managers have successfully completed 63 projects representing 8,916 direct jobs (actual jobs retained, attracted or created, not the result of any multiplier formulas). The estimated economic impact from the annual salaries of these jobs is \$416 million with an estimated tax revenue contribution to Los Angeles County of over \$6.9 million.

For August, the team came in at 123% (1,840 jobs) of their monthly goal of 1,500 jobs. The team closed September at 150% (2,250 jobs) of their monthly goal.

The first half also saw success in opening new projects with new

job creation opportunities. The BAP team opened 74 new projects, representing 10,240 jobs. These jobs represent about 25% of BAP's total project load. This is significant because the regional managers are working on more recent projects which have a greater propensity to be successful.

BAP team members also provided technical-assistance (TAs) to over 200 businesses representing over 15,000 employees in various regions of Los Angeles County. These TA activities included general business consulting in the areas of permitting, licensing, hiring, training, incentives, marketing and promotional tactics as well as referrals to other regional business assistance providers.

BAP's real estate site search program also conducted 48 independent client site searches with a combined requirement of over 1,541,000 square feet and 97

acres. These site searches resulted in exposure of 350 industrial and office properties. "The BAP continues the trend of successful project and job wins in an economy that has its challenges," noted Greg Whitney, LAEDC Vice President, Business Development.

"With a full complement of regional managers and new avenues of business outreach coupled with all the positive media attention that the LAEDC is receiving, we are confident that we will reach our 18,000 job goal for this fiscal year."

Since 1996, the BAP team has helped attract, retain and expand 862 businesses which resulted in over 124,000 jobs, \$5.2 billion in direct economic impact (annual wages in current dollars) and an estimated \$97 million in local tax revenue contributions (annual in current dollars) to Los Angeles County. ■



At press time, we received the news that our Vice President, Business Development

**Greg Whitney**, will be leaving the LAEDC at year end to move closer to his home in Palm Springs and to become the newly created Vice President, Operations, at the Coachella Valley Economic Partnership.

During his 8 years of service at the LAEDC, Greg has been involved with projects which saved 112,152 jobs contributing to the region \$4.7 billion in annual wages and \$81.1 million in annual tax revenue for local government.

Congratulations, Greg! We will miss you!

### C-17 UPDATE

*(Continued from page 1)*

City of Long Beach City Council in January. This declaration was reaffirmed at LAEDC Board meetings and Business Assistance Program meetings. Many regional economic development organizations were recruited by the LAEDC to send letters of support to their elected officials.

The effort to save the C-17 program and emphasize its statewide economic development impact was made public through a media campaign by Allen, LAEDC Senior Vice President and Chief Economist Jack Kyser, Vice President, Business Development Greg Whitney and Gateway Cities Senior Regional Manager

Barbara Levine. Additional support came from LAEDC Board members as well.

On October 12, Boeing opened its facility to the LAEDC when Dave Bowman, Boeing C-17 Program Manager, and Bob Ciesla, C-17 Follow-on Program Manager, hosted a special C-17 tour and presentation for LAEDC Directors and Members. Boeing and top state and local officials have publicly thanked the LAEDC for its leadership and contributions to saving the Program.

*Barbara Levine reports on the activities and updates of the effort to keep C-17 production going. Contact Barbara at [blevine@laedc.org](mailto:blevine@laedc.org) or call (310) 466-5197. ■*



Governor Arnold Schwarzenegger addresses Boeing employees at the C-17 manufacturing plant in Long Beach. Also on stage, from left, Long Beach Mayor Bob Foster, Boeing Vice President and C-17 Program Manager David Bowman and California Secretary of State Bruce McPherson. Photo courtesy of the City of Long Beach.

# CALIFORNIA ON THE MOVE

## Southern California Leadership Council focuses their efforts on transportation and logistics issues

With the strong support of its 25 regional business leaders and four former California Governors, the Southern California Leadership Council (SCLC) and its Goods Movement Initiative achieved many major milestones in 2006. The SCLC has helped create a united voice for business leadership throughout Southern California, and that voice has been widely heard in the past few months.

Under the leadership of 2006 Co-chairs Ray Holdsworth, Vice Chairman, AECOM, and Bob Wolf, CEO, Germania Corp., the SCLC has become a recognized expert and advisor on Goods Movement to the Governor's Office, the Senate Transportation Committee, the California Transportation Commission, and the Business, Transportation and Housing Agency, as well as a media source of information and perspective on goods movement and transportation solutions in Southern California. The SCLC's strategy, to offer expertise and leadership to educate rather than advocate is best portrayed on KABC Talk Radio's "Our Backyard" series featuring the former Governors and key business leaders who serve on the Council.

Their part in educating the public regarding



the key issues of transportation and infrastructure contributed to the passing of Propositions 1A and 1B by California voters in November. Also in November, the SCLC published an advertorial which ran in LA Newspaper Group publications in Southern California. The SCLC emphasized to the voters that they have an unprecedented opportunity to impact the future of California's economy, environment, and mobility.

An excerpt from the advertorial stated, "The reason we should consider it is to protect our exceptional quality-of-life, unparalleled economic opportunity, and world-renowned environmental splendor. The reason we must consider it is that a fast-growing population and a

boom in Pacific Rim trade that funnels through Southern California ports threaten to bring traffic and commerce to a standstill if we don't act."

The advertorial noted that the growth in global trade brings with it potentially millions of high-wage jobs for skilled trades people in California. Much of the trade-related growth is located in California's inland communities where affordable housing and an improving job market are combining to boost first-time homeownership for hundreds of thousands of families. "If we act now California can greatly benefit from the projected growth and we can channel the activity to power a new generation of economic prosperity."

With the growing importance of transportation and infrastructure, the logistics industry inevitably will grow along with it. To provide the qualified workforce to support the potential growth of the industry, the SCLC partnered with the LAEDC and the Chancellors of the California Community Colleges and State Universities to create the California Transportation and Logistics Institute (CATLI). Read more about CATLI in the article below.

Visit SCLC online at [www.laedc.org/sclc](http://www.laedc.org/sclc) or call Lee Harrington at (213) 236-4810. ■

## California Transportation and Logistics Institute (CATLI)

Logistics has become a strategically important industry in Southern California; however, there is a short supply of skilled workers emerging to fill the increasing number of high paying jobs in this sector of our economy. That is why the LAEDC and the SCLC decided to form CATLI.

More than 400,000 jobs in transportation and logistics currently exist in California today. This sector is expected to grow in this region by 348,479 jobs by 2030, about 12 percent of the total new jobs in the area. In Los Angeles County, most entry level jobs in this sector provide workers with a livable wage and an opportunity for advancement.

The concept of the institute was conceived by SCLC Co-chair Ray Holdsworth to promote the growth of careers in this critical

industry. Together with LAEDC President & CEO Bill Allen, they presented the CATLI concept in June to the Chancellors of the California State University system and the California Community Colleges, who immediately agreed to form a partnership to develop the institute.

CATLI's mission is to promote growth in careers in logistics by working with industry and educational institutions to offer appropriate programs by: working with employers to continuously identify and meet industry workforce and training needs; working with public stakeholders to align public interest with industry demands; and serving as an information clearing house for careers and educational opportunities related to transportation and logistics industries.

On October 9, Holdsworth and Allen joined Victoria Bradshaw, Secretary for the California Labor & Workforce Development Agency, Mark Drummond, Chancellor, California Community Colleges, and Jose Millan, Vice Chancellor, California Community Colleges in announcing the partnership. The press conference at Cal Poly Pomona was attended by more than 100 members of the media and business and education community.

On December 11, the US Department of Labor awarded CATLI's partner, the California Community Colleges System Office, a grant of \$1.99 million to help establish the Institute.

For more information, please email [info.catli@laedc.org](mailto:info.catli@laedc.org), call (213) 622-4300.

# An Evening of Celebration

An unforgettable evening honoring Toyota, City National Bank, and City of El Segundo



Left: Russell Goldsmith, Chairman and CEO, City National Bank. Center: LAEDC President & CEO Bill Allen, City of El Segundo Mayor Kelly McDowell, and LAEDC Chairman and Bank of America Executive Vice President Rod Banks. Right: Irving Miller, Group Vice President, Corporate Communications, Toyota.

Approximately 700 guests filled the Los Angeles Ballroom at the Century Plaza Hotel on October 5 to celebrate LAEDC's 25th anniversary at the 2006 Eddy Awards, which honored two exemplary businesses, City National Bank and Toyota. Russell Goldsmith, Chairman and CEO, accepted the Eddy on behalf of City National Bank, while Irv Miller, Group Vice President, accepted on behalf of Toyota.

The annual Eddy Awards gala is the region's most prestigious recognition of business leadership in economic development. The event was attended by top leaders in the business, government and civic sectors and raised \$600,000, beating all previous fund raising records. The gala was hosted by NBC's newscaster, Fritz Coleman, who infused the evening with his wit and charm.

The evening began with a cocktail reception and silent auction. Up for bid were goods that included luxurious spa packages, airfare to exotic destinations, suites at the Staples Center, golf getaway packages and the best wine you can find west of the Rockies!

Rod Banks, LAEDC Chairman and Bank of America Executive Vice President, welcomed the guests, and then introduced a tribute video that highlighted the LAEDC's accomplishments over the past 25 years.

Eddy Host Committee Chair Ken Trevett pre-



sented the evening's first Eddy to Irv Miller who accepted the award for Toyota. The opening of Toyota's first dealership in 1957 paved the way for the international automobile trend to follow Toyota to Southern California and helped establish our region as the "car culture capital" of the world. Toyota celebrates its 50th Anniversary in Southern California in 2007.

Despite the fact that Bank of America and City National Bank are competitors in the marketplace, Rod Banks graciously presented the Eddy to Russell Goldsmith, who eloquently accepted the award on behalf of CNB.

In good humor, Banks joked that it was similar to "Coke presenting an award to Pepsi."

City National Bank has been helping entrepreneurs and key industries on the way up for more than 50 years. They also believe in reinvesting in the communities in which they live to ensure the economic prosperity for all people.

And, finally, LAEDC President and CEO Bill Allen introduced the five finalists for the LAEDC's newest award, the Most Business-Friendly City--Burbank, El Segundo, Lancaster, Long Beach and Santa Clarita. When the winner was finally announced, the audience erupted in cheers and excitement as El Segundo was named the 2006 Most Business-Friendly City in LA County! (To read more about El Segundo, please see page 7.)

This year's Eddy Awards truly celebrated the successes and great diversity of business in Los Angeles County. Our region boasts a variety of companies ranging from auto makers to financial institutions, and from start-up businesses to Fortune 500 firms. Just as the region has grown, so have the breadth and impact of the LAEDC's programs and services. Over the past 25 years, our organization has evolved to support these growing businesses. As we look toward the future, we continue to remain steadfast in our core mission to attract, retain and grow jobs in Los Angeles County. ■

# El Segundo

## Los Angeles County's Most Business Friendly City



The City of El Segundo has the highest concentration of Fortune 500 firms of any city in Los Angeles County, a remarkable feat for a small beach city just over five square miles in size. El Segundo boasts a ratio of one business license for every three residents, and their average time to process a license is less than twenty four hours. Their proximity to LAX and major freeways, and their policies to recruit and retain businesses are a significant factor in the economic success of the city. The city also has some of the lowest utility and transient occupancy tax rates in the County.

As a result, El Segundo is where 85,000 people work for many of the nation's best companies. Computer Sciences, Continental Development Corp., DirecTV Group, and Mattel all make their headquarters in El Segundo. The LA Air Force Base partners

with Aerospace Corporation on \$60 billion in contracts, creating over 50,000 jobs. Chevron-Texaco, which founded the city nearly 90 years ago, runs the largest oil refinery on the West Coast.

"We are thrilled to be the first city LAEDC has honored with this award," said El Segundo Mayor Kelly McDowell. "We have always believed that the El Segundo community sets standards of excellence in service and quality of life that are second to none. And special recognition to my council colleagues, our city staff and the people who live and work here, who transform our vision into reality every day."

El Segundo was selected by the LAEDC's blue-ribbon panel of judges, comprised of regional economic development leaders from a distinguished list of five finalists (which also

included Burbank, Lancaster, Long Beach and Santa Clarita) from the 88 cities of LA County for its commitment to attracting and retaining high quality jobs for its residents and the region.

"The Most Business-Friendly City Award is important because it directs attention to the best example in our County of how to create an environment in which 21st century businesses can thrive," said LAEDC President and CEO, Bill Allen.

A more business-friendly climate in each of our local cities will be needed to ensure that LA County meets its growing population's need for an array of good jobs that contribute to the economic well being of the region and provide the personal income (and municipal tax base) that sustains the quality of life for all Angelenos. ■

### THE LAEDC WOULD LIKE TO THANK THE SPONSORS OF THE 2006 EDDY AWARDS

<p style="text-align: center;">◇ Diamond ◇</p>	<p style="text-align: center;">◇ Platinum ◇</p>
<p style="text-align: center;">◇ Gold ◇</p>	<p style="text-align: center;">◇ Silver ◇</p> <p>Foley &amp; Lardner • Housing Authority of the City of Los Angeles • KPMG                  Los Angeles Biomedical Research Institute • Los Angeles Business Journal                  Mayer Brown Rowe &amp; Maw • Northrop Grumman • Paramount Pictures                  Pacific Coast Capital Partners • Port of Long Beach • PricewaterhouseCoopers                  Sidley Austin • Southern California Gas Company • Watson Land Company</p>
<p style="text-align: center;">◇ Bronze ◇</p> <p>AT&amp;T • Automobile Club of Southern California • Bain &amp; Company • Blue Cross of California • Boeing • Bolton &amp; Company • Chevron/Texaco                  Comstock, Crosser &amp; Associates • Community Bank • Continental Development Corporation • DLA Piper Rudnick Gray Cary • EastWest Bank                  El Segundo Chamber of Commerce • Greenberg Traurig • Grubb &amp; Ellis • LA Inc. • City of Lancaster • Latham &amp; Watkins                  Los Angeles World Airports • Manatt Phelps Phillips • Mar Ventures • NRG • Robert Half International • State Farm Insurance                  Shamrock Holdings • Thomas Properties • US Bank • University of Southern California • Wells Fargo • White &amp; Case</p>	

## An Evening in Photos: Highlights from the 2006 Eddy Awards



Bill Allen with Eddy Award recipients Irv Miller (Toyota) and Russell Goldsmith (City National Bank).



LA Business Journal Publisher Matt Toledo with Susan Banks and LAEDC Chairman Rod Banks.



Lancaster Mayor Henry Hearn, Chrissy Carney and Burbank Mayor Todd Campbell.



Rhonda Guy, Nav Dabney, Yolande Howard Smith, David Gilkey and Deirdre Dix (front) of ACT•1.



Los Angeles Times Publisher David Hiller and Kim McCleary-La France.



Michael Myer, Maxene Johnston and Steve Nissen of Manatt, Phelps & Phillips.



Bank of America's Raphael Henderson and HSBC's Lucy Viado.



Barry Hibbard, Lee Harrington, Casey Hibbard, Richard Hollingsworth and Marianne Venieris.



Raul and Julie Marquez with Mary Kay and Les Goodwin of Union Bank of California.



Becki Ames, State Controller-Elect John Chiang and Long Beach Harbor Commissioner Jim Hankla.



Larry Kosmont of Kosmont Companies and his wife Loren.



Jim Negus (back row, right) and KPMG group.

# GOVERNANCE REFORM AT THE LAEDC

## Board and Members approve new Structure and Bylaws

The LAEDC has a new governance structure. After a six month review by a special task force of the Board, a fully amended and restated set of Bylaws for the corporation was submitted to the full membership for their approval in November. More than 75% of the voting members of the corporation returned mail ballots, all cast in favor of approving the new bylaws and governance structure.

Given that several years had passed since the last formal review of our bylaws, our new President and CEO Bill Allen was tasked by the Executive Committee of the Board in early 2006 to organize a Governance Review Task Force to be made up of senior staff including Allen, CFO Susan Stel, Senior Vice President Investor Relations Steve Harper, Vice President Investor Relations Amy Grat, and board members Eric Rowen, Steve Nissen, and Scott Somers. The task force was charged with reviewing the LAEDC governance structure and practices as well as the corporate bylaws to see if they were in conformity with each other and optimally designed to facilitate the efficient and effective implementation of our public benefit mission.

Over the summer the task force met several times to identify relevant issues needing attention regarding the governance structure at that time, establish guiding principles for

potential reform, and conduct research both internally and externally to help them develop recommendations to take back to the Board. Internal research included reviews of past member surveys, meetings with individual members and the Business Services Network committee of the board. Two focus groups were conducted on the subject and all members were invited to participate. Past bylaws were reviewed with LAEDC legal counsel, and regular reports were made to the Executive Committee of the Board for their input as the process developed. External research included review of published literature on good governance practices in the non-profit world, research on the structure of peer organizations, and attendance by our CEO at a seminar on good governance at the International Economic Development Council annual conference.

Through the process it became apparent that the recent success of the LAEDC in attracting and electing more than 150 members to its Board of Directors had created a situation in which it was becoming difficult to effectively govern the affairs of the corporation itself with such a large body of directors. It was determined that it would be better for that larger body to have the title of Board of Governors and focus on the development and guidance of our strategic initiatives and policy positions for economic development in Los

Angeles County, and to delegate to the smaller Executive Committee both the responsibility and liability of serving as directors of the corporation under the law. The Board of Governors will have oversight of mission related committees on infrastructure, industrial land use and international trade, for example. The Executive Committee, which will retain that title, will have oversight of the compliance related committees such as audit, compensation, finance, and legal which should logically report to them as the new legal directors of the corporation.

A reform plan incorporating these changes was submitted to the Executive Committee and the full Board in October, along with a fully amended and restated set of corporate bylaws. Both bodies unanimously approved of the new governance structure and bylaws, and recommended them to the full membership for approval, which was received in November. Congratulations to the members of the task force for their successful efforts to better organize the LAEDC for success in the years to come, and special thanks to Steve Nissen of Manatt, Phelps & Phillips for his early input and guidance on the need and direction for this reform, and to Eric Rowen of Greenburg Traurig for his tireless help in drafting the amendments to the corporate bylaws to reflect the new structure adopted by the LAEDC. ■

## Business Connections in the Sun

### Business Services Network hosted yet another successful Summer Mixer in August

On August 22, more than 50 LAEDC members, key staff and invited guests gathered on the California Club Patio for the Business Services Network Summer Mixer, hosted by LAEDC Chairman Rod Banks and Bank of

America. Among the special guests that evening were Congressman Adam Schiff and Tony Eggs, Chief Real Estate Officer for British retailer TESCO, which recently opened its US headquarters in El Segundo.

BSN is an LAEDC program designed to help connect members with each other and the larger business community, in support of LAEDC's mission to attract, grow and retain jobs in LA County. ■



Scott Somers (Windale Group), Dan McMillan (Jones Day) and LAEDC Chairman Rod Banks.



David Abel (ABL Inc.), Congressman Adam Schiff, Bill Allen and Steve Harper.



Maura O'Connor (McKenna, Long & Aldridge), Tony Eggs (TESCO), and Vito Costanzo (Holland & Knight).

## Membership Update

### Welcome new board and executive committee members and new member companies

#### **NEW EXECUTIVE COMMITTEE MEMBERS**

**Leland Dolley**  
Attorney at Law  
Burke Williams & Sorensen, LLP.

**Frank Newman**  
Chief Operating Officer  
Western Banking Group  
Wachovia Bank, N.A.

#### **NEW BOARD OF GOVERNORS MEMBERS**

**Martin Cabrera**  
President  
Cabrera Capital Markets, Inc.

**Walter F. Conn**  
President & CEO  
Pathfinder Mortgage Corporation  
of Downtown L.A.

**Vito Costanzo**  
Partner  
Holland & Knight LLP

**Darin Meadows**  
Region Manager  
Kelly Services

**Mark Sadovnick**  
Partner  
Steven Douglas Associates

**David E. Wright**  
Executive Vice President  
Plains All American Pipeline L.P.

#### **NEW MEMBER COMPANIES**

- ACTA - Alameda Corridor Transportation Authority
- City of Santa Fe Springs

#### **BOARD OF GOVERNORS 2007 MEETING SCHEDULE**

*Attendance at meetings is by membership or invitation only. Unless noted, all meetings are held at the California Club, 538 S. Flower Street, and run from*

*8:00 - 9:30 a.m. with networking breakfast starting at 7:30 a.m.*

- January 17
- February 21 - 2007-2008 Economic Forecast at the Los Angeles Marriott Downtown (See page 3 for more information).
- March 21
- April 18
- May 16
- June 20
- July 18 - Mid-year Economic Forecast. Time & location TBD
- No Board Meeting in August
- September 19
- October 17
- November 14
- December 12 - Holiday Event (5:00 - 7:30 p.m.)

For membership information, please contact Amy Grat, Vice President of Investor Relations, at [agrat@laedc.org](mailto:agrat@laedc.org) or (213) 236-4835. ■

#### **FEATURED EVENT**

**JANUARY 25, 2007**  
**Los Angeles Area Chamber of Commerce 118th Annual Inaugural Dinner**  
*6:00 p.m. - 10:00 p.m. at the Beverly Hilton Hotel, Beverly Hills*

The dinner celebrates the installation of 2007 Chair of the Board David Fleming, counsel, Latham & Watkins, LLP. Chamber will also present the Corporate Leadership Award to Vons, the Distinguished Business Leader Award to John Anderson and the prestigious Civic Medal of Honor to Richard Riordan and Nancy Daly Riordan. For tickets and information, contact Michelle Attebery (213) 580.7585 or [mattebery@lachamber.org](mailto:mattebery@lachamber.org).

## New Faces on the Block

### LAEDC welcomes newest staff members to the family



**EDUARDO MARTINEZ**  
Economist

Eduardo is the newest addition to the Economic Information team, working closely with Jack Kyser, Senior Vice President and Chief Economist.

Prior to joining the LAEDC, Eduardo was a Macroeconomic/Finance Officer in the Office of Economic Policy and Summit Coordination in the Bureau of Western Hemisphere Affairs. He coordinated and developed policy on international finance, macroeconomics, and the Millennium Challenge Account.

From 2002 to 2004, Eduardo served as the Natural Resources Officer in the same office covering agriculture, energy, environment, and foreign assistance issues. From 1999 to 2002, Eduardo served as an international economist with the Bureau of Labor Statistics (BLS) in Washington, DC working on export and import price indexes and conducting research on U.S.-Mexico manufacturing operations. He worked as an import logistics coordinator with Tower Group International in Redondo Beach from 1993 to 1997.

Eduardo has a BA in International Business from California State University Fullerton and an MA in Economics from CSU Long Beach.



**PATRICIA O'TOOLE**  
Executive Administrative Assistant to President & CEO

Patricia came to the LAEDC in November. She has an extensive background in corporate business, as well as experience in city government, project management, public affairs, management and administration. Her career experience includes substantive marketing exposure in management with several national firms, along with non-profit administration and serving on several civic boards and committees. Patricia has an MBA from the University of La Verne.



**ROCIO PINAL**  
Executive Assistant, Office Administration

Rocio joined the LAEDC administrative office, providing administrative support. She has an excellent background in office administration and she has already completed several successful ad hoc accounting research projects and cost containment programs for LAEDC. Rocio has a BA in English Literature with a Minor in Spanish Literature from the University of California, Berkeley, and she is currently and pursuing a Master of Modern Languages in Translation at Cal State LA.

## LAEDC Board Meeting Reports

A recap of important issues, developing projects, and success stories

### JULY



Kriztina Holly, Dr. Mark Humayun and Dr. Herbert Schorr.

Technology transfer is being used increasingly as an economic development tool across the country and has the ability to boost the economies of the regions that it serves. Following on the successful models of Stanford, MIT and other universities in developing licensing, patents, technologies, and start-up enterprises, Los Angeles' research institutions have similar potential for success.

University of Southern California Stevens Institute for Technology Commercialization serves as the central technology transfer center for USC innovations and also offers educational programs in tech transfer for students and faculty.

Krisztina Holly, the new Director of USC Stevens Institute, spoke about technology commercialization and its importance for universities. She noted that she knew of no other university based technology commercialization program that offers such an integrated approach - managing intellectual property, licensing, new venture support and an educational component in one institute.

Holly cited a recent New York Times report citing a 17 percent jump in venture capital investment in Southern California from 2004 to 2005, compared to a 13 percent decline over the same period in New England. Venture capitalists seek untapped potential in their rush to uncover the next big thing, and clearly Los Angeles is drawing more attention.

On hand to present examples of the exciting research being done at USC were Dr. Herbert

Schorr, executive director of the Information Sciences Institute (ISI) in the USC Viterbi School of Engineering; and Mark S. Humayun, M.D., Ph.D., Professor of Ophthalmology & Biomedical Engineering, Cell and Neurobiology at USC; and Director, DEO Artificial Retina Program.

### SEPTEMBER

City of Glendale City Manager Jim Starbird addressed the Board regarding Proposition 90. This measure would amend the California Constitution to require government to pay property owners for substantial economic losses resulting from some new laws and rules, and limit government authority to take ownership of private property.

Starbird highlighted the major provisions of the bill, noting the potential negative impacts to state and local government's ability to effectively enact and enforce environmental, land use, consumer protection and housing laws and regulations.

Update: In November, California voters rejected Prop. 90.

### OCTOBER



Rod Banks, David Janssen and Bill Allen.

David Janssen, Chief Administrative Officer, County of Los Angeles, presented the Board with an update on the state of the County. He discussed the challenges facing the County, stating that the biggest issue is a lack of national health care strategy. He noted that the County has a budget of \$20.9 billion and employs over 100,000 people. The bulk of local revenues come from property taxes.

Janssen emphasized his support for econom-

ic development, noting that "the best social program is a job." He stated that the LAEDC was the primary economic development investment, other than general quality of life programs and support for the poor.

LAEDC President & CEO Bill Allen and LAEDC Chairman Rod Banks presented Janssen with a plaque that recognized his 10 years of service to the County as CAO on the event of his retirement in January 2007.

### NOVEMBER



Jim Hankla, Barry Sedlik, David Fleming and Richard Little.

Bill Allen introduced a panel of experts to discuss the recent passage of the transportation bond initiative and what steps come next in the state's allocation of the funds. On the panel were Barry Sedlik, the Undersecretary, Business Transportation & Housing, State of California; James Hankla, President Board of Harbor Commissioners, Port of Long Beach; David Fleming, Board Member, Los Angeles County Metropolitan Transportation Authority; and Richard G. Little, Director, The Keston Institute for Infrastructure, USC. David Abel, Publisher & Editor-in-chief, The Planning Report and the Metro Investment Report moderated the panel.

The panel discussed the impact of the bond passage as it relates to infrastructure, mobility and our local ports. Hankla remarked that our ports cannot handle the expected increase in trade volume without an investment in their infrastructure. Last year alone the ports handled more than 14 million containers. Fleming noted that the MTA's projects include additional carpool lanes for our major highways, which would help reduce congestion. ■



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*As the Southern California region's premier business leadership organization, the LAEDC's mission is to attract, retain and grow businesses and jobs in the regions of LA County.*

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