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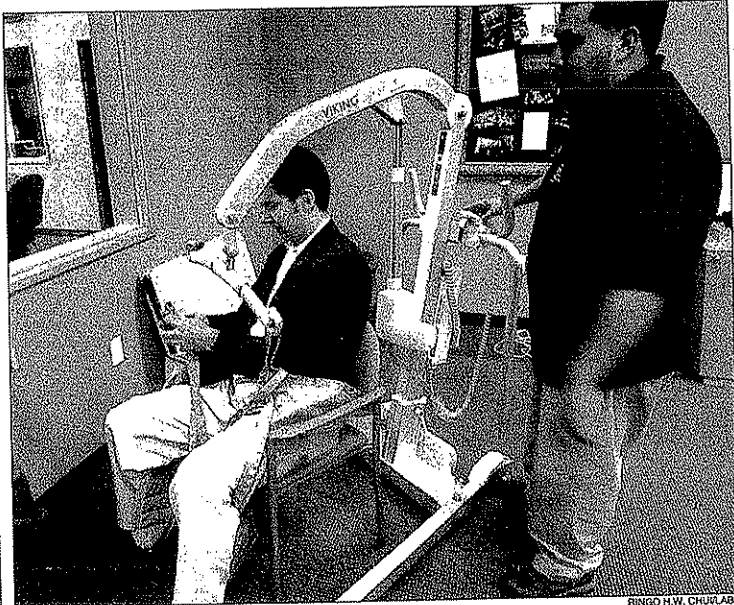
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Kate Berry can be reached
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sjournal.com.



Testing: Dave Robertson, left, on equipment at Dynamic Medical Systems Inc.

Heavy Lifting

Company supplies equipment for obese patients

By ALLEN P. ROBERTS JR.
Staff Reporter

As goes the waist line of America, so goes the bottom line of Dynamic Medical Systems Inc.

The Dominguez Hills-based company has been supplying nursing homes and hospitals from California to Colorado with everything from wheelchairs and gurneys to respirators and wound management equipment since 1999.

But it wasn't until a year and a half ago that founder Dave Robertson realized the huge growth potential lurking within his business, courtesy of Americans' growing girth.

"Just as the size of French fries has increased over the years, the size of the American hospital and nursing home room should grow too," he said.

The epiphany hit him after a trip to Seattle where he realized there was a far different hospital landscape in the Northwest than in Southern California - specifically far more obese patients. "That's when we realized the potential," he said.

Robertson now markets oversized patient lifts, something like car-engine lifts, which can

either be ceiling mounted or portable and cost anywhere from \$1,200 to about \$8,000.

He also sells especially wide gurneys, which can double as operating tables and have larger, stronger wheels. Of course, bigger wheelchairs and even sturdier walkers are in his inventory.

Robertson does about 60 percent of his business in California, and the rest is spread out among half a dozen other Western states focusing primarily on the nursing home sector. But as the population of America's obese gets bigger, he sees tremendous growth potential in the hospital industry.

"As Baby Boomers age and as Americans continue to eat more and more and more, hospitals are seeing more and more of a demand for this type of equipment," he said.

Since focusing on developing this aspect of his business a year and a half ago, Robertson said sales have grown 90 percent and he predicts revenue to surpass \$10 million this year.

"We still get about 95 percent of our business from patients under 250 pounds. But the numbers don't lie and this sector is growing and has only begun to expand," he said.

Vitesse Launches Internal Stock Inquiry

By DEBORAH CROWE
Staff Reporter

Vitesse Semiconductor Corp. has placed three top executives on leave and said it won't file its second-quarter financial report on time due to an internal probe into its stock options accounting.

Camarillo-based Vitesse, which cancelled its April 24 conference call with analysts, said it would probe the timing and accounting of certain stock option grants, and warned it might need to restate past financial results.

The company said it placed Chief Executive Louis R. Tomasetta, Chief Financial Officer Yatin Mody and Executive Vice President Eugene F. Hovanec on leave because of their involvement with issues related to the integrity of documents relating to Vitesse's

stock option grant process.

Chris Gardner, vice president and general manager for the network products division, has been installed as acting president and chief executive.

Vitesse, which makes integrated circuits for communications and storage networks, was mentioned in a March 18 Wall Street Journal article concerning how some executives appeared to benefit from options issued shortly before a large price run-up in the stock.

If the options actually had been backdated, that would enable an options holder to exercise the option, or buy at a low price, and then sell at the higher market price later.

In the Journal article, a member of the Vitesse board's compensation committee said a review of grants to Tomasetta found "nothing extraordinary" about their timing.

Rare Hispanic Bank Opening In Los Angeles

By JOEL RUSSELL
Staff Reporter

Cinco de Mayo may get a lot of attention this week, but Hispanic entrepreneurs have something else to celebrate. Last week the first Hispanic-focused bank in more than 25 years was incorporated in California.

The new institution, tentatively called One America Bank, has support from some of the biggest names in business, both locally and nationally. Board members include Ed Roski, chairman of Majestic Realty Co. and part owner of the Staples Center; George Keiffer, partner at the law firm Manatt Phelps & Phillips and past chairman at the Los Angeles Area Chamber of Commerce; Henry Cisneros, former Secretary for Housing & Urban Development and former chief operating officer at Univision; and Sol Trujillo, former chief executive at US West.

"For a Latino-owned, Latino-managed bank targeting the Latino community, this was the time, Los Angeles was the place," declared Maria Contreras-Sweet, the main personality behind the bank and a former state Secretary for Business, Transportation & Housing.

Most large banks in the Los Angeles market already have programs catering to Hispanic consumers. Wells Fargo, Bank of America and Washington Mutual have translated material into Spanish, hired bilingual and bicultural employees, and launched advertising campaigns to appeal to Hispanics. Simultaneously, they developed services such as cross-border remittances specifically for Hispanic customers.

Even foreign banks have moved into the market. Last year Valley Bank in Diamond Bar changed its name to BBVA Bancomer USA, after it was purchased by a Spanish financial conglomerate that also owns Mexico's Bancomer. In 2001, Citigroup purchased Banco de Mexico and has leveraged it to reach Mexican-Americans.

To carve out some space for itself, One America will work on the intersection of two Hispanic values: family and entrepreneurship.

"Our focus will be to build wealth for families who are here trying to build a legacy, but haven't because they never had a close relationship with a banker," said Contreras-Sweet. "This will be a higher touch institution."

"The bank will be different in that it will focus on the huge Hispanic market in a way that has not been done for decades," explained Keiffer. "I've had a number of requests to be on bank boards. This is the only one I would agree to join."

The idea of starting a bank first came to Contreras-Sweet when she helped with outreach for the 2000 Census. The experience convinced her that Hispanics were forming businesses and accumulating wealth without the benefit of succession or financial planning.

Census 2000 confirmed that Hispanics in Los Angeles County numbered 4.2 million, or about 45 percent of the entire population, but didn't tell a lot about their economic status. However, recently released data from the 2002 Economic Census shows that the Los Angeles-Long Beach-Riverside area hosts 277,908 Hispanic companies with total sales of \$35.1 billion. By 2010 "Hispanics will account for 9.2 percent of all U.S. buying

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Corporate FOCUS

\$15 million in cash and issued 49,792 shares of its stock to PX Holding Corp., Panavision's majority shareholder, to retire an outstanding principal balance of about \$65 million under an existing term loan agreement. The company's last debt refinancing took place in January 2004.

"The going-private transaction has been on our minds for some time," said Panavision CEO Robert Beitcher. "Being public has some serious costs to it, and that cost has been escalating at a pretty dramatic rate."

Cross Research analyst Sharon Cross, who covers Panavision competitor **Eastman Kodak**

off existing obligations and provide capital.

In addition to the refinancing, the company also paid

by both digital and film.

Perelman, worth an estimated \$6.1 billion according to *Forbes*, is the sole stockholder of **MacAndrews & Forbes**, which holds the controlling stake of Panavision. Perelman's investment portfolio has included holdings in Revlon, Marvel Comics, Scientific Games, and Deluxe Laboratories.

PX Holding Corp, a wholly owned subsidiary of MacAndrews & Forbes, owns more than 96 percent of Panavision's stock, and **Sony Corp.**'s Sony Electronics owns about a 2 percent stake in the company.

Perelman acquired the bulk of his Panavision stake in 1998, through a complicated deal that left the company with about \$500 million in debt. The billionaire investor previously tried to buy the outstanding Panavision shares in 2001, using licorice maker **M&F Worldwide** – another company he controlled – to purchase Panavision. But M&F's other shareholders considered the pur-

company will continue to upgrade, but produce, its high-end film cameras over the same period, Beitcher said.

Currently, about 80 percent of Panavision camera rental revenue comes from traditional film cameras, and about 20 percent from digital cameras. The company's inventory includes more than 1,200 cameras and 7,500 lenses are leased out. A typical film production about three cameras, Beitcher said.

Sony executives declined to comment on Perelman's offer, but said they expect collaboration with Panavision to continue.

"Clearly, Sony and Panavision have a very fruitful long-term relationship," said Clancy, senior vice president of corporate communications for Sony Electronics. "So very focused on developing high definition video for digital cinema, and we absolutely plan to continue our work with Panavision."

The two companies have a long his-

Robeks: Company's Growth Plans Stretch far

Continued from page 6

the average bill is now \$5.50, would carve out a nice niche or even become a leading brand.

Aligning Robeks to best attract the burgeoning audience is Gioia's mission. "Our objective is to appeal to a wider audience as consumers trade up. We want to capture more of that audience," he said. "A company our size typically has to evolve for a national strategy."

However, the geographic spread of smoothie joints hasn't been entirely smooth.

Randall Hiatt, president of Costa Mesa-

based restaurant consultancy **Fessel International Inc.**, said the concept is a natural for warm climates, but has some trouble translating in colder regions – coffee places faced the opposite problem when they jumped into sunny L.A.

"The business has had its limitations in the past in a geographical sense," said Hiatt. "You don't see it necessarily have a high presence in New York City. That is probably part of the battle Tony would face."

But Gioia believes a little tinkering with Robeks, such as simplifying its menu, could go a long way toward improving its growth trajectory. Of the crowded menu, he said, it needs a bit of simplifying so it can be more

consumer friendly. To make the appropriate revisions, the company tests out modifications in its stores before rolling them out to the entire chain.

Grace Kim, who runs a Robeks' franchise with her husband, is thrilled with the performance of her Westchester location, one of the highest grossing in the chain. Titus estimates that smoothie shops, not Robeks in particular, can bring in \$150,000 to \$300,000 or more a year in revenues and are typically around 1,000 square feet. Smoothies are high-margin products – a \$4 smoothie can cost around \$1 to make.

"It is a great business because you provide something healthy to your customers," said Kim. "We searched for a lot of things, and places like Togo's, but it was something different and something healthy. We really like Robeks."

Banks: Eyeing Hispanic Market

Continued from page 3

power, up from 5 percent in 1990," according to a study by the University of Georgia's Selig Center, based on Census data.

Other organizers include Norma Orci, co-founder of advertising agency **La Agencia de Orci & Asociados** and Gil Vasquez, CPA at **Vasquez & Co.** and a founder of the Association of Latino Professionals in Finance & Accounting. "The other people involved with the bank – the organizers and the board – are as good as it gets," according to Keiffer.

In addition to the 25 organizers, Contreras-Sweet landed a chief executive: Eloy Ortega, the former president of both **Business First National Bank** and **City Commerce Bank** in Santa Barbara. He helped found Business First in 2001.

Contreras-Sweet plans to serve as full-time chairwoman. She will retain a title at

her current company, the private equity fund **Fortius Holdings** in City of Industry.

One America expects to open its first branch within the next three months. The location will be at the Paul Hastings Tower at 515 S. Flower St. in the downtown area.

After establishing a beachhead in the upscale Hispanic segment, the bank's founders hope to widen its coverage. "Our emphasis clearly will be on small- and mid-sized businesses with special emphasis on Latino businesses. But once people see our higher touch model, I think women-owned and other ethnic businesses, and small businesses in general, will feel comfortable banking with us," Contreras-Sweet said.

The 25 organizers have capitalized the bank's launch. Contreras-Sweet has identified another 100 or so she plans to tap going forward.

Competitive challenge

But the smoothie industry isn't standing as Robeks prepares for expansion. The company has the challenge of keeping abreast of competitors' advance and remedying current issues at the same time.

Fortunately, David Gross, co-founder of **Juice Bar Solutions Inc.** in Novato, said his company has been ahead of the curve in bringing cutting-edge ingredients to consumers. Robeks was first in line on Acai and green tea, and is also integrating other food products besides smoothies. Robeks offers a variety of "healthy eats," including salads, soups and sandwiches.

"Others that were strictly in the quick-service industry that were one product companies are moving to a broader menu. That seems to be without question where it is going," Gross said. "I like their (Robeks') position because they offer healthy meals in a