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THIS WEEK

Swiss tech firm picks Utah as site for U.S. headquarters

NEXThink, a Swiss firm that provides tools that IT departments need to immediately understand the reasons behind user complaints that their computers are slow or unstable, has chosen Utah as the site for its U.S. headquarters.

The Lausanne-based firm, which just closed on $5.5 million in Series C funding — bringing the total capital raised by the company to $13.1 million — has established its U.S. headquarters at 45 E. 200 N., Alpine. Industry veteran Chris Lundell has been appointed president of Americas. Previously, he served as CEO of Corda Technology and vice president and general manager of LANDesk Software. Lundell also held various sales and marketing leadership roles during his 13-year career at Novell. Currently, sales and marketing functions are based in Utah. The firm expects strong growth in coming years and will consider adding engineering, technical and professional support functions in Alpine. Utah was chosen for its highly educated and experienced talent base for service management solutions.

NEXThink reported that it grew its customer base by 50 percent in the fourth quarter of 2011 to 300 customers spanning 12 countries, representing more than 1.5 million endpoints. Customers include Bunge, the French government, Manpower, Qatar Telecom, Swisscom, Toyota and one of the world's largest providers of luxury watches.

"We believe that in a world of dynamic, multi-platform infrastructure and empowered employees, it is extremely important to provide a global real-time view of IT systems from the user's point of view," said Pedro Bados, CEO of NEXThink. "We are building a world class team to create and bring to market the most powerful set of solutions to deal with the next generation of IT infra-

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Orem-based autopilot manufacturer sold to Lockheed Martin

By Barbara Rattle
The Enterprise

Procerus Technologies, an Orem-based manufacturer of autopilots used to steer small, unmanned aircraft, has been sold to global security giant Lockheed Martin.

Now known as Lockheed Martin Procerus Technologies, the firm is a wholly owned subsidiary of Lockheed and employs 23 people in 6,500 square feet, according to Todd Titensor, former CEO and founder of Procerus. He now serves as senior manager of the Orem operation.

Procerus' unmanned aerial vehicle technology was developed by a pair of Brigham Young University engineering professors eight years ago.

"This acquisition is consistent with our focus on acquiring capabilities that enhance our product portfolio and align with our customers' strategic priorities," said Bob Stevens, Lockheed Martin chairman and CEO. "Small unmanned aerial vehicles are low-cost, highly effective tools for

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More then 50,000 people per day are expected to flock to downtown March 22-24 for the grand opening of City Creek Center, seen here from the air. This photo was shot by Allen McBean of Orem-based Photographic Solutions on March 14. In the foreground is the new Nordstrom store, facing the Salt Palace on West Temple. City Creek Center, the retail portion of a $1.5 billion mixed-use development in downtown Salt Lake City, is set to open with a 9:30 a.m. March 22 ribbon-cutting. The project covers more than 20 acres. Macy's will be the second anchor tenant, complemented by some 80 additional stores and restaurants. Retail areas will be either open-air or covered by a retractable roof, which can be seen in the center on the image. Learn more about Photographic Solutions at www.utahbyair.com.

Credit union challenges: firms that haven't yet emerged

By Brice Wallace
The Enterprise

Speakers at the Utah Credit Union Association's annual meeting and convention made one thing clear: Credit unions will have to adapt in order to face challenges in the future, including competition from companies no one yet knows.

Mark Sievewright, president of the Credit Union Solutions division of Fiserv Inc., and David Colby, chief economist at CUNA Mutual Group, both said technology and other factors have allowed certain companies to revolutionize different industries quickly, and the same likely will be true for financial services.

"I'm afraid the competition that we're going to face five years from now isn't even on our radar screen," Colby said. "I think it's more than just Walmart. It could be the entire evolution of the payment system. … It's scary."

"The future threat to us, to you as credit unions, isn't coming from the large banks," Sievewright said. "It's not even coming from the community banks you're competing with. Frankly, those are the least of your problems. The biggest competitive threat that we will face are from companies that we don't even know the names of yet."

He cited Facebook, Twitter and YouTube as example of game-changing companies.

"Look, 10 years ago — which is nothing in the scheme of things, nothing — were we even talking about any of these three companies? Did they even come up in our conversation? Not at all. They didn't really exist. And yet in 10 short years, the most video content in the world sits on YouTube, the most direct communications sits on Twitter through tweets, and the most members — unique users, 835 million of them — sit

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74% of workers at top-ranked companies are highly satisfied with their personal workspace. At average companies, it's only 48%.

DESIGNING FOR ORGANIZATIONAL SUCCESS

Research shows that companies who create supportive workplaces tend to be the most successful. A study by A&D firm Gensler found that 74% of respondents from top-ranked companies were highly satisfied with the functionality of their personal workspace. At average companies, workplace satisfaction is only 48 percent.

Satisfaction breeds commitment, and research supports that committed employees perform at a higher level. A Corporate Leadership Council Survey of 50,000 employees in 27 countries found that highly committed employees perform up to 20 percentile points better than less committed employees and are 87% less likely to leave the organization than employees with low levels of commitment. Even in these tough economic times, companies can't afford to take a slash- and-burn approach to reducing their real estate portfolio. They shouldn't forget the need to attract and retain great talent. Visionary companies are striking a balance between cutting costs and better supporting the workers who will make the organization successful, now and after the turnaround. Emerging work strategies are helping to accomplish that balance.

Despite all the changes underway, the physical workplace remains a gathering place, a collaboration center, a resource for organizational culture and still the home base. Emerging work strategies can help deliver higher performing work- places amidst a constantly shifting business landscape and are well worth they effort they require.

CHOOSING THE RIGHT CHANGE

How much workplace change and what types of work strategies are right for a particular company? There's a threshold of change that each organization's leadership and staff are willing and able to make. It's important that organizations answer these questions to create an overall work environment strategy. There are four levels of organizational capacity for change:

1. As Is: At this level, space is basically staying the same with some modest square foot reductions in individual work- stations and the possible addition of some new products. It's about first cost, existing standards, and maintaining the status quo.

2. Refine: It's about moderate change to space, technology, work process & culture. Organizations are starting to shift the overall allocation of space from individual work areas to more collaborative spaces. To achieve this, the individual workspace footprint is shrinking more significantly, perhaps from 8x8 to 6 x8 or even 6x6 cubicles and may introduce some shared spaces. The ratio of dedicated individual workspace to collaborative space can range from 90/10 to 80/20. Real estate may be reduced 10-20%. These first two levels of workplace change are primarily directed at gaining efficiencies — reduced footprints, cost savings and other financial benefits — combined with an effort to increase collaboration spaces. This level of change may be entirely appropriate for organizations involved in primarily process-oriented or transactional work. The downside is that workers may perceive these changes as reductive, taking something away from them to free up space in the building.

The next two levels are where genuine leaps in organizational effectiveness can take place.

3. Rethink: It's about significant change to space, technology, work process and culture, and it requires activity-based planning methods that recognize the types of work and tasks people actually do, rather than their titles. At this level, organizations have introduced one or more alternative work strategies, such as mobile work or telecommuting for some employees, which allow for much more flexible space plans. The ratio of individual and collaborative spaces can range from 60-40, sometimes even 50-50. Collaborative spaces are more varied, with informal spaces augmenting traditional conference rooms. Net usable square footage per person can drop as far as 80, which is close to the equivalent of a call center. However, with alternative work strategies and a sharing ratio of 1:1.5-3, people don't feel cramped or crowded.

4. Emerging: It's about fundamental breakthroughs and new discovery. This type of planning supports distributed work, with spaces that support mixed presence teams: people working in both the physical and virtual space. This means including spaces that accommodate telepresence or HD videoconferencing. There are individual workspaces, but none are assigned — they can be scheduled or simply used as needed. Much of the space is designed to support project work, with individual spaces located adjacent to team spaces. Net usable square footage is again around 80 per person, and the potential real estate reduction is 40-60% for the organization. While this is a huge, fundamental change for any company, we see organizations making this kind of transformation right now.

PROCERUS

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our military, and the expertise Procerus brings will enhance the value we offer to our customers."

Procerus' autopilot technology is called Kestrel and is billed as the lightest, smallest and most robust autopilot in the world, weighing only 16.7 grams. The autopilot is placed on small — three to four-foot wingspan — unmanned aircraft that are "hand tossed and belly landed," Titensor said. About 2,000 Kestrels are in use in various military hotspots around the globe. The miniature drones are used for surveillance and observation by small groups of troops on the ground.

"They might pull one out of a rucksack and they can throw it into the air very quickly," Titensor said. "The autopilot will fly it say, over the next hill — 'what's over there? What am I walking into? What's coming at me?' Those kinds of operations. It allows them to put an eye in the sky and have live video feeds coming down to the ground troops immediately."

The amount of time the aircraft can remain in the air is dependent on the craft's batteries, he said, while the distance would be dictated by the type of radio modems carried by the craft. Titensor said the small craft can generally fly between 60 and 90 minutes and between five and 20 miles. The small aircraft cost between $20,000 and $100,000, he added.

Prior to the purchase, Lockheed was one of Procerus' clients.

"We're very pleased and excited to become part of Lockheed Martin," he said. "The fit is awesome. It's a positive, very motivating outcome to see this business stay and grow in Utah."

Lockheed Martin Mission Systems and Sensors will manage the Procerus business. MS2, based in Washington, D.C., is part of the corporation's Electronic Systems business area and has experience within this area with its Desert Hawk, Persistent Threat Detection System aerostats, K-MAX unmanned helicopter system and high altitude airship programs.

NEXTHINK

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structures — physical, virtual and mobile — that truly change the game."

Equipped with NEXThink, IT departments can proactively monitor, manage, secure and support the workplace environment, physical or virtual. For example, if the computer health is suffering (high memory or CPU usage), an application hangs or crashes or the network access is getting chaotic (slow response time, timeouts), IT would instantly receive the necessary information and diagnostics to fix the issues before end-users start experiencing IT services performance degradation using their business application on the LAN or the Internet such as SAP, Outlook or Salesforce.com.

According to market analysts Gartner and Forrester, users can spend up to 30 minutes a day waiting for their PCs to load or reboot, and more than 70 percent of alerts come from users calling help desks, not management tools. Better visibility on end-users' PCs enable faster diagnostics and proactive remediation measures that can save users time and organizations money. In an organization with just 5,000 PCs it means, according to analysts, an avoidable spend of $2.66 million every year, or $532 per PC.

"I'm excited about the future of NEXThink, a fast growing, innovative and dynamic company that will expand rapidly in North America. In Europe, NEXThink has been successfully solving the very same problems that are facing U.S. companies by providing a 360-degree view of their corporate end point infrastructure," Lundell said. "Global alliances already established with companies like IBM and Unisys will be extended to the U.S. quickly."

Overall, NEXThink employs 50.

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Bell: Utah students should reconsider college majors

By Brice Wallace
The Enterprise

If Utah's young people want to earn decent money at the start of their careers, they might want to reconsider their college majors.

That's the word from Lt. Gov. Greg Bell. During a "state of the Utah economy" presentation last week in Salt Lake City, Bell said Utahns' most popular college majors are ones that result in relatively low-paying jobs, while students are shying away from math- and science-based majors that start with high salaries.

"In Utah, we love to be philosophers, art history majors, political scientists, sociologists, psychologists. Anything that doesn't pay, that's what we love to study," Bell said.

His list of popular majors in Utah included psychology, English language literature, nursing, general education, family and consumer science and communications. The starting salaries for most grads with those majors are in the $30,000 to $40,000 range. But a student could start at $65,000 to $125,000 if they instead selected molecular biology, math, biochemical engineering, zoology, microbiology, physiology, chemical engineering, computer engineering or aeronautical engineering, he said.

"Our kids are not going into engineering. … This is where we're going to live, guys. We have got to get our students and our young women particularly to move over to math," Bell said. "We're starting to fall behind."

Utah is last among states in per-pupil spending in pre-college years, at about 60 percent of the national average. Two factors at work are the large amount of federal land in Utah, lessening tax revenue, and the large size of Utah families.

But having a lot of children advancing through schools and entering the workforce makes the state attractive to such companies as Goldman Sachs, which now has 1,500 people working in Utah, he said.

"This is the boomers' boom," Bell said of the large group currently in Utah schools. "This is our grandchildren. We love them. They're wonderful. They're our greatest resource. When educated, that's why Goldman comes here — because they're cheerful, professional, tech-savvy, often bilingual. They're here to work. They're good kids. They grew up knowing how to work. But the downside is it's very difficult to raise the money to educate them."

While presenting lots of information about the good and bad elements of the Utah economy, Bell stressed that among states, Utah "is almost doing better than anyone."

One sign that the economy is improving is what Gov. Gary Herbert calls "truckenomics." "If people are buying big diesel pick-ups, then somebody's working," Bell said, noting that he saw a lot of big, new trucks with temporary license plates during a recent trip to St. George. "That's awesome. These are contractors, plumbers, oil rig guys, machine people. These are guys who make stuff happen. When you see those trucks being sold, you know the economy is on the way," he said.

Bell said the state is augmenting the positive activities from the "Mormon Moment" and "Utah Hour" of recent years. The state has "been discovered," he added.

"We used to be just a flyover state. People didn't pay a lot of attention to Utah except that we were on TV shows every once in a while," he said. But Utah has risen relative to other states — California, New York, Florida, Michigan, Illinois — once rock-solid but now beset by fiscal woes and over-regulation that cannot be sustained.

"We're being noticed and we're being noticed for good things, and people are coming here," Bell said. "They're finding that the Utah environment is not strange and weird. They're finding that you can get a drink. They're finding that you can work with Mormons and live with Mormons and that you're not going to get forced to do things. The word is getting out that Utah is a very business-friendly, culturally open place to live with a great quality of life, good schools, good neighbors, wonderful recreational opportunities and terrific tourism venues. On every front, we're being discovered and getting the plaudits I think that we've long deserved."

Top court spells out what must be included in underinsured motor vehicle waiver form

By Barbara Rattle
The Enterprise

The Utah Supreme Court has determined what constitutes a "reasonable explanation" of underinsured motorist (UIM) coverage.

Utah law provides that an insured can reject UIM coverage using a form provided by the insurer that includes a "reasonable explanation" of the purpose of UIM insurance coverage and when it would be applicable.

The top court found that a definition of "underinsured motor vehicle" must be included in the waiver form in order to meet the reasonable explanation standard.

The ruling marked defeat for United Automobile Insurance Co. and El Sol Insurance Agency LLC, which maintained that their waiver form provided a reasonable explanation of UIM coverage because it basically mirrored the UIM statute's definition of UIM.

For the unanimous court, Associate Chief Justice Matthew Durrant noted that the UIM statute was passed in a response to an urgent concern that Utah citizens didn't understand the consequences of not carrying UIM insurance. He said a definition of an underinsured motor vehicle — not contained in United's wavier — provides an essential foundation for the statutory definition of UIM coverage. Without it, the "reasonable explanation" standard cannot be met.

"Underinsured" is not a self explanatory term, Durrant wrote.

Under the UIM Statute, an "underinsured motor vehicle" is a term of art defined by statute to mean a motor vehicle that is covered under a liability policy at the time of the accident, but has insufficient coverage to fully compensate an injured party.

"But colloquially, the term 'underinsured' could encompass motor vehicles that are not covered by any liability insurance at all. Indeed, such cases present the most extreme example of underinsurance. The UIM Statute, however, provides that vehicles with *no* insurance coverage are 'uninsured, while vehicles covered under a liability policy with *insufficient* coverage are 'underinsured.' Because the statutory meaning of 'underinsured' is not intuitive, to be reasonable, a waiver must explain the meaning of the term," according to Durrant.

"An explanation that fails to differentiate between UIM coverage and uninsured motorist coverage does not assist consumers in making informed decisions regarding the selection of coverage," according to Durrant.

Where a waiver does not contain a reasonable explanation of UIM coverage, the waiver is invalid, and the consumer is entitled to the statutorily prescribed level of UIM coverage. In this case, the court of appeals determined that the amount of coverage prescribed by the UIM Statute is $25,000.

Case No. 20100054

Dean Fitzpatrick promoted at Larry H. Miller Automotive


Fitzpatrick

Dean Fitzpatrick has been promoted to president and chief operating officer of Larry H. Miller Automotive (LHM Auto).

In his new role, Fitzpatrick will oversee LHM Auto's 45 dealerships in seven western states.

Fitzpatrick joined the Larry H. Miller Group in 1988. Nine years later he became general manager of Larry H. Miller Chrysler Jeep Dodge in Sandy. From 2006 to 2009, he also served as general manager of LHM Subaru in Sandy and assumed oversight of LHM Chrysler Jeep Dodge in Bountiful. In August of 2010, he was promoted to regional performance manager for Provo, when the group acquired the Brent Brown Dealerships. Fitzpatrick also became the general manager of all three dealerships.

Additionally, Fitzpatrick assumed management responsibilities of LHM Collision Center Orem and LHM Used Car Supermarket Orem.

This change is effective immediately. Fitzpatrick replaces Tony Schnurr, who has become partner and general manager of Larry H. Miller Ford Salt Lake City.

CREDIT UNIONS

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on Facebook. Now, do we need to be involved in these networks as credit unions? Yeah. What's the trouble? What's the problem? We don't know how."

Sievewright noted that some companies have survived and thrived despite challenges. Barnes & Noble has incorporated the Nook and Charles Schwab has embraced online opportunities. But others have not, as Blockbuster succumbed to Netflix, Merriam-Webster to online encyclopedias and Eastman Kodak to digital competitors.

"There are very few companies who are doing it well," he said.

The technology changes come at a time when 75 million young people are entering the financial services system, and they speak a different language and use technology much more than their predecessor generations, he said. Also, the percentage of people 80 or older is growing and they will be active in retirement. Plus credit unions will face new regulations, more competitors, changing consumer preferences and consumers facing "so many confusing choices out there when selecting financial products."

So, where does that leave credit unions? Sievewright said they are not to the point where they should close branches but they do need to be embracing the opportunities that technology gives them to provide "remote services" for their members. Social media and technology are where people are getting the advice and expertise they used to get in a credit union branch. And in 10 years, credit unions' service quality will be measured, to a large degree, by how much self-service they provide their members, he said.

Differentiation will be a key to success, he added. Credit unions must find ways to be different from competitors and be relevant, held in high esteem and familial to its members.

"How do we differentiate ourselves going forward?" Colby asked. "I can get a checking account anywhere. I can get a credit card anywhere. I can get a CD anywhere. What are you going to do for me in this life phase? That's the strategic discussion you should have."

Colby said successful credit unions will continue to be ones focused on the financial well-being of their members. They can tap into local knowledge and find out what they can do better.

"What do you do? You create your own recovery. That's how credit unions have always recovered," he said. "They've created their own recovery within their field of membership."

• Earnings Roundup •

EnergySolutions

EnergySolutions Inc., based in Salt Lake City, reported a net loss of $202.8 million, or $2.28 per share, including year-end goodwill impairment, asset retirement obligation and deferred tax asset accounting adjustments. That compares with net income of $6.3 million, or 7 cents per share, for the 2010 fourth quarter. Without those impacts, the company in the 2011 quarter had net income of $95.6 million, or $1.08 per share. Adjusted earnings before interest, taxes, depreciation and amortization was $44.2 million.

Revenue totaled $468.5 million, up from $450.2 million in the year-earlier quarter.

For the full year 2011, the company reported a net loss of $196.2 million, or $2.21 per share, compared with a net loss of $22 million, or 25 cents per share, in 2010. Without various factors, the company had net income of $102.2 million, or $1.15 per share, in 2011. Adjusted EBITDA was $146.7 million.

Revenue totaled $1.8 billion in 2011, up from $1.75 billion in 2010.

EnergySolutions offers energy-related services.

"Last year was an important base-building year that put us on the pathway to stronger growth opportunities in 2012 and beyond," Val Christensen, president and CEO, said in announcing the results. "With new contract wins in Canada, Japan and here in the U.S., together with promising opportunities in Germany, we are well positioned to continue moving our Company forward."

Evans & Sutherland

Evans & Sutherland Computer Corp., based in Salt Lake City, reported net income of $900,000, or 8 cents per share, in the 2011 fourth quarter. That compares with $800,000, or 8 cents per share, for the same quarter in 2010.

Sales in the most recent quarter totaled $9.2 million, up from $8.8 million in the year-earlier quarter.

For the full year 2011, the company reported a net loss of $2.1 million, or 19 cents per share. That compares with a loss of $4.6 million, or 42 cents per share, for 2010.

Sales totaled $28.3 million in 2011, up from $27.5 million in 2010.

The company produces digital planetariums and digital cinemas and shows.

"We made significant progress in 2011 as evidenced by the significantly reduced net loss for the year, but we do not believe that the fourth-quarter results will be consistently sustainable for future quarters without increased sales levels and additional cost reductions," David H. Bateman, president and CEO, said in announcing the results. "We are pursuing both of these objectives. The financial obligations for the defined benefit plan that was frozen in 2002 continue to be the biggest drain on our overall financial performance. … Our outlook for the business remains positive."

• Industry Briefs •

ARTS/ ENTERTAINMENT

• Fully reclining seats, concierge in-seat food service, executive lounge with high definition satellite screens and other **premium amenities** are now available at the **Megaplex Theatres at Jordan Commons** in Sandy. The new Groove VIP Auditorium is open to the public for individual seat purchase as well as group sales for special private engagements, business meetings, premiere parties and other special events. The auditorium will accommodate 58 guests in four distinct levels of premium seating, including fully reclining seats, semi-private luxury boxes, and custom corner booths designed to comfortably accommodate two to four guests. All seats in the new auditorium are reserved and will be available for $17.50 on the Megaplex Theatres website, via the kiosk, or at the Guest Services desk at Jordan Commons. In the main theater, guests can enjoy in-seat food service from a hospitality team using hand-held technology to take individual orders and deliver food, snacks and drinks right to the guest at their seat. An expanded menu featuring appetizers, finger foods, specialty items and desserts has been introduced. A full-service catering menu is also available for private functions in the VIP lounge adjacent to the VIP auditorium.

ASSOCIATIONS

• **Pamela Atkinson** has been selected as the **BYU Management Society**'s 2012 **Distinguished Utahn.** Atkinson will be honored at the annual Distinguished Utahn dinner to be held at Salt Lake City's Little America Hotel on May 3. Atkinson is highly regarded as an advocate for the impoverished, underprivileged and homeless in the Salt Lake City area. She was instrumental in initiating the Lincoln Family Heal Center, the IHC Neighborhood Clinic at the Sorenson Multicultural Center and the Rose Park Family Health Center. She also serves on the Volunteers of America/Utah Homeless Outreach Team.

BANKING

• **Wells Fargo & Co.** has launched a **pilot program** in select states, including Utah, wherein customers will receive, with no obligation, **complimentary access to their credit score and**

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Shapiro Luggage and Gifts to return to downtown SLC

Shapiro Luggage and Gifts is returning to downtown Salt Lake City, where it was founded in 1917.

The business left downtown a number of years ago, when the Utah-grown department store ZCMI was sold to Macy's. Since that time, Shapiro has operated a store in the Fashion Place Mall, Murray. Jillian Dallon, who operates the business in partnership with her brother Ryan, said the Fashion Place store soon will move from the Dillard's wing to the Nordstrom wing.

Downtown, Shapiro will be located in approximately 2,700 square feet at 170 S. Main. It will share ground-level space with U.S. Bank, mere yards from where it operated downtown previously. Dallon said the shop should open around March 23 and will continue the Shapiro tradition of offering travel goods and gifts for those with discerning taste. Brands will include TUMI, RIMOWA, Hartmann, Johnston & Murphy, Victorinox, and Briggs and Riley, and many more.

Shapiro was sold in 2008 to Bergman Luggage, Portland, Ore. Shapiro leased its new location with the assistance of Commerce Real Estate Solutions.

Transportation in Utah

Applaud legislative efforts

By Abby Albrecht

The 2012 Utah legislative session has come to a close, but not without a few bills that affect transportation. HB173 Second Substitute, run by Rep. Brad Dee and Sen. Ralph Okerlund, allocates the just over the $200 million savings from the I-15 CORE job in Utah County to different projects throughout the state and to pay down debt services. Nine capacity jobs are outlined in the bill — $120 million will pay for the costs of right-of-way acquisition, construction, reconstruction, renovations or improvements to those jobs; $30 million is allocated to Salt Lake County for 12 highway or transit projects throughout the county. The remaining money will be used to pay down debt services, getting our state bonding capacity below our constructional level of 85 percent of current property values.

Bonding levels remain modest at all levels of government in Utah, especially when compared to other states. Bond ratings remain excellent. Bonding occurs only for large, high-value, long-term capital items and revenue streams are clearly identified to retire the debt, with firm repayment schedules. The state and local entities use debt wisely to build infrastructure at reduced prices, allowing future taxpayers to share in the cost of infrastructure of benefit to them.

Today, with interest rates very low and costs of construction and building materials also very low, many projects can be built less expensively by borrowing and building now, than by saving and waiting to build in the future.

We should applaud their legislative efforts to continue to make mobility important to the economic development and prosperity of Utah.

Abby Albrecht is the Utah business development and public affairs manager for Granite Construction Co., one of the nation's largest diversified heavy civil contractors and construction materials producers. Albrecht currently chairs the Transportation Task Force Committee through the Salt Lake Chamber.

• Legislative Wrapup •

Below is a list of business-related bills that passed through both chambers of the Utah Legislature during the general session. Note that in some cases, the bills are substitutes for earlier versions with the same number. Details are at le.utah.gov.

ALCOHOL

• SB66, making changes to the Alcoholic Beverage Control Commission to a seven-member commission.

• HB354, creating a committee to establish a process to collect information related to abuse of alcoholic products and addressing reporting requirements related to the beer tax.

BUSINESS DEVELOPMENT/ TRADE

• HB28, creating a task force to look at issues affecting Utah business development and how air quality affects economic development efforts in the state. Originally, separate bills called for task forces for economic development and air quality (HB70), but the groups were merged in the final version of HB28.

• HB472, adding two members to the Utah International Relations and Trade Commission.

CONTROLLED SUBSTANCES

• HB254, adding certain items to the list of controlled substances in the Utah Controlled Substances Act.

• SB127, modifying the effective date and other requirements for controlled substances prescriber education.

CORPORATIONS

• SB36, allowing Utah corporations to transfer to another state.

EMPLOYMENT/ UNEMPLOYMENT

• SB129, reducing employers' maximum unemployment insurance contribution rate from 9 percent to 7 percent starting this year and capping the social unemployment insurance rate at 0.4 percent for 2012. It also allows the Utah Unemployment Insurance Division to accept compromises from employers to reduce past-due debt under certain circumstances.

• SB99, prohibiting cities and counties from requiring businesses to offer their employees certain benefits (accident and health insurance, life insurance, sick leave or family medical leave). It would not affect those entities requiring benefits during their contract bidding processes.

• HB388, making certain individuals ineligible for certain unemployment benefits if the services were provided by a person working at an educational institution and who worked for certain governmental entities or nonprofit organizations.

• HB263, expanding unemployment benefits eligibility for military spouses under certain circumstances.

• SB210, expanding the types of process a person over the age of 18 is permitted to serve and allows private investigators to serve all civil process.

ENERGY

• SCR12, urging Congress to delegate to states the regulation of fracking. Technically known as hydraulic fracturing, fracking involves the use of pressurized fluid injected into the ground to propagate rock fractures as a way of extracting petroleum and natural gas.

• SB12, enacting provisions relating to contracts with renewable energy facilities.

• SB65, addressing provisions related to alternative energy development tax incentives.

• SCR8, supporting new technologies and facilities that allow for and enhance the production and value of "Uintah black wax," a type of crude oil, in the Uintah Basin.

• HB137, changing provisions relating to energy development and infrastructure.

ENVIRONMENT

• SB11, changing requirements and procedures of adjudicative proceedings of Department of Environmental Quality boards.

• SB21, changing the composition and requirements of members of Department of Environmental Quality boards.

FINANCE

• HB459, modifying what a deferred deposit lender is required to report as part of its operations statement and voiding deferred deposit loans issued by an unregistered person.

• SB42, establishing a time limit for an action to recover a deficiency following a short sale of single-family resident property.

• SB108, modifying the Financial Institutions Act to address credit exposure from derivative transactions.

HEALTH CARE

• SB208, adopting the Health Care Compact, having Utah join an interstate Advisory Health Care Commission, and seeking to return the authority to regulate health care to the member states.

INTERNET TAXATION

• HB384, designed to keep companies from dividing their operations as a way to avoid tax collection responsibilities.

• HJR14, urging Congress to pass legislation providing for the fair and constitutional collection of state sales and use taxes by both in-state and remote sellers.

LAW ENFORCEMENT

• SB281, creating the Mortgage and Financial Fraud Unit in the attorney general's office to investigate and prosecute those frauds.

• HB239, allowing law enforcement and the Division of Consumer Protection to access pawn and purchase transaction records on a central database on behalf of an insurance company investigating a claim for physical loss of property.

• SB90, modifying the Securities Fraud Reporting Program Act to address various issues.

• HB187, establishing the crime of agricultural operation interference. It bans the audio or video recording of agricultural operations under certain circumstances.

• SB141, removing the scheduled repeal date of a code section that prohibits practicing law without a license.

• SB91, modifying the Utah Uniform Securities Act to address damage awards in civil actions. It creates a negligence standard for when treble damages can be awarded if the violation involves fraud and an investment by a person over whom the violator exercised undue influence.

LICENSING

• HB39, allowing clerks at retail locations to continue to sell, fit, adjust and dispense prescription lenses without having an optician license. The clerk would still need to have a prescription from a licensed physician or optometrist.

• HB43, allowing barbers, cosmetologists, estheticians, electrologists and nail technicians to work without a license on motion pictures shot in Utah. Those workers would have to be employed by or under contract to assist with a movie company production and conduct that work for no more than 120 days per year.

• SB144, requiring non-attorney immigration consultants to be registered with the state Division of Consumer Protection, undergo criminal background checks and post bonds. It also establishes requirements for contracts between the consultants and clients and creates a complaint process for fraud victims.

• HB27, banning general building contractors from work relating to the operating integrity of an elevator.

• SB 202, creating a license for a dentist educator.

• SB88, amending the definition of a cosmetic drug and allowing for administrative rules to regulate which prescription drugs can be dispensed as a cosmetic drug or weight loss drug without a license.

• SB252, permitting a person to practice dentistry without a Utah license under certain circumstances if that person is licensed in another state, has no licensing action pending and has at least two years of professional experience.

• SB140, modifying licensing and certification requirements for users of liquified petroleum gas.

• SB161, permitting certain prescribing practitioners to dispense certain drugs without a license.

• SB92, modifying provisions related to occupational and professional licensing by the Department of Commerce.

MEDICINE

• HB122, delaying implementation of legislation about electronic transmissions of medical prescriptions until July 1, 2013. It also requires practitioners to offer patients a choice about which pharmacy will receive the e-prescription transmission and requires the transmitting entity to meet certain standards.

REGULATION

• HB78, cracking down on certain business tactics that regulators believe are deceiving consumers. The bill clarifies how credit and debit cards can be charged and also prohibits misrepresenting a supplier's business location.

• SB41, regulating minors' use of tanning beds. Minors would be unable to use tanning devices unless they have a written doctor's order or each time they use the device, they are accompanied by parent or guardian who provides written consent for the minor to use it.

• HB96, prohibiting the sale or use of software programs, often called "phantomware," or so-called "automated sales suppression devices" that falsify the records of electronic cash registers and other point-of-sale systems in a fraudulent way to avoid remitting taxes.

• SB229, prohibiting the state and its political subdivisions from regulating Internet protocol-enabled services or Voice over Internet Protocol (VoIP).

• HB313, banning a local health department from implementing standards or regulations that are stricter than those in federal or state law or Utah Department of Health rules unless it makes a written finding that those laws and rules are not adequate to protect public health. It retains the ability of local health departments to implement emergency regulations and regulations not covered by federal or state laws or administrative rules.

• HB343, modifying the definition of "certified underground storage tank consultant" and granting rulemaking authority relating to the registration of underground storage tank operators.

• HB503, amending provisions of state code relating to construction contract terms, bond claims and lien claims.

• HB175, changing provisions relating to pawn and secondhand businesses.

• HB295, modifying the required time for filing a trademark registration renewal application.

RENTING

• SB173, designed to protect renters. Among the provisions is one calling for a property owner to provide to a potential renter a written inventory of the condition of the rental unit before the owner and renter enter into a rental agreement or provide the renter with a walk-through inspection.

SMOKING

• HB95, establishing a business license for "retail tobacco specialty businesses" and creating restrictions on their locations.

• HB245, allowing e-cigarettes and hookahs to be used in certain indoor public places.

TAXATION

• HB36, amending provisions regarding sales and use taxes related to computer software and other tangible personal property.

• SB27, amending the circumstances under which a person who pays a tax, fee or charge liability may receive a credit or refund.

• HB365, changes income tax credits related to research and enacts sales and use tax exemptions for certain construction materials and certain machinery and equipment used in a life science research and development facility.

• SB23, changing life science and technology tax credits regarding companies investing more than $1 billion in Utah.

• HB35, extending the repeal date for certain recycling market development zone tax credits.

• HB312, enacting tax credits for employing a recently deployed veteran.

• HB323, changing the timing of sales and use tax collection and remittance for certain sales involving delivery, installation or the conversion of tangible personal property into real property.

TOURISM

• HB201, designating skiing and snowboarding as the state's winter sports.

• SCR10, supporting a "low-impact" interconnection among seven Salt Lake and Summit county ski resorts "using the best environmental practices."

TRANSPORTATION

• HB298, reducing the number of vehicle safety inspections. Those checks will be needed in a vehicle's fourth, eighth and 10th years and annually thereafter.

• SB68, prohibiting auto manufacturers from "coercing" or setting car dealers' prices for certain products and services. The ban would include agreements, programs and incentive provisions.

• HB293, changing provi-

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credit report. The score, which often costs upwards of $12, will also come with a copy of the customer's credit report. Customers can take part in this program by obtaining a unique access code from their Wells Fargo banker through April 15. In Salt Lake City, according to Experian data, the average credit score is 762 and the average non-mortgage debt load is $23,905.

COMMUNICATIONS

• **Allegiance**, a South Jordan provider of VOCi (Voice of Customer Intelligence) technology and services, has named **Jennifer Beyer**, former director of market research at Fidelity Investments, vice president of best practices. In Beyer's previous position at Fidelity Investments, she led a team of research analysts and was responsible for presenting market insights across the organization, from front line representatives to the president and executive team. She also developed and managed B2B and B2C customer satisfaction studies, including data architecture, reporting, analytics, and market insights. Her contributions helped the firm to win Forrester Research's Voice of the Customer Award in 2011.

COMPUTERS/ SOFTWARE

• South Salt Lake-based **inQuo** has promoted **Cody McCallister** to work full-time for the company as a computer network technician. inQuo is a small business that provides computer support to businesses and home users. McCallister recently earned an associate's of science in computer science with a networking emphasis from Stevens Henager. It was through an internship program inQuo began in partnership with Stevens Henager that McAllister was introduced to inQuo.

• **HP** is now offering South Jordan-based **LANDesk**'s management solutions directly to business customers, enabling them to boost end-user productivity and more easily secure and connect devices across their environment. By eliminating the need to stage deployments through IT departments, LANDesk management solutions help companies to increase efficiency and reduce cost while also resolving IT concerns like energy conservation, device and BIOS management, retail operating system and reporting support and hardware-failure alerts.

CONSTRUCTION

• **Steel Encounters Inc.**, Salt Lake City, has added **Willow Bowen** to its staff as corporate accountant to its Utah office. Steel Encounters is a commercial specialty subcontractor that

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sions regarding the draw-bar or other connections used by towing vehicles.

• HB407, exempting from safety and emissions inspections vehicles that are less than two years old.

• SB244, amending provisions relating to motor vehicle insurance reporting.

• SB255 and SB260, amending provisions relating to salvage vehicles and nonrepairable vehicles.

• SB199, amending provisions relating to selling and titling a motor vehicle.

• SB52, addressing the Workers/ Compensation Act status of independent motor carriers.

OTHER

• HB108, banning online gambling and Indian tribe-owned casinos even if the federal government decides at some point to make online gambling legal nationwide.

• HB33, changing the times that consumer fireworks can be sold and discharged. Class C fireworks can be sold June 23 through July 27 and Dec. 29-31, as well as two days before and on Chinese New Year's Eve. Utahns are able to use the fireworks between 11 a.m. and 11 p.m. July 1-7 and July 21-27. The exceptions are July 4 and July 24, when the hours will be 11 a.m. to midnight. Fireworks also would be allowed New Year's Eve and Chinese New Year's Eve from 11 a.m. through 1 a.m. those nights.

• HJR4, encouraging employers to make accommodations to meet the needs of their employees who are breastfeeding their babies by providing unpaid break time and appropriate space for those employees.

• Calendar •

• March 21, 9-11 a.m.: **"Doing Business in Mexico,"** hosted by the Governor's Office of Economic Development and its partners Ballard Spahr, the Mexican consulate in Salt Lake City, H-11 Digital Forensics, the World Trade Center of Utah and ProMexico LAX. GOED's trade representative in Mexico, Guadalupe Escalante, will be a presenter at the seminar and will meet with Utah companies by appointment March 20-22. Location is Ballard Spahr Andrews & Ingersoll, 201 S. Main St., Suite 800, Salt Lake City. Meetings can be scheduled by contacting abecker@utah.gov.

• March 21, 11:30 a.m.-1 p.m.: **Society of Marketing Professional Services Utah Chapter Networking Event.** Those in the architectural, engineering and construction industries are encouraged to attend. Speakers will include Todd Provost from the Utah Transit Authority and Terry Johnson from the Utah Department of Transportation. Location is the Little America Hotel, 500 S. Main St., Salt Lake City. For cost information and to register, visit www.smpsutah.org.

• March 21, 8 a.m.-4:30 p.m: **ARC FLASH Compliance Training,** hosted by Hunt Electric. Participants will learn how to reduce the chances of violating OSHA rules when it comes to electrical safety. Instructor will be Joseph Gierlach Jr., vice president of technical training and support at TEGG Corp. He will be available to answer questions. Location is the Hunt Electric Training Center, 1863 W. Alexander St. (2410 S.), West Valley City. Cost is $140 if registered by March 14, $160 thereafter. The cost is $120 per person for groups of five or more from the same company. Sign-in begins at 7:20 a.m. A continental breakfast and lunch will be provided, along with a certificate of participation. Register at www.huntelectric.com/training.htm or by calling Cheri Holbrook at (801) 975-8844 ext. 8851.

• March 23, 7 a.m.-5 p.m.: **International Council of Shopping Centers 2012 Mountain States Idea Exchange.** Keynote speaker will be William Taubman, COO of Taubman Properties, the Michigan firm that is developing the retail component of the new City Creek Center in downtown Salt Lake City. There will be a number of roundtables, a retail panel and a Tour of City Creek Center. Location is the Sheraton Salt Lake City, 150 W. 500 S. Cost is $190 for ICSC members in advance (by March 16), $240 on site. Nonmembers pay $420 in advance, $525 on site. Register at www.icsc.org.

• March 28, 3:30-5:30 p.m.: **Deal Forum,** sponsored by The Wayne Brown Institute. The institute has been mentoring three high-tech companies that will introduce their deals to a panel of investors, with feedback and a Q&A session to follow. Location is the Zions Bank Founders Room, 1 S. Main St., 18th floor, Salt Lake City. Cost is $10. Rgister at www.venturecapital.org.

• March 28, 8:30-9:30 a.m.: **Ernst & Young Entrepreneurial Winning Women Information Session.** Now in its fifth year, Entrepreneurial Winning Women is a competitive award and ongoing leadership program that identifies a select group of high-potential women entrepreneurs whose businesses show real potential to scale – and then helps them do it. Winners will join an elite network of the country's best entrepreneurs and high-growth company leaders; participate in a customized leadership program with year-round activities designed to accelerate and sustain business growth; and, on a complimentary basis, attend the Ernst & Young Strategic Growth Forum 2012 Nov. 14-18 in Palm Springs. Applicants must be women CEOs who have founded their privately held U.S. companies within the last 10 years and have achieved at least $1 million in revenue in each of the past two. For more information on eligibility and how to apply, visit www.ey.com/us/entrepreneurialwinningwomen. Location is 178 S. Rio Grande St., Suite 400, Salt Lake City. Breakfast will be served.

• March 28, 8-9:30 a.m.: **Solar Voltaic Energy Course,** offered by Hunt Electric. The introductory course on solar voltatic panels will cover how they will save major costs on buildings while contributing to an overall sustainable future along with exemplifying a business model of environmental integrity. Instructor will be Certified NCCER (National Center for Construction Education and Research) Electrical and Core Curricula Instructor Brok Thayn, Hunt Electric's energy division manager. Location is the Hunt Electric Training Center, 1863 W. Alexander St., West Valley City. Cost is $15. Register at http://events.constantcontact.com/register/event?llr=mjlluajab&oeidk=a07e5mmmqwn749953aa or by calling Jill Lewis at (801) 975-8844.

• March 29, 8 a.m.-noon: **"Key Utah Employment Rules,"** sponsored by The Employers Council. Council staff will address Utah's Antidiscrimination Act, municipal nondiscrimination ordinances and the Right to Work Law; rules to focus on through the employment relationship, such as Utah's Payment of Wage Act, drug and alcohol testing law and weapons in the parking lot law; and rules to focus on near the end of the employment relationship, such as Utah's At-will Employment Rules and Final Paycheck Law. Location is the Red Lion Hotel, 161 W. 600 S., Salt Lake City. Cost is $129 for council members, $209 for nonmembers, and includes a full breakfast buffet and materials. Register at http://ecutah.org/2012springutrules.pdf.

• April 8, 6 p.m.: **Salt Lake Chamber 125th Anniversary Gala.** Location is the Grand America Hotel, 555 S. Main St., Salt Lake City. Cost is $100 per person. A reception will begin at 6 p.m. followed by dinner and a program at 7 p.m. For more information, visit www.slchamber.com.

• April 10, 8 a.m.-3:15 p.m.: **Annual Governor's Utah Economic Summit.** The event is designed to provide business leaders and decision-makers from the business, government and academic communities the opportunity to learn more about strategic opportunities and challenges facing businesses today. Morning keynote will be by

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Robert Knight Jr., chief financial officer for Union Pacific. The mid-day keynote will be by Gov. Gary Herbert. Location is Grand America Hotel, 555 S. Main St., Salt Lake City. Standard registration is $150, which includes keynote presentations, morning and afternoon breakout panels, breakfast and lunch. Table sponsorships are available. Event begins with check-in at 7 a.m. Details are at http://www.utahsummit.com/register.php.

• April 11, 3:30 p.m.: **"How to Raise Money,"** hosted by the Wayne Brown Institute. Presenters will discuss current trends, the fund-raising process, finding the right investor and how to raise capital from an investor. The seminar will introduce the importance of a business plan, what sources of capital are right for your business, the five Fs, angels and venture capitalists, business structure and raising money legally. Presenters will include a legal investor, someone from the lending and grants community and a serial entrepreneur. There will be an open Q&A. Location is the Miller Business Innovation Center, 9750 S. 300 W., third floor, Sandy. Free. More information is at http://www.venturecapital.org/vc-events.

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specializes in providing design assist solutions for curtain wall and exterior panel systems. The company is also a material supplier of steel joist and deck products. Current projects include the eBay Customer Service Center, the Nu Skin Corporate Office Expansion and the Adobe Omniture Facility in Lehi.

• **Curtis Miner Architecture,** Pleasant Grove, has promoted **Gerrit W. Timmerman, AIA,** to principal architect. Timmerman joined CMA in April 2007 and has overseen and managed a multitude of high profile commercial and multi-family projects ranging in value from $100,000 to $15 million.

• **BNA Consulting Inc.,** Salt Lake City, has been named **Electrical Engineering Firm of the Year** for the second year in a row by the Intermountain Electrical Association. This is an award given annually by the electrical industry that recognizes BNA as the best electrical design firm in the State of Utah.

• **Hunt Electric,** West Valley City, won four "Best Project of 2011" awards from the Intermountain Electrical Association. Thanksgiving Park Office Building II won "Best Design/Build Project." City Creek Block 76 Retail and Residential won "Best Mixed-Use Project." The "Best Communications Project" was won for Immigration and Customs Enforcement while "Best Residential" was for the Providence Place Apartments.

ECONOMIC DEVELOPMENT

• **Economic Development Corp. of Utah** (EDCUtah) has promoted **Sheila R. Yorkin** to director of marketing and communications. Yorkin spent 12 years working for Salt Lake City Corp. as both a communication manager and director of the Gallivan Center during the 2002 Olympics. She has been with EDCUtah since 2008 and has managed communications and public relations strategies both internally and externally for the organization. EDCUtah has also

continued on next page

Industrialist Jon M. Hunstman Sr. has placed his upper Deer Valley home on the market for $49.5 million. The home, which took three years to build, contains 22,000 square feet on 63 acres. It features 12 bedrooms and can sleep 44. It also has 16 bathrooms, a 20-seat formal dining room, indoor pool and Jacuzzi, fitness center, game room, media room, library, children's playrooms and a 22-car garage. The home utilized reclaimed timber from Yellowstone National Park. Its grounds feature a one-mile trail and a private pond and waterfall. Annual upkeep costs about $1 million. The listing agent is Summit Sotheby's.

Financing for Business

The Trucking Industry is a Leading Economic Indicator

By Eric Myers

It goes without saying that the trucking industry is a major part of the American economy. The shipment of goods, products, parts, supplies and materials touches nearly every aspect of the economy and has an impact on businesses, households and families in every corner of the country. Due to the significance of the trucking industry on the economy at large, one can gauge the health of overall economic activity and production in this country by looking to this vital industry.

So, what is the current state of the trucking industry? What are some of the key metrics one can look to in order to gain some insight as to how this industry is currently performing in today's economic environment? One indicator is the Truck Tonnage Index produced by the American Trucking Associations. The ATA gathers and indexes responses from carriers all across the country. Truck tonnage rose 3.6 percent in January of this year from the same month last year. This is a great sign, as it indicates carriers nationwide are carrying more freight. Demand for freight hauling is increasing.

TAB Bank has one of the largest portfolios of working capital finance for the trucking industry. Metrics from our transportation portfolio give additional insight into the economic trends of the country. Through a quarterly survey, our trucking clients let us know business conditions and optimism as they relate to three primary areas – freight rates, fleet size and number of employees. The majority of our clients who responded are reporting increases in these three areas from third quarter to fourth quarter of 2011. The majority of respondents also indicated that they expect these trends to continue as 2012 progresses.

These are great signs as the economy continues its path to recovery. Many indicators from other areas of the economy are positive as well and reflect the uptick in the trucking industry. Hiring is creeping back up as the unemployment rate continues to go down. Consumer confidence has been increasing bit by bit over the past five months. Retail sales continue to rise. The one drawback to all these positive signs is the recent dramatic increase in the price of fuel and the resulting price increase for other necessities such as food. Even with this, however, optimism is very strong as the first quarter of 2012 is coming to an end.

In our non-transportation portfolio, we are seeing an increase in utilization among our current customers as well as an increase in loan applications from new prospects. These are additional signs that small to medium-sized businesses are utilizing capital to expand their businesses.

Eric Myers is the director of marketing at TAB Bank, Ogden. He has been selling and marketing financial products for the last 20 years. Myers can be reached eric.myers@tabbank.com. TAB Bank provides custom working capital solutions — accounts receivable financing, lines of credit, equipment loans and asset-based loans — to transportation and non-transportation companies in all stages of business life cycles during any economic conditions.

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hired two new employees — Jorge Sanchez, business development manager; and Christina Seifers, business development coordinator. Sanchez comes from a strong background in business development and work in both the private and public sector. Seifers is a recent graduate of the University of Utah with a BA in strategic communications. Christina has worked at Shriner's Hospital and T-Mobile.

EDUCATION/TRAINING

• **Stevens-Henager College,** a provider of on-campus and online higher education, has opened a **new branch campus in St. George.** Previously, Stevens-Henager operated a College Education Center in St. George, which enrolled students into online programs offered through the Murray campus, but recognized a need in the area for additional higher-education opportunities. The St. George branch now offers on-campus courses for 11 degrees in medical specialties, graphic arts, business administration, computer programming, networking and health care administration. The 8,000 square foot facility includes medical laboratories, graphic arts classrooms, computer labs, a bookstore and a library. This is Stevens-Henager's 10th campus.

• **Brigham Young University**'s law and business schools are both among the Top 40 in the country, according to the latest ***U.S. News & World Report*** **graduate school rankings.** The J. Reuben Clark Law School is ranked 39th, jumping three spots from last year's rankings, while the Marriott School of Management is ranked 34th. Other BYU graduate programs and specialties rank in the top 100 of their categories.

• Graduate programs at the **University of Utah** are getting exposure in this year's edition of **"America's Best Graduate Schools"** published by *U.S. News & World Report*. The 2013 edition will go on sale April 3. The College of Engineering made a big jump in the rankings. It is ranked No. 54 in the nation, up six spots from last year. The College of Engineering's School of Computing was ranked No. 39. The separate discipline of computer engineering is ranked No. 47 in the nation. Other ranked programs include materials engineering at 53, civil engineering at 54, chemical engineering at 57, environmental/environmental health engineering at 65 and mechanical engineering at 72. The university's science programs continue to make their mark with mathematics ranking number No. 30 in the nation. Other science programs held their rankings, with chemistry at No. 36 and biology at No. 56. The S.J. Quinney College of Law was once again recognized, ranking number No. 47 in the nation. University of Utah Health Sciences ranked 48th in the nation for research, up six spots. It also moved up five places to number 21 for primary care. *U.S. News* also ranked the University of Utah School of Medicine at No. 2 in physician assistant education. Pharmacy ranked No. 10, rising six spots. Physical therapy moved up five places to No. 19, while the College of Nursing graduate programs remained at 36 and the nursing-midwifery program held steady at 8.

ENVIRONMENT

• The **Salt Lake Chamber** is launching a program to help Utah businesses enhance their commitment to clean air and benefit their bottom lines. Businesses can become **Clean Air Champions** by enrolling in the program at www.cleanairchampion.com and indicating practices already in place or by implementing new clean air programs. The Clean Air Champion website serves as a reference point for best practices and encourages businesses to get involved. By implementing three of the eight suggested practices or by coming up with an original or industry-specific approach, a business can earn the distinction of Clean Air Champion.

FINANCE

• **Carl L. Laurella** and **Jeff Roundy**, financial advisors in the Salt Lake City office of **Merrill Lynch**, have been nationally recognized as among the **top advisors in Utah** by *Barron's* magazine in the publication's annual "America's Top 1,000 Advisors: State By State" list. Laurella has been with Merrill Lynch for 27 years, Roundy for 17.

• Founder/Utah entrepreneur Alan E. Hall is joined by community partners Zions Bank, Comcast Business Class, Comcast Spotlight, KUTV2, Utah Jazz and KJZZ-TV to launch Grow America, an organization that supports, encourages and strengthens entrepreneurship. In conjunction with the launch, the company unveiled **Grow America Springboard,** a series of business competitions that allow thousands of entrepreneurs to compete for cash awards and services in regionalized competitions to help them springboard to success. Grow America Springboard events allow entrepreneurs to compete for cash awards and business services to help them create new jobs and lift local economies. Grow America (www.growam.com) will provide $1 million in cash awards and resources over

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Executive Lifestyle

There's nothing better than a clever travel agent

Better than the airline websites, better than online discounters like Travelocity, Orbitz, Expedia, Priceline, et al, even better than aggregators like Kayak, better than anything is a clever travel agent. Even when it comes to finding a good airfare, which travel agents disdain these days because it doesn't really earn them anything beyond chump change, you cannot beat a live person who will take the time to put "knowhow" to the test.

Let me offer an example. An agent friend of mine was working to get his dad a round-trip ticket from Salt Lake City to Bangkok that wouldn't require a major loan to acquire. The best he found on the Delta Air Lines website would cost about $2,800. Gulp! Even by using kayak.com, the best deal came to in excess of $2,200. Ah, but this clever devil checked the routing of what delta.com was giving him, and found that every

Don Shafer

option offered was SLC to LAX to BKK — Salt Lake to Los Angeles to Bangkok. And using Kayak he found the same general routing going through Los Angeles, then on to somewhere in Asia before landing in Bangkok.

However, this ingenious dude knew that Delta had a non-stop from Seattle to Tokyo. So, he booked SLC to SEA to TYO, then a separate ticket from Tokyo to Bangkok. Grand total: approximately $1,500. And he booked it on Delta, the same company whose website listed the lowest fare at about $2,800. And what does a travel agent receive for saving someone $1,300? Between $25 and $50.

Hmmm. No wonder they'd rather spend their time earning 10 percent commission for booking a resort, a hotel, a cruise or even a car.

That's why I say: find an experienced travel agent who enjoys doing these tricks and make friends. Take her/him out to lunch. Treat them like you enjoy what they do, because, you, in fact, will enjoy the results of their cleverness.

Besides the routing idea, this agent used the trick of "breaking the fare." Rather than purchasing a round-trip ticket from Salt Lake to Bangkok, he purchased two tickets: one to Tokyo (through Seattle); the other from Tokyo to Bangkok. This gambit is often used for airfares to Hawaii, Europe or Asia, where the cost of a through ticket from one place to another is greater than the cost of

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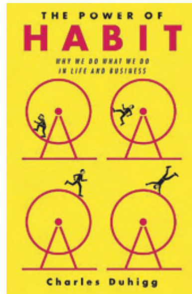
Great springtime reading in these three business-related books

(Editor's note: Each month Jack Covert, founder of 800-CEO-READ, reviews the best recently released business books. Jack is also the coauthor of *The 100 Best Business Books of All Time*, recently updated and expanded, and released in paperback. 800-CEO-READ is a leading direct supplier of book-related resources to corporations and organizations worldwide, and specializes in identifying trends in the changing business market.)

The Power of Habit: Why We Do What We Do In Life and Business
By Charles Duhigg, Random House
400 Pages, $28, Hardcover

We all have habits. Some are good, like brushing our teeth, and others are generally classified as bad, such as smoking, drinking to excess or overeating. But our lives are surprisingly filled with habits beyond remembering to wash our hands before dinner, and those habits often dictate the course of our lives because we become



deeply entrenched in their ruts. Charles Duhigg, in *The Power of Habit*, gives us the lowdown on how habits are formed, how habits can be used against us, and how habits can be broken.

Duhigg, an award-winning investigative reporter with *The New York Times*, first takes us on visits to laboratories where the brain is studied. Of course we meet mice with electrodes attached to their heads, but we also meet H.M and Eugene, two men who have experienced traumatic brain trauma and lost the ability to remember even some-

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Contemporary & Luxury

have a new home in Salt Lake City Hilton

Jeff Protzman, General Manager of the Hilton Salt Lake City Center, is proud to announce that plans for a $10 million sleeping room upgrade are moving forward. The three month project, beginning in May 2012, will incorporate a bold design and create stylish guest rooms and luxurious suites.

Protzman stated, "The Hilton Salt Lake City Center has a rich tradition for providing exceptional service. Our year end customer loyalty scores in 2011 ranked us in the top 25% of all the corporate managed hotels in America. We are proud to invest in the future of Salt Lake City by renovating one of the city's key convention hotels. The room design has been developed to enrich the guest experience and complement our service culture." The extensive redesign and newly added amenities make the Hilton Salt Lake City an even better choice for the city's business and leisure travelers.

"The plan for our room upgrade will solidify the Hilton Salt Lake City's leadership role in the community as a hotel dedicated to providing guests with a quality room product and attentive customer service they expect from the Hilton brand."

Nearly all guestrooms provide guests with beautiful views of the Wasatch Mountain Range, the Oquirrh Mountain Range or beautiful downtown Salt Lake City. The hotel is centrally located in the entertainment district of downtown Salt Lake with a short walk to the Convention Center, The City Creek Center, The Capitol Theatre, and over 20 restaurants and clubs within walking distance of the property.

In 2011, The Hilton Salt Lake City Center invested $250,000 to refresh the meeting space, giving meeting planners more reasons to select this hotel for their business meeting and training session. The hotel offers over 24,000 square feet of flexible meeting and conference space, with sixteen distinct state-of-the-art meeting rooms, offering the highest capacity of high-speed internet bandwidth to accommodate the most technologically advanced meetings. As a premier convention hotel, the Hilton Salt Lake City Center is the first choice for many local companies, but also many regional, national and even international associations with attendees from all over the world. The commitment to successful meetings is evident with a full time Meeting Concierge available for all groups to ensure last minute needs and modifications are handled efficiently and creatively to guarantee a world class meeting experience, whether the group is 10 residents of Salt Lake City, or 600 people from around the world ... the hotel team is dedicated to earning outstanding loyalty scores from their customers. In 2011, the hotel received a national Hilton award for service excellence as recognized by independent meeting planners through a rating program of all corporate managed Hilton hotels.

The Hilton Salt Lake City Center is not "all work and no play".... with the diversity of the beautiful ballrooms and spacious restaurants and variety of banquet possibilities, it's no wonder the hotel has a busy social calendar as much as a corporate and convention calendar. On any given night, the hotel plays hosts to a wide variety of Salt Lake City citizens. From a colorful Polynesian dance and dinner show for the royalty of Tonga, to the special quinceanera for your sweet 16 year old daughter, to the perfect 50th Anniversary Party tribute for your parents ... this hotel role models a "customer centric" service culture as evidenced by the high customer loyalty scores earned year after year.

The Hilton Seminar Theater

The Hilton Grand Ballroom

The Hilton Salt Lake City Center is home for Spencer's for Steaks and Chops, Utah's premier steak house, recognized as the "Best Steakhouse in Salt Lake City" consistently over the last 10 years. Spencer's serves only USDA Prime grade steaks with a wine list of over 300 selections it has earned the Wine Spectator's "Wine List of Excellence Award". Spencer's offers the perfect location for quiet romantic dinner or a celebration event with family or clients in one of their many private dining rooms.

Also located in the Hilton is Trofi, a bistro styled restaurant that features an extensive breakfast menu with a buffet inclusive of a waffle and omelet station as well as an ala carte menu with a wide variety of "comfort" food as well as a lighter fare for a healthy start to your day. Located within Trofi is a coffee bar serving Starbucks Coffee® from 6am-5pm daily. Trofi offers the perfect downtown quick lunch environment with a wide variety of sandwiches, salads, and entrees served inside or out on the beautiful patio. The private dining room in Trofi is a wine room that seats up to 40 people and is frequently used by local companies for business luncheons.

Travelers looking for recreational activities will find the Hotel offers a Precor® Fitness Center with the latest cardiovascular and weight training equipment as well as an indoor heated lap pool and hot tub. The pool and fitness room is located on the second floor and has beautiful nature light and an extensive outdoor patio for sun bathing.

The Hilton Salt Lake City Center is committed to the Business Traveler, and a hotel with 2 business centers is a testimonial to that commitment. Off the lobby is the "Connectivity Desk, with IBM and MAC computers as well as a printer adjacent to the Starbucks Coffee Bar, it the perfect place to stay connected. Whether it's for work or pleasure, you'll have access 24/7. Also located on the second floor adjacent to the conference rooms is another Business Center available 24 hours per day and has high bandwidth internet capacity from 4 computers, a commercial copier, and all the "remote office" needs one has to conduct business on the road.

The Hilton Salt Lake City Center, located downtown at 255 South West Temple, is a block from the Salt Palace Convention Center and the new City Creek Center. The hotel is also within ten miles of the Salt Lake International Airport and just minutes away from attractions such as the Historic Temple Square, Utah Museum of Fine Art and Energy Solutions Arena-home to the NBA's Utah Jazz.

Hilton Hotels is part of Hilton Hotels Corporation, recognized internationally as a preeminent hospitality company. The company develops, owns, manages or franchises more than 2000 hotels, resorts and vacation ownership properties. Its portfolio includes many of the world's best known and most highly regarded hotel brands, including Hilton®, Conrad®, Doubletree®, Embassy Suites Hotels®, Hampton Inn & Suites®, Hilton Garden Inn®, Hilton Grand Vacations Company®, and Homewood Suites®by Hilton.

For more information or to make reservations, visit www.hiltonsaltlakecity.com; or call 1-800-HILTONS. To book your next event call the hotel directly at 801-238-4812.

Hilton®
SALT LAKE CITY CENTER

BOOKS

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thing that happened two minutes prior. Yet, Duhigg reveals, these men with no memory still learn habits.

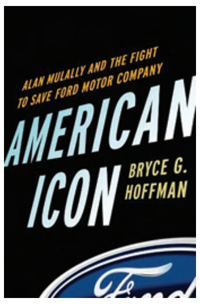
Eugene, for example, was able to create "habit loops" that included a cue, then a routine, and finally a reward. No memory required.

The experiments demonstrated that Eugene had the ability to form new habits, even when they involved tasks or objects he couldn't remember for more than a few seconds. This explained how Eugene managed to go for a walk every morning. The cues — certain trees on corners or the placement of particular mailboxes — were consistent every time he went outside, so though he couldn't recognize his house, his habits always guided him back to his front door.

Understanding how habits are created leads to a better understanding of how habits can be broken. "The evidence is clear: If you want to change a habit, find an alternative routine, and your odds of success go up dramatically when you commit to changing as part of a group." Not only that, but belief is the key. AA's twelve-step program isn't for everyone, but the lesson learned from its success is important:

AA trains people in how to believe in something until they believe in the program and themselves. It lets people practice believing that things will eventually get better, until they actually do.

The application of this understanding of habits to business is significant. Duhigg includes a section on "The Habits of Successful Organizations," and within it examples of how Paul O'Neill transformed ALCOA into being the top performer in the Dow Jones by establishing Keystone habits, how Starbucks teaches willpower, how Target uses data to divine customers' habits, and how "good leaders seize crises to remake organizational habits." In sum, this book is an important addition to the library of any businessperson who wants and needs to learn more about the habits of themselves and others, and how they can change them for the better.



American Icon: Alan Mulally and the Fight to Save Ford Motor Company
By Bryce G. Hoffman, Crown Business
432 Pages, $26, Hardcover

One of my favorite books of 2011 was *Once Upon a Car* by Bill Vlasic. In it we met the whole cast of characters involved in the auto industry crisis and subsequent government bailouts of Detroit. One of the standouts in Vlasic's book was Ford CEO Alan Mulally, who turned that company around and whose leadership style I've wanted to read more about ever since. Luckily, our friends at Crown Business have published this excellent history of the Ford side of the crisis with Alan Mulally at the helm, and I can't recommend it highly enough.

Previously CEO of Boeing, Mulally arrived at Ford in 2006 into a culture that was more than a little resistant to change, a brand that had lost all its cachet, and a company on the brink of financial disaster. His first task was realigning the corporate culture, and he immediately replaced the full *week* of corporate meetings usually held each month with a weekly meeting of all the executives to review the progress of various projects. "There are too many meetings," he told them. "When do you have time to think about the customer?"

Mulally encouraged total candor in his new weekly meetings. Still, when a quality issue was discovered on a major new product line and the executive responsible admitted that the launch was going to have to be delayed, the room went quiet awaiting Mulally's reaction.

Suddenly, someone started clapping. It was Mulally … he beamed. "Who can help Mark with this?"

The people in the room pulled together and the product shipped without a flaw. More importantly, this incident encouraged others to put their fears aside and admit their own problems, which in turn helped Mulally see the extent of the trouble the entire company was in and begin to address it.

Mulally's approach to strategy was just as direct and distinct. Ford had made grievous errors in strategy in the past, well illustrated by the story of the Ford Taurus:

"It introduced an upgraded version of the Taurus in 1992 that … became the bestselling car in America, … But Ford's investment in the popular sedan soon petered out. In 1997, Toyota's Camry claimed its crown, and the Taurus was soon relegated to rental car fleets. When production finally stopped in 2006, few even noticed."

By 2009, just three years after he took over the helm of the company, Mulally — against all advice, expectations, and odds — had resurrected the Taurus.

I was reading the Isaacson bio of Steve Jobs at the same time as reading an advanced copy of this book, and found myself preferring this one. Everybody *loved* the Jobs book, but his interpersonal style left me a bit cold. Genius sure, but I don't know that I would have liked working with him. Alan Mulally is a person I would love to work for, and this book will help you become that kind of leader while telling a riveting American success story at the same time.

The Idea Factory: Bell Labs and the Great Age of American Innovation
By Jon Gertner, The Penguin Press
432 pages, $29.95, Hardcover

One of the most important institutions of the 20th century was Bell Labs, created by AT&T and Western Electric in 1925 to design and research equipment for Bell Telephone. *The Idea Factory* is the story of that unique organization and its creation of some of the most important inventions of the past century — such as lasers, transistors and telephone switching systems — patented by engineers who went on the win seven Nobel Prizes.

During its prime, Bell Labs employed 15,000 people, including 1,200 Ph.D.s. This book focuses on a few of the men who were hired during the Depression and over the years changed communication technology forever.

The author, Jon Gertner, grew up nearly next door to Bell Labs and is the perfect person to have written this book. You can sense that his curiosity and respect for the labs is in his blood, and Gertner's fine writing keeps a story about science and the smart people who master it ticking along swiftly — all the while revealing and marveling at great feats of innovation and the men that spawned it:

"It was curious, in a way, who they were, these men who were coming to Bell Labs in New York. Most were trained at first-rate graduate schools like MIT and Chicago and Caltech; they had been flagged by physics or chemistry or engineering professors at these places and their names were passed on to [Mervin] Kelly or someone else at the labs. But most had been raised in fly-speck towns, intersections of nowhere and nowhere, places with names like Chickasa (in [Dean] Woolridge's case) or Quaker Neck or Petoskey, towns like the one where Kelly had come from, rural and premodern like Gallatin, towns where their fathers had been fruit growers or merchants or small-town lawyers."

Why recommend this book to the business book reader? For one thing, it's a good read, and that's important. But in these pages one of the most creative and influential organizations ever to exist will be revealed to you. And in that story, you will learn ways to manage innovation and your own creative people.

SHAFER

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two tickets — one to an intermediate point and another from there to your destination. A common example is the cost of a ticket from Salt Lake to Honolulu is frequently greater than the cost of a ticket from, say, Salt Lake to Los Angeles or San Francisco, plus the cost of a ticket from LAX or SFO to HNL. So, yes, two tickets could very well be cheaper than one.

Again, it may be much less expensive to buy a ticket to Denver, then fly nonstop on British Airways to London, than to purchase a round-trip ticket Salt Lake-London. In fact, another travel agent friend of mine did exactly what I just described for a client who was taking a cruise out of Southampton. She saved the client $600 with that little maneuver.

Then, of course, there's the alternate destination consideration. Many larger cities have more than one airport, and even more have cities close by with alternate airport possibilities. The Los Angeles area is a great example, where you have no less than five airports: LAX, Long Beach, Burbank, Ontario and John Wayne in Orange County, plus Santa Barbara isn't too far away. When you are headed for Boston, the cities of Manchester, N.H., and Providence, R.I., should also be considered. New York not only has JFK and LaGuardia, but Islip, L.I.; Newark, N.J. and Hartford, Conn. Besides O'Hare and Midway in Chicago, Milwaukee, Wisc., should be considered, particularly if you are headed to one of the Windy City's northern suburbs.

Have you heard of the "hidden city trick," sometimes referred to as "point beyond?" Just consider that quite often a one-way fare to the place you want to go might be more expensive than a fare to another city, which, in order to get to, the plane stops or a plane change is necessary in the very airport you want to go to. For example, let's say you want to go to New York, and the fare is $100 more than the fare to Washington, D.C., and that D.C. routing requires a plane change in New York. That may not make sense, but it often happens. Well, how about buying that Washington one-way fare and just missing your connection in New York? You might have missed it because the Big Apple is where you wanted to go in the first place and, as luck would have it, you only took carry-on luggage and just so happened to have taken it off the plane so you could "miss" your connection.

Oh, well. Things happen.

Another trick concerns the possibility of a "tour operator fare." Tour operators are known for bundling airfares to "touristy" destinations with hotels, rental cars, etc., and they negotiate bulk prices. This means you might get your hotel stay or a rental car, or both, along with your air tickets for what you might pay (on your own) for airfare alone. Yes, an entire package can cost the same, or even less, than you might pay for just plane tickets.

So, who keeps track of these tremendous tricks? How can you avail yourself of the great getaway gambits while avoiding being buffaloed by burgeoning baggage boondoggles and other attempts of airline executives to get into your wallet?

Make friends with an experienced travel agent.

Don Shafer has been hosting radio travel shows in Salt Lake City for more than a dozen years, and was taught everything he knows by travel experts he has interviewed. Although some have called him "The Travel Doctor," he holds a Ph.D. in a totally unrelated field, religion.

A celebration of consistency, a legacy of insight

This is the 20th anniversary of my first column. "Sales Moves" first appeared in the *Charlotte Business Journal* on March 23, 1992. The column was an instant success. It soon found its way to Dallas, Atlanta, Denver, Philadelphia and a bunch of other cities. My column has appeared in more than 250 publications.

Mark Ethridge, then-publisher of the *Charlotte Business Journal,* novelist, Pulitzer Prize-winning journalist and my good friend and supporter, said that publishing "Sales Moves" was his most impactful marketing decision of 1992.


Jeffrey Gitomer

It was the turning point in my career.

As a result of the column's publication, people began to call from all over the country, and still do every day. Newspapers called wanting to publish the column. Readers called to thank me for helping them make sales. I found out that salespeople were hanging my weekly article on the wall in their offices. They were copying the column and passing it around. They were mailing it to friends and coworkers in other cities. They were using the column to lead sales meetings.

All of that occurred before the Internet. Times, and publishing strategies, have changed. Drastically. So have lots of sales strategies. This writing is strategic for you to understand what is NOW, and what you have to do to be prepared for NEXT.

Think about the early days of URL registration. What kind of fortune could you have made if you had jumped on it? Did you? Many people waited. Too long. How long did you wait? I was astute enough to get my family name, Gitomer.com. You?

I have been writing for 20 years. For that same amount of time, I have asked you to write with me. I know what writing does because I live the essence of it. In 1992 you had to rely on print media. Now, you're your own publishing house. There's no reason for your voice to be muted and (through search engines and social media) every opportunity to be found.

If you're old enough to have been in the working world 20 years ago, you have seen many evolutions: cell phone, computer, laptop, software, Internet, e-mail, wireless connection, the rise and fall of CompuServe and AOL, car phones (remember them?) and the rise of China, to name a few.

The list below is not a "to do" list. It's a "to understand" first and to make a (flexible) plan of action second list. To take consistent, deliberate actions to create your own success. These are imperatives for "the now" and the near future. Imperatives are not optional.

Here are the imperatives of success for 2012 – and the next 20 years:

1. THINK. Set aside time to understand and see the big picture, and how you fit into it. Alongside of your "to do" list, create a longer list of "to become." That's where thinking comes from. KEY POINT OF UNDERSTANDING: Document as you think. Don't let thoughts and ideas escape. Ever.

2. ALLOCATE TIME. Time management is passé. Allocate productive use for each hour of the day. Time management is a waste of time, has no finite measurement and is confusing. Time allocation says: there are 24 hours in the day. And asks: how will you invest each one of them? Once you realize you need an hour to make follow-ups, an hour to answer e-mails, an hour to do business social media, and so on – you now understand where your day goes. There is flexibility to go on appointments, attend meetings and be with your family – but "allocation" is a word that resonates and a concept you can control.

3. ATTRACT. Getting customers to call you is the real key to convert selling to buying. Writing with valuable messages creates attraction (not sitting on a couch manifesting). NOTE WELL: Please don't confuse this with "prospecting" or "cold calling" – those elements of selling are over. You repel with cold call sales messages that interrupt others. You *attract* with consistent value messages.

4. ENGAGE. The step after attract is engage. I got you here. Can I keep you here? Why would I want to read, or get involved, or buy? Those answers will lead you to sales. Maybe you need to ask the last 10 people who bought.

5. CONNECT. I may buy, but it may be transactional. Is there any reason to stay connected with you? I don't know your reasons, but I know mine. My customers (like you) want more now-and-next knowledge. My customers want stuff about them and their success. Yours?

Yikes! I'm out of space. To be continued with the rest of the *now* and *soon* imperatives. This full two-part article will be prominently displayed on my website after the second part appears next week. Stay tuned – and thank you for your loyalty.

Jeffrey Gitomer is the author of many sales books. His website, www.gitomer.com, will lead you to more information about training and seminars, or e-mail him personally at salesman@gitomer.com.

How long to you have to keep your statements?

One year? Three years? Seven years? It depends.

You've probably heard that you should retain copies of your federal tax returns for seven years. Is that true, or a myth? How long should you keep those quarterly and annual statements you get about your investment accounts? And how long should you keep bank statements before throwing them away?

Your age, wealth and health might shape your answer. If you are not yet retired, then you may wish to follow the general "rules of thumb" presented across the rest of this article. On the other hand, if you are retired and there is any chance that you might need to apply for Medicaid, then you should keep at least five years' worth of all financial records on hand (including credit card statements).

Why? Medicaid has a five-year "look-back" period in many states. To be approved for benefits in those states, you have to prove that you didn't give away funds during that five-year period. To prove this, you must produce complete records from every bank and brokerage account to which you have access, including those held jointly. With all the Wall Street mergers and bank closings in the last few years, these financial records can be really hard to obtain if you don't have them.

Another special circumstance: if someone you love ends up under court supervision via guardianship or conservatorship, all financial records must be kept from the date of that guardian's or conservator's appointment until the court gives final approval to the fiduciary's financial account.

All that said, many people do not need to retain all financial statements "forever." Here are some suggestions on what to keep and when to purge.

• Tax returns? The Internal Revenue Service urges you to keep federal tax returns until the period of limitations runs out. The period of limitations = the time frame you have to claim a credit or refund, or the time frame in which the IRS can levy additional taxes on you. (This is a good guideline for state returns as well.) If you file a claim for a credit or refund after you file your tax return, the IRS would like you to keep the relevant tax records for three years from the date you filed your original return or two years from the date you paid the tax, whichever is later. If you claim a loss from worthless securities or bad debt deduction, you are advised to hang onto those records for seven years. If you … uh … filed a fraudulent return or no return, you should keep related/relevant documents for seven years. The IRS also advises you to retain employment tax records for at least four years after the date that the tax becomes due or is paid — again, whichever is later.

• Some tax and financial consultants advise people to keep their tax returns forever, but concede that canceled checks, receipts and other documents supplemental to returns can usually be safely discarded after three years. (The standard IRS audit goes back three years.)

• Tax records relating to real property or "real assets" should be kept for as long as you hold the asset (and for at least seven years after you sell, exchange or liquidate the asset.) These records can help you figure appreciation, depreciation, amortization or depletion of assets with regard to the property.

• You also might want to keep receipts and tax records related to major home improvements — if you sell your home, you can show tomorrow's buyer how much you put into the house.

• Mutual fund statements? The annual statement is the one that counts. When you get your yearly statement, you can toss quarterly or monthly statements (unless you really want to keep them). You might want to quickly glance and make sure your annual statement truly reflects changes of the past four quarters You want to keep any records showing your original investment in a fund or a stock, for capital gain or loss purposes. Your annual statement will tell you the dividend or capital gains distribution from your fund or stock, as you may be reinvesting that money, you have a good reason to keep that statement.

• IRA and 401(k) statements? You get a new one each month or quarter; how many do you really need? The annual statement is the most relevant. Additionally, you want to hang onto your Form 8606, your Form 5498, and your Form 1099-R. Form 8606 is the one you use to report nondeductible contributions to traditional IRAs. Form 5498 is the one your IRA custodian sends to you — it is sometimes called the "IRA Contribution Information" or "Fair Market Value Information" form, and it usually arrives in May. It details (a) contributions to your traditional or Roth IRA and (b) the fair-market value of that IRA at the end of the previous year. Form 1099-R, of course, is the one you get from your IRA custodian showing your withdrawals (income distributions).


Mark Lund

• If you are 59.5 or older and have owned a Roth IRA for five years or more, the assets in your account become tax-free, lessening your need to save these forms. However, you will want to keep a paper trail before then — if you somehow need to make early or tax-free withdrawals or write off a loss, you need the documentation.

• Bank statements? The rule of thumb for most people is three years, just in case you are audited. Some people shred bank statements after a year, or immediately, fearing that such information could be stolen. In some cases, it is wise to hang onto bank statements longer. If you are going through a divorce, if someone tries to take you to court in the future, or if a creditor comes knocking, you may want to refer to them. Your bank may provide you with archived statements online or on paper (but it may charge you a fee for hard copies).

• Payroll documents? Most financial and tax consultants advise you to retain these for seven years or longer if you are a small-business owner or sole proprietor. The IRS would like you to keep them around at least that long. Again, should there be a lawsuit or a divorce or any kind of potential legal dispute involving your company or one of its employees, a detailed financial history can prove very useful.

• Credit card statements? You don't need each and every monthly statement, but you may want to keep credit card statements that contain tax-related purchases for up to seven years.

• Mortgage statements? The really crucial records are most likely on file at the County Recorder's office, but it is recommended that you retain your statements for up to seven years after you sell or pay off the mortgaged property.

• Life insurance? Keep policy information for the life of the policy plus three years.

• Medical records and medical insurance? The consensus is five years from the time treatment ends (or from the time medical services are rendered, with regards to insurance.) Do you think you can claim medical expenses on your tax return? Then follow the IRS suggestion and retain records for seven years following the end of the year in which they are claimed.

Mark Lund is a portfolio management specialist, investor coach, speaker and author of *The Effective Investor*. Utah. Lund offers investment management services through Stonecreek Wealth Advisors Inc. He can be reached at 11650 S. State St., Suite 360, Draper UT 84020, (801) 545-0696.

Springtime view

The “good” news? The U.S. economy has now been in growth mode for 33 months, ever since the Great Recession ending in June 2009. The “bad” news? U.S. economic growth has averaged a 2.4 percent real (inflation adjusted) annual growth pace since the expansion began, the weakest economic expansion since the 1940s.

The long-in-place economic headwinds of weak American home values; anxiety about European financial strife getting worse; fear of Iran’s nuclear ambitions leading to a Middle Eastern conflict, with even higher oil prices; and consumer anxiety about the size, growth and direction of the U.S. government, leading to four years of $1.3 trillion annual budget deficits, with trillion dollar annual budget deficits for as far as the eye can see, limit American economic growth opportunities. U.S. real growth of 3 percent during 2010 gave way to a very modest 1.7 percent real growth pace in 2011. Most forecasters see real growth this year near 2.4 percent.

Jeff Thredgold

2012 Elections

Just think! Less than eight months to Election Day!

Sooner rather than later, the Republicans will likely settle on a candidate, with hope (in some circles) that a contentious convention can be avoided. At that time, the focus will hopefully shift to more critical issues facing the American people, such as the size and growth of the U.S. government, health care, war and the rising amount of government intervention in our lives that needs to be curtailed. Discussing critical issues! What a concept!

U.S. Employment

The U.S. economy’s net addition of 227,000 jobs during February 2012 was one more sign of an American job creation machine finally shifting into a higher gear. The 227,000 net job gain slightly exceeded forecasting economists’ view of a 210,000 job rise.

In addition, estimated job gains of the two prior months were revised higher by 61,000 jobs. February’s rise capped the best six-month streak of job growth since 2006 (bloomberg.com).

As expected, the nation’s unemployment rate remained at 8.3 percent in February, a three-year low. The nation’s unemployment, or jobless rate, is derived from a survey of households that is different from the “official” job creation survey data. The estimated 428,000 rise in employment as measured in the household survey was largely matched by the estimated 476,000 rise in the nation’s civilian labor force.

I have long suggested that if and when U.S. employment gains were stronger, hundreds of thousands of people who had formerly left the labor force as discouraged workers would return to seek more readily available jobs. Such was the case in February. I expect more of the same in coming months, leading to no major downward move in the nation’s jobless rate prior to year-end.

More than 1.2 million net new jobs have been added in the U.S. economy over the past six months, with a gain of nearly 3.4 million net new jobs since the end of 2009. However, such gains represent only 40 percent of the 8.5 million net jobs lost during the Great Recession, which ran from December 2007 to June 2009.

U.S. Inflation

Consumer prices rose 3 percent during 2011, with consensus expectations that such prices will rise near 2.2 percent this year. One key will obviously be oil prices, which have been pushed higher in recent months by worst case fears about a closure of the Strait of Hormuz by the Iranians or an Israeli or U.S. (or both) attack upon Iranian nuclear installations.

Apart from oil, enough slack remains in U.S. and global labor markets to largely keep inflation pressures in check. Note that some prominent Wall Street-types are more fearful of deflation than inflation in coming years.

The Federal Reserve

Fed chair Ben Bernanke has taken all the fun out of being a Fed-watcher. The “old days” of trying to decipher every work, every nuance of Fed commentary or eyebrow twitching has now given way to the most recent Fed statement that the most important interest rate — the federal funds rate — will remain at an all-time low target range of 0-0.25 percent until late 2014. The rate has already been at such a level since December 2008.

“Boring!”

Housing and Mortgage Rates

The painful fall of more than one-third in average U.S home values during the past five years could end later this year. Note: economists said the same thing in 2010 and 2011.

Sustained, if not impressive, U.S. economic growth, rising employment and our collective sigh of relief of having dodged any major new bullets during the past three years suggests that housing values are attractive. Foreign buyers are busy buying U.S. properties, seeing great values. Thirty-year fixed-rate mortgages for conventional loans are now in the high 3 — a level not seen in 60 years.

The Global Economy

Europe and China dominate the headlines. Now there’s a change! The Greeks finally obtained massive write downs by major debt holders, in some arenas triggering “default” language. One can be certain that the Irish and the Portuguese will expect similar write downs when their time in the sun returns. Anxiety about much larger Spain and Italy continues to smolder just under the radar.

Chinese leadership is trying to slow that dizzying economy down, with an eye to keeping inflation pressures and real estate bubbles under control. Indian growth has slowed as well. As usual, the Japanese economy is not doing much of anything. While frequently overshadowed by China, India and Japan, the combined economic output of South Korea, Singapore, Thailand, Vietnam, Indonesia, Malaysia and other Asian nations equals that of China.

Latin America has slowed somewhat, with Brazil growing at a much more modest pace than the highflying growth of recent years. Brazil recently surpassed the United Kingdom to be considered the global community’s sixth largest economy.

Mexico quietly strengthens its economy, while drug cartel violence is all we ever hear about. Canadian growth has slowed somewhat, with the disparity between the energy-rich West and the East dealing with the painful impact of a strong Canadian dollar on manufacturing exports and tourism. Meanwhile, Canadians are more than happy to buy real estate properties in warmer U.S. locations (think Arizona) at bargain-basement prices.

Could be better. Could be worse.

Jeff Thredgold is the only economist in the world to have ever earned the CSP (Certified Speaking Professional) international designation, the highest earned designation in professional speaking. He is the author of *econAmerica,* released by major publisher Wiley & Sons, and serves as economic consultant to Zions Bank.

How to get a small-business loan

In a down market, many small businesses tighten their belts and hold their breath until the economy starts to normalize. Others take advantage of their competitors’ timidness by using a down market as a prime opportunity to expand.

If you’ve been thinking about growing your business, but don’t have the capital to do so, now is a good time to consider a small-business loan. Because many businesses are holding back, banks have ample money to lend to qualified small-business owners.

But many business owners feel overwhelmed by the loan process and don’t know where to start. Here is a guide to navigating small-business financing.

Dale Gunther

Prepare or update a business plan. Lenders want to know you have a plan for your business’ success — and they want you to prove it. Create or update your company’s business plan, being sure to include the company’s goals and financial projections. You should also include the following elements outlined by the U.S. Small Business Administration (SBA):

- Begin with a statement of purpose. You should be able to explain your business in 25 words or less.
- Illustrate how your business will work and why it will be successful. List the owners.
- Describe the company’s products or services, the customers, the market and the competition. List the managers and their credentials.
- Supply three years of projected financial statements. Include income, loss and cash-flow projections.
- Provide supporting documents, such as references from creditors and potential clients and suppliers, and evidence of insurance.

Understand different types of financing. There are three types of loans most commonly used by small businesses:

Business lines of credit are used for short-term cash needs such as building up inventory and funding accounts receivables so you can offer your clients competitive terms. You can borrow up to a pre-determined limit on your line of credit and must pay it back when your inventory sells or your accounts receivable are collected. You can then borrow up to the limit again as your cash flow cycle requires. Lines of credit are short-term funding options and should not be used to fund purchases of long-term assets, such as major equipment or buildings. These lines are required to be “rested” or paid to zero and left at zero for a specific period of time during each year.

Business term loans allow a certain dollar amount to be repaid in installments over three or more years. Loans with a five to seven year term are commonly recommended for purposes such as financing the purchase of equipment, a vehicle, furniture for renovations or expansions, while longer-term loans for 20 years or more are typically used for commercial mortgages or major equipment purchases. All are often secured by the asset that is purchased or built.

Personal lines of credit, such as credit cards or home equity lines of credit, are convenient, but risky. Credit cards usually have double-digit interest rates and can negatively impact personal credit, while home equity loans use your home as collateral — meaning if you default, you can lose your home. Business owners should consider bank loans, which carry lower interest rates than credit cards, before personal loans.

SBA loans include business term loans and lines of credit with a certain portion of the loan — up to 90 percent — guaranteed by the SBA. This guarantee makes it more likely you’ll be approved for attractive rates and financing, since the risk to the bank is shared with the SBA.

Consider your options. You don’t have to get your business loan from the bank that holds your business or personal deposits, though that sometimes has a positive impact on the lender’s decision. Most commercial banks offer SBA loans, but only some are SBA Preferred Lenders, which means they can approve your loan faster than non-preferred lenders. You may also have more luck at a community bank than a big bank, as a recent survey by Biz2credit found that of 1,000 small-business loan applications, 45 percent were approved by community banks while only 9 percent were approved by banks with assets above $10 billion. In other words, community banks approved five times more small-business loans than large banks on average.

Dale Gunther is vice chairman of the board of People’s Utah Bancorp, the holding company for Bank of American Fork, which is an Equal Housing Lender and Member FDIC. At the start of his 16-year tenure as CEO at Bank of American Fork, the bank had two branches and $80 million in assets; it now has 13 offices and more than $880 million in assets. Gunther has served as chairman of the Utah Bankers Association and currently serves as an American Fork City Councilman. This article should not be considered legal or investment advice. Seek legal and investment advice from your own qualified professional.

The seductive sin of marketing and sales certainty

By John Graham

If there's one sin in marketing and sales that's more harmful and that dwarfs all others, it's "certainty." Yet, no marketer or salesperson gets a job without paying tribute to it for fear of coming across as weak and ineffective.

At one point, the average marketing manager enjoyed an 18-month tenure, the point at which their "certainty" ran out of gas, suggesting, perhaps, that they may not have known what to do next.

It may be the same story with those in sales. When a colleague met the new sales manager, he knew the guy would be gone in six months. This turned out to be a case of arrogant certainty that was betrayed by incredible disorganization and a trail of broken promises.

It's the perfect set up for failure.

This is not a rant on inadequate marketers and sales executives. Rather, the focus is on *the far more vexing problem of coming to terms with the reality that there is little place for certainty in marketing and sales today.* Unfortunately, too many business owners and corporate executives look for and expect certainty, an impossible outcome that foreshadows inevitable failure.

Here are several suggestions for coping with what can be described as a marketing and sales crisis.

• **Certainty is an illusion.** With all the smartphone excitement, some marketers seem to hold that having an app, for example, leads directly to the pot of gold at the end of the rainbow or, if not that, the thinking seems to be that not having an app is a sign of negligence, of uncertainty.

Yet, having an app and customers actually using it can be quite different. Even though the average smartphone has 120 apps, we're told that only five are used regularly. How many times have you said, "What does that one do? Why did I download it?"

Just because a marketing activity is popular or "cutting edge" doesn't mean it will produce the desired results in every situation. Expecting marketers to hit the bullseye every time is unrealistic. If there's anything that can be called "marketing magic," it's continual experimentation and testing.

There's no place for certainty in a business world that is in a constant state of flux. Doing everything right today in marketing and sales offers no comfort. Tomorrow is another day and the needs and opportunities will be even more demanding.

• **The curse of short-term expectations.** When someone says, "F-150," just about everyone knows it's a Ford pickup truck. And why not? Ford has showcased the iconic F-150 series name for six decades — and the truck has been a best seller for more than 30 years.

Expecting marketers and salespeople to deliver instant results is becoming increasingly ludicrous. The NPR (National Public Radio) audience, which tends to be older, is the demographic that's most attuned to radio. To begin to attract a younger audience, NPR now streams music, without charge, from every NPR station in the nation, a rich offering for its prospective customers and a long-term investment in the future of its brand.

Those companies that are struggling with a "meeting the numbers" crisis may be suffering from a short-term strategy. Along with meeting immediate challenges, making a commitment to creating tomorrow's customers should be a top priority. To miss capturing them now may mean they are gone forever.

• **Don't talk to customers, engage them.** Many salespeople are absolutely certain that if they can just get in front of a customer, they can make the sale. Today, that's a dead-end goal if there ever was one. The huge shift is to engagement.

Sales manager Jeff Short of K&W Tire Co. Inc., a wholesale tire business in Lancaster, Penn., read an article that advocated getting rid of "elevator speeches" as a way to improve listening instead of talking about yourself and your company in a sales situation. After the 10-member sales team had reviewed the article, Short asked them to come up with six questions they thought would help get customers talking.

"They may not be the questions I might ask," he said. But he decided to put the questions to a test. "I decided to try them out." He started making calls, using his team's questions. "They worked," he says. "They got the customers talking."

It's engaging customers that creates customers.

• **It's not about what you like**. Often without even recognizing it, we fall prey to personal preference in marketing and sales, even when research points in a different direction.

A recently published five-year study, for example, by Arizona State University's W.P. Carey School of Business, offers this conclusion: "If you really want to get people to act, disgust is much more powerful than fear," says Andrea Morales, an associate marketing professor at Arizona State, in a *USA Today* article.

A cold and flu season TV commercial for an over-the-counter product depicts gross-looking monsters at work inside a person's breathing system. And, as might be expected, the medication chases the unsavory and unwelcome intruders away. Disgusting, of course. But the ad has been aired over and over again for several years.

No matter how hard we work to be objective, it's difficult to avoid having our personal preference slip in, which may be why, for example, ads promoting financial freedom in retirement almost always use photos of happy, care-free people. Yet, what many people fear is running out of money and living a diminished existence. Maybe depicting disgust would be more appropriate.

• **No more telling customers what to do.** Certainty is a marketing and sales sin because it keeps us focused on the past, on what we know best. Research in Motion appears to have believed its Blackberry was invulnerable to all comers. Their steady course has taken them to near oblivion. It was the same when the first iPad came out two years ago; the naysayers were "locked and loaded," making it clear that the new product would fail because there were no unique uses for it. Ironically, their assessment was at least partially correct.

We're so accustomed to products and services that solve problems that it took time before we recognized that the iPad was different from anything we had ever seen: *instead of providing solutions, it created opportunities*.

Once we figured that out, sales went wild — to an estimated 55 million in 2012, according to Analyst Shaw Wu of Sterne Agee. For example, the U.S. Air Force's Air Mobility Command has ordered 18,000 iPads to replace flight manuals on transport flights it manages, just one of thousands of uses that continue to unfold daily. Not the least of which is the iPad's textbook revolution. Ironically, each iteration of the iPad is influenced by how people use it. *The customers are driving the product in new directions*.

The iPad has stood everything about marketing and sales on its head. We've long said that being "customer-oriented" is primary, but the iPad takes a huge leap: *everything we market and sell must give the customer the ability to innovate without limit*. That's the same message today's customers expect to hear from us.

• **Waiting is out.** If there's one idea embedded in the brains of marketing and sales people, it's the belief that their processes govern. Even though both often work under severe pressure, they often react with a "but we can't do that right now" comment. Such certainty is absurd.

"Sure, we can get you the tires you want," the garage owner said. "They'll be here in a couple of days." Or, "I'll get back to you on that as soon as I can get the information," when meeting with a customer. Even just a few years ago such comments were considered good service, but not today, even though we continue to hear them.

"About 40 percent of smartphone users are abandoning real-world carts at the checkout counters of stores because of long lines," according to a recent survey of 1,000 smartphone users by AisleBuyer. "Another 21 percent will abandon a cart if no registers are open."

With smartphone users in the U.S. expected to reach 106.7 million in 2012, according to eMarketer, or one-third of the population, there's no wiggle-room here. We're into a "do-it-now-or-never" mindset, which will only become more pronounced moving forward. On top of that, it's viral.

It adds up to an expectation tsunami. Do it now or the customer is gone, perhaps never to return. No more second chances.

By now, the point should be clear: there's no place for certainty in a business world that is in a constant state of flux. Doing everything right today in marketing and sales offers no comfort. Tomorrow is another day and the needs and opportunities will be even more demanding.

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the course of three events in 2012 and a Utah state championship in January 2013. The first 2012 competition will take place May 21. The Round 1 deadline for entry is midnight, April 6. Grow America expects thousands of entries and will award prizes in three main areas of focus: idea, startup and ramp-up. Entrants must be 18 years or older and their residence or business operations and jobs must be in Utah.

• The **Wayne Brown Institute** is now accepting submissions from entrepreneurs for **The Deal Forum** on April 26 and May 31. The Deal Forum provides venture-based mentoring and advice from venture professionals that help accelerate the growth of startup and early-stage companies. Candidates should have a high growth potential of $30-$100 million a year in revenues after three to seven years, have sales or be quick to cash flow. The management should also have relevant experience in the industry. Through the Deal Forum process, all companies are reviewed by and given feedback from members of the angel and investment community. Selected companies are mentored on their lasting impressions, presentations and attractive deals. Along with being mentored, companies will also increase networking opportunities, receive world-class education and are given a head start in investment opportunities. Find more information at http://www.venturecapital.org/vc-events-deal-forum.

• Provo-based **Paragon Wealth Management**'s growth portfolio, **Top Fligh**t, increased 410.7 percent versus 81 percent for the S&P 500 over 14 years. Its compound annual return is 12.28 percent, versus 4.3 percent for the S&P 500. Top Flight invests primarily in exchange-traded funds (ETFs) that cover a wide range of asset classes. The portfolio is managed using two groups of quantitative models. The first group of models is proactive in nature and determines which areas to invest in. The second group is protective in nature and determines how much of the portfolio will be and how much will be in cash at any point in time.

HEALTH CARE

• **Physician Group of Utah** has opened the **Hernia Center of Utah** at 5980 S. Fashion Place Blvd. in Murray. The freestanding clinic brings together the newest techniques and materials in hernia repair. This is Physician Group of Utah's third Hernia Center clinic. The other centers are located in Magna and West Valley City.

• **MountainStar Healthcare** has appointed **Mark Meadows** as the chief executive officer for its newest hospital, which will be located in Draper. Meadows has been instrumental in the development of the Lone Peak Medical Campus since MountainStar first acquired the 40-acre property. He will continue in a leadership role as the CEO of the new 30-bed Lone Peak Hospital.

INSURANCE

• **North American Title Insurance Co.**, a Miami-based national title insurance underwriter, has **expanded its agent-centric service solutions to title agencies in the state of Utah.** Effective immediately, the carrier's title insurance products are available through its affiliated agency, North American Title, and through select Utah based independent agency partners. NATIC's has a one-hour underwriter response guarantee.

• **Regence BlueCross BlueShield of Utah** has promoted **Jake Turley** to director of sales. He has been a senior account executive with Regence BlueCross BlueShield of Utah for the past six years, managing more than $160 million in annual revenue. Turley has attained client retention rates of over 100 percent in five of his six years with the company and was recently recognized as the top sales executive in retention for 2011 within all four of Regence state plans. Prior to joining Regence, Turley was a broker with Turley Insurance Agency, where he worked with small businesses in all lines of insurance.

LAW

• Ray Quinney & Nebeker has launched a "Utah Defamation Law" blog at www.utahdefamationlaw.com. The blog is managed by Ryan B. Bell, a shareholder who practices in the firm's Intellectual Property and Commercial Litigation sections, and has expertise in litigating trademark, unfair competition, defamation, commercial contract and other complex commercial claims.

• **Manning Curtis Bradshaw & Bednar LLC** has hired **Jess M. Krannich**, previously a partner in the Chicago office of Kirkland and Ellis LLP. He graduated from the S.J. Quinney College of Law at the University of Utah in Salt Lake City in 2005. Following graduation, he worked as a law clerk for U.S. District Court Judge Joan B. Gottschall at the Northern District of Illinois in Chicago and Chief Justice Christine M. Durham at the Utah Supreme Court in Salt Lake City. Krannich then rejoined Kirkland & Ellis LLP, where he was made a partner in 2011.

• **Van Cott, Bagley, Cornwall & McCarthy,** Salt Lake City, has hired **Scott E. Williams** and **Brady Brammer.** Brammer will join Van Cott's Litigation Practice Group as an associate. His practice surrounds complex and general civil litigation. Williams, Of Counsel, will join Van Cott as a member of the firm's Family Law and Criminal Practice Groups. Early in his career he worked as both a prosecutor and a public defender. He continues to spend a great deal of time in the courtroom by handling criminal matters ranging from DUI and drug possession to aggravated murder. His practice focuses on criminal defense, family law and juvenile court cases.

MANUFACTURING

• **Nelson Laboratories**, Taylorsville, has **acquired a new building** adjacent to its 110,000 square foot current facilities at 6280 S. Redwood Road that will accommodate immediate and future requirements for capacity and new capabilities. The newly acquired structure is under renovation and will be used to add additional sterilizers used in validation testing, aging chambers for packaging testing and additional space for testing products designed for reuse (e.g., cleaning, disinfection, and steam sterilization of tools, kits or scopes used in hospitals). Renovation of the new building will be completed in April. New equipment installation is scheduled for April and May. Operations will begin in May.

• Orem-based **Aribex Inc**., a manufacturer of handheld X-ray technologies and the NOMAD Pro handheld X-ray system, has launched a **newly-revamped website**, www.aribex.com. The new site has been redesigned with a fresh look, easier navigation and increased search functionality. Other features include a blog, excerpts from product safety studies and a photo gallery of NOMAD products providing improved access to care in humanitarian outreach programs around the world.

MEDIA/MARKETING

• **Allen and Stan Macbean** of **Photographic Solutions,** Orem, brought home **awards** for the best Air-to-Air photograph and Judge's Choice in the Artistic Category at the recent Professional Aerial Photographers Association Annual Convention. The Macbeans also received other awards for their aerial images, including ribbons for three master images and four superior images. Stan serves as the Western Regional Director for PAPA.

Established in 1988, Photographic Solutions provides aerial and commercial photography for the Utah business community.

NONPROFIT

• For the past four years **The Community Foundation of Utah,** with the support of Wells Fargo Foundation, has been **tracking how the state's nonprofit organizations have been coping with the recession.** The most recent study finds another year of flat or declining revenue, increased demand for help and the recognition that things may be like this for a long while to come. Among the major findings: The steep declines in corporate, foundation and individual giving of 2009 and 2010 ended, only to be replaced by flat donations. Giving has yet to rebound to 2008 levels. Sixty-seven percent of human service organizations saw an increase in requests for help from people who had lost their jobs in 2011. The stagnation in funds coupled with a continued increase in demand for services has taken a toll on their financial health, threatening the future of hundreds of agencies across the state. Thirty-one percent of Utah nonprofits have less than three months of operating capital on hand. Only 39 percent report sufficient resources to meet the demand they anticipate in 2012. Ninety-two percent believe that the social fabric is threatened by the increasing reliance on the nonprofits to take care of community needs.

REAL ESTATE

• The 28-year-old **170 S. Main building** in downtown Salt Lake City has been awarded the Leadership in Energy and Environmental Design **(LEED) for Existing Buildings: Operations & Maintenance Certification**, an ENERGY STAR rating of 80 and The Outstanding Building of the Year (TOBY) award. The LEED certification for 170 South Main is a first for any existing high-rise building in Utah from the U.S. Green Building Council and verified by the Green Building Certification Institute. The design and oval shape clad in glass and Alucobond panels makes the 15-story building a landmark in the heart of Salt Lake's central business district. Its atrium creates an open and airy atmosphere on the first floor that houses a national bank and retail stores. The three awards were achieved under the direction of the property management group of Commerce Real Estate Solutions.

• **TierOne Real Estate LLC**, a Salt Lake City property management firm, has partnered with **Century 21 Everest Realty Group**, Midvale, to provide professional property management services to all Century 21 Everest's real estate agents and their many clients in the area. Century 21 Everest Realty Group provides full-service real estate assistance, specializing in both residential and commercial sales throughout Salt Lake County, Davis County, Utah County and Summit County.

RETAIL

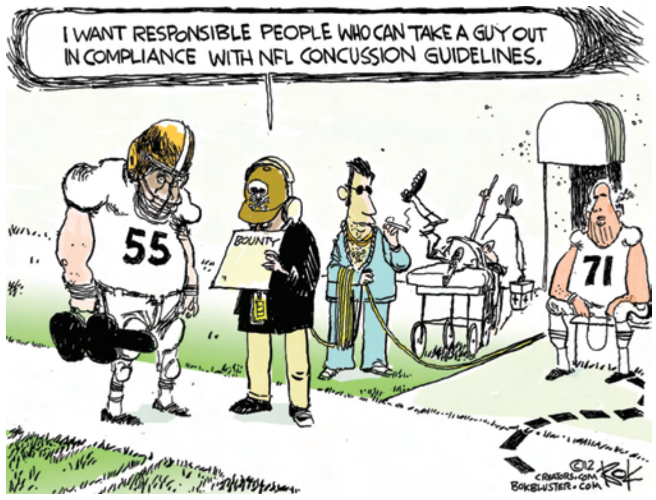
• Omaha-based **Gordmans Inc**., an apparel and home fashions retailer, **entered the Utah market with two stores** on March 15. Both measure 50,000 square feet. They are located at The District retail center at Bangerter Highway and 11400 South in South Jordan, and at I-15 and Park Lane in the Station Park development, Farmington.

SERVICES

• **Brandon Rene** of **Techna Glass Utah**'s Taylorsville store took home first place and $10,000 at the **U.S. Best of Belron Competition.** Twelve Safelite technicians competed for the grand prize and a trip to the international Best of Belron competition in Barcelona. Rene competed in four auto segments: removing and reinstalling back glass, a sidelite, a windshield and completing a windshield repair. Founded in 1991, Techna Glass Inc. has 18 Utah locations. The company is headquartered in Sandy.

SPORTS

• Amateur cyclists wanting to experience the same climbs and descents that challenge the pros will get that chance at **The Ultimate Challenge** Aug. 11. This year, the challenge runs in conjunction with the Larry H. Miller Tour of Utah, taking place August 7-12. New for 2012, the amateur event will be held on the same day as Stage Five, the "Queen Stage," of the Tour of Utah, and three ride options will be available. Registration is opens for all challenge ride experiences at www.tourofutah.com. The traditional 100-mile route features 9,456 feet of climbing and a summit finish at Snowbird Ski and Summer Resort. Two shorter ride options have been added this year, 35 miles to Midway and 74 miles to Alpine. All challenge rides begin between 6:45 and 7:30 a.m. on Aug. 11 at Newpark Town Center in the Kimball Junction section of Park City.



Can Obama muzzle the dogs of war?

When President Obama disparaged "loose talk about war" against the theocratic regime in Tehran, he wasn't minimizing the consequences of atomic weapons in the hands of the mullahs. The danger of terrorists acquiring a bomb would be multiplied by a regional arms race. The international nonproliferation regime would be crippled if not destroyed. The prestige of the United States would suffer fresh damage, and yes, Israel would be gravely threatened.

Joe Conason

Yet it is hard to understand why anyone — in Washington, Jerusalem or anywhere else — would argue with his view that sanctions, covert action and diplomatic engagement should be exhausted before anybody resorts to bombs and missiles. Unlike his irresponsible critics on the right, Obama cannot ignore the potential costs of another Mideast war, which could wreck fragile economies both here and abroad, increase the peril to U.S. troops in Afghanistan as well as throughout the region, and perhaps escalate into a global conflict of unpredictable scope.

He may have noticed that the same crew of neoconservative pundits and officials who pushed us into invading Iraq and then botched the occupations of that country and Afghanistan are now the most eager proponents of a military confrontation with Iran. These figures dominate the foreign policy team of ultra-hawk Mitt Romney (who, like so many of them, contrived to avoid serving in Vietnam despite his supposed enthusiasm for that misadventure).

No doubt the problem with Iran is real if sometimes exaggerated, as U.N. inspectors who were expelled from that country last year will no doubt tell their superiors in Vienna recently. The Tehran regime's refusal to let the inspectors complete their work is only one among many indicators of suspicion that the regime is expanding its nuclear capacities, which it still claims are strictly for peaceful use.

For Obama, the question is how far the regime's military industries have proceeded toward building a bomb — and what he can do about it. At the moment, both U.S. and Israeli intelligence assessments suggest the regime has not yet decided to build a bomb — but is definitely creating the capacity to do so.

In his recent remarks before the American Israel Public Affairs Committee and a contemporaneous interview with Jeffrey Goldberg of *The Atlantic* magazine, Obama dispelled the complaint so assiduously promoted by his political adversaries — that he will stand by and do nothing while Iran acquires a bomb. That claim fits within their broader narrative of his supposed hostility to Israel, which he carefully and forcefully refuted at the same time.

On Mideast peace, he simply differs from the neoconservatives and the government of Benjamin (Bibi) Netanyahu on how much Israel must be prepared to concede for the sake of peace with the Palestinians. He has adopted no position that is not considered entirely legitimate in Israeli politics — although Netanyahu and his party, often functioning as GOP operatives in U.S. politics, have collaborated with the Republicans in portraying Obama as an enemy of Israel.

As for Iran, the truth (as such serious experts must surely know) is that the Obama administration has pursued a multifaceted international campaign to deprive the regime of its nuclear dreams. Although he sought a constructive relationship with Tehran from the beginning of his administration, the mullahs and their competitors in Persian politics have scarcely encouraged that approach with their defiance of international norms and their brutal repression of their own people. So in tandem with Israel, Obama has evidently authorized a wide-ranging covert effort to forestall and frustrate Iran's military complex, including interference with its computer systems and undercover sales of defective equipment to its military purchasing agencies.

Now he is demanding time to let sanctions work. In the meantime, he is seeking agreement with Netanyahu on exactly what that would mean — whether the "red line" that Iran must not cross is to build a nuclear weapon, as Obama has just suggested, or to obtain the capability to build one, as Netanyahu insists. That critical distinction may represent the difference between a tense peace and a precarious war.

Joe Conason is the editor in chief of NationalMemo.com.

The Big Hoax

There have been many frauds of historic proportions — for example, the financial pyramid scheme for which Charles Ponzi was sent to prison in the 1920s, and for which Franklin D. Roosevelt was praised in the 1930s, when he called it Social Security. In our own times, Bernie Madoff's hoax has made headlines.

Thomas Sowell

But the biggest hoax of the past two generations is still going strong — namely, the hoax that statistical differences in outcomes for different groups are due to the way other people treat those groups.

The latest example of this hoax is the joint crusade of the Department of Education and the Department of Justice against schools that discipline black males more often than other students. According to Secretary of Education Arne Duncan, this disparity in punishment violates the "promise" of "equity."

Just who made this promise remains unclear, and why equity should mean equal outcomes despite differences in behavior is even more unclear. This crusade by Attorney General Eric Holder and Secretary of Education Arne Duncan is only the latest in a long line of fraudulent arguments based on statistics.

If black males get punished more often than Asian American females, does that mean that it is somebody else's fault? That it is impossible that black males are behaving differently from Asian American females? Nobody in his right mind believes that. But that is the unspoken premise, without which the punishment statistics prove nothing about "equity."

What is the purpose or effect of this whole exercise by the Department of Education and the Department of Justice? To help black students or to secure the black vote in an election year by seeming to be coming to the rescue of blacks from white oppression?

Among the many serious problems of ghetto schools is the legal difficulty of getting rid of disruptive hoodlums, a mere handful of whom can be enough to destroy the education of a far larger number of other black students — and with it destroy their chances for a better life.

Judges have already imposed too many legalistic procedures on schools that are more appropriate for a courtroom. "Due process" rules that are essential for courts can readily become "undue process" in a school setting, when letting clowns and thugs run amok, while legalistic procedures to suspend or expel them drag on. It is a formula for educational and social disaster.

Now Secretary Duncan and Attorney General Holder want to play the race card in an election year, at the expense of the education of black students. Make no mistake about it, the black students who go to school to get an education are the main victims of the classroom disrupters whom Duncan and Holder are trying to protect.

What they are more fundamentally trying to protect are the black votes which are essential for Democrats. For that, blacks must be constantly depicted as under siege from whites, so that Democrats can be seen as their rescuers.

Promoting paranoia translates into votes. It is a very cynical political game, despite all the lofty rhetoric used to disguise it.

Whether the current generation of black students get a decent education is infinitely more important than whether the current generation of Democratic politicians hang on to their jobs.

Too many of the intelligentsia — both black and white — jump on the statistical bandwagon, and see statistical differences as proof of maltreatment, not only in schools but in jobs, in mortgage lending and in many other things.

Some act as if their role is to protect the image of blacks by blaming their problems on whites. But the truth is far more important than racial image.

Wherever we want to go, we can only get there from where we are. Not where we think we are, or wish we are, or where we want others to think we are, but where we are in fact right now.

But political spin and pious euphemisms don't tell us where we are. After a while, such rhetorical exercises don't even fool others.

If we don't have the truth, we don't have anything to start with and build on. A big start toward the truth would be getting rid of the kinds of statistical hoaxes being promoted by Secretary of Education Duncan and Attorney General Holder.

Thomas Sowell is a senior fellow at the Hoover Institution, Stanford University, Stanford, CA 94305.

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