

## LATE NEWS

## WESTLAKE APARTMENT COMPLEX FETCHES \$19M

■ A joint venture by Sterling American Property Inc. of New York City and BH Equities LLC of Des Moines, Iowa, paid \$19.3 million Aug. 3 for Remington Apartments, a 283-unit Westlake apartment complex built in 1991. The seller was a partnership led by Australian-based Lend-Lease Investments Inc., which parted with the property for \$1 million more than it paid Dec. 1, 2001, according to Cuyahoga County land records. — **Stan Bullard**

## \$11.5M IN BONDS OK'D FOR HOUSING REHAB

■ Cuyahoga County commissioners have approved \$11.5 million in tax-exempt multifamily housing bonds for the redevelopment of two West Side housing complexes owned by real estate investor Harvey Oppmann. Mr. Oppmann said he plans a complete renovation of the 116-unit Boulevard Terrace Apartments at 10107 Detroit Road and the 48-unit Neal Terrace Apartments at 8801 Detroit. Both are considered moderate-income housing and are open to tenants who receive federal housing assistance. — **Jay Miller**

## RAVENNA HOSPITAL JOINS SUMMA PLAN

■ SummaCare Inc. has added Robinson Memorial Hospital in Ravenna to its provider network. The 280-bed, rural medical center is the only hospital in Portage County. Owned by Akron's Summa Health System, the SummaCare health insurance plan serves an 18-county area in Northeast Ohio with a network of 6,000 providers and 30 hospitals. — **Shannon Mortland**

## NETWORKING GROUP TAKING ROOT IN CITY

■ The Cleveland Professionals Group LLC, a new business networking association in Cleveland that is open to accountants, doctors, lawyers and other providers of professional services, is about to get into gear. It has set its first meeting for Sept. 7 at 7:30 a.m. at the law office of Buckingham, Doolittle & Burroughs LLP, One Cleveland Center in downtown Cleveland. — **Shannon Mortland**

## MUSICIANS AT HIRAM MARCHING TO NEW BEAT

■ Hiram College has formed its first marching band. About 40 Hiram students have established and will run the Terrier Sound Marching Band under James Bane, a music faculty member who will be the band's adviser. The band's first performance will be Sept. 2, when Hiram opens the football season at home against Carnegie Mellon University. — **Shannon Mortland**

CRAIN'S  
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## WHAT'S ON TAP?



■ MOULTON BREWING CO. PULLS UP A SEAT AT THE PROVERBIAL BAR WITH BIG PLANS. **PAGE 3.**

## Research outlook at Case cloudy

*Med school dean's exit, ongoing turbulence could make recruitment of top minds tough*

By SHANNON MORTLAND  
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For Case Western Reserve University, troubles at its School of Medicine and with the university's standing in research circles may only be starting. After spending three years trying to

boost Case's medical school to national prominence, Dr. Ralph Horwitz last week announced his resignation as its dean. Add that revelation to a year in which Case has experienced budgetary turmoil, faculty unrest, alumni unhappiness, layoffs and the loss of its president and

three other deans and it creates a potion that some even on its own faculty believe will cause top-notch researchers to shy away from the beleaguered university.

## ANALYSIS

"Recruitment is going to be jeopardized," said Dr. Eric Topol, a researcher and professor in Case's Department of Genetics. "The people who would consider coming to Case will be reluctant to come until they know who the new dean is going to be and the financial

situation is turned around."

But it will be awhile before those issues are resolved. Case chose not to balance its budget until fiscal year 2008, which begins July 1, 2007, because the university said more cuts would have hurt its educational programs. Case now is operating at a \$10 million deficit after lopping \$33 million from the budget.

Dr. Gregory Eastwood, Case's interim president, said the university **See CASE Page 21**



KEVIN G. REEVES/WESTLAKE REED LESKOSKY

ABOVE: Cleveland architectural firm Westlake Reed Leskosky is benefiting from work on an \$80 million project on the site of Woodstock in Bethel, N.Y., that included an events center. BELOW: The site also features a 16,800-seat music pavilion.

## IMPROVING ITS STOCK

*Westlake Reed Leskosky uses cultural arts complex on site of Woodstock to enhance its reputation, land more top-shelf work*

By DAVID BENNETT  
dbennett@crain.com

The Woodstock Festival originally was billed as a concert, but it became a legendary event symbolizing the social movement of the 1960s.

Now, thanks to the work of Cleveland architectural firm Westlake Reed Leskosky and the support of billionaire Alan Gerry, the site where history was made has undergone a bold makeover in a bid to

attract tourists.

Visitors can capture the past and present in the form of an elaborate cultural arts complex designed by Westlake Reed at the site of Max Yasgur's farm in Bethel, N.Y. With the \$80 million project nearing completion, Westlake Reed finds itself in the spotlight — a spotlight that already is leading to work from other cultural arts centers, including the John F. Kennedy Center for the Performing Arts in Washington, D.C.

**See WESTLAKE Page 21**



## Keystone snatches up empty Laich site

By STAN BULLARD  
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Looming alongside Interstate 480 in Brook Park like an aircraft carrier docked in port, the empty, 3-year-old former home of Laich Industries Corp. soon will get a new owner and new use as a multitenant warehouse.

Keystone Realty Investments Ltd., a real estate investment partnership operated by the Asher family of Solon and longtime industrial broker Kevin Callahan, has agreed to buy the 400,000-square-foot building from Geis Cos. of Streetsboro, according to both parties in the transaction.

The mammoth white building was emptied late in 2005 following the closing and Chapter 11 bankruptcy filing of Laich Industries Corp., a West Side plastics manufacturer. Laich had consolidated its operations from three buildings into the new one that Geis constructed for it three years ago on a build-to-lease basis. Court records show the bankruptcy reorganization is still under way.

Greg Geis, who heads the family-owned industrial development concern with his brother Fred, said the developers got the lease nullified and gained control of the building in Bankruptcy Court proceedings earlier **See LAICH Page 21**

## SPECIAL SECTION

## URBAN LIFE

Downtown dwellers pleased with increasing array of amenities, options ■ **Page 13**

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**CORRECTION**

An Aug. 14, Page 16 story misstated the number of presentations West Park financial planner Ken Robinson makes each year. Mr. Robinson makes about 40 presentations per year.

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**CRAIN'S ON THE WEB**



**Executive Chatter: A.J. Hyland**

■ The 34-year-old president and CEO of Hyland Software in Westlake talks about the company's growth, its plans for an initial public offering and whether the environment is right for entrepreneurs to start their own software companies in Northeast Ohio. Find the interview at [www.CrainsCleveland.com/chatter](http://www.CrainsCleveland.com/chatter).

**What's happening**

■ Keep track of all the conferences, panel discussions and other events happening in Northeast Ohio by visiting the *Crain's* events calendar. Have an event that you'd like us to include? *Crain's* publishes free listings for nonprofits and business associations when the event costs \$50 or less to attend. Find the events calendar at [www.CrainsCleveland.com/events](http://www.CrainsCleveland.com/events).

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# Case, nonprofit set to spin wireless web

*\$1M project will create cloud of Internet accessibility over University Circle area*

By **BRANDON GLENN**  
bglenn@crain.com

The "wireless cloud" long envisioned to descend over Cleveland looks closer to becoming a reality — but it will begin with a baby step.

Case Western Reserve University, nonprofit ultrabroadband provider

OneCommunity and other partners have committed to invest more than \$1 million toward the creation of a so-called wireless "mesh" network in a five-square-mile area around University Circle. In coming years, the network could expand across the city.

A wireless mesh network differs

from typical Wi-Fi Internet access in a number of ways. Wi-Fi typically works by installing a transmitter that serves a limited coverage area known as a "hot spot." By contrast, a mesh network is decentralized and consists of numerous transmitters, essentially creating one large, interconnected hot spot for Internet access.

*Crain's Cleveland Business* learned about the plans for the mesh network by obtaining a document labeled "Presentation For City Council and

City Hall" that describes the project. One of the project's key players, Lev Gonick, Case's vice president of information technology, declined comment, aside from saying, "This is one of the most important projects in the nation."

The much-anticipated "Digital Bridge" project aims to "improve the quality of life" for residents within the area by providing greater access to "digital tools," such as information via the Internet from local schools and health care institutions,

according to the document.

For example, a nurse from a local hospital would be able to monitor the vital signs of a local diabetic who is hooked into the network. Also, a community church could offer neighborhood residents access to job training materials.

The project would come to life via an estimated 167 wireless transmitters mounted on utility poles and other public structures. The transmitters would be connected to

See **WIRELESS** Page 17

## THE WEEK IN QUOTES

*"Recruitment is going to be jeopardized. The people who would consider coming to Case will be reluctant to come until they know who the new dean is going to be and the financial situation is turned around."*

— **Dr. Eric Topol, researcher and professor, Case Western Reserve University's Department of Genetics. Page One**

*"Frankly, it left such a bad taste in our mouths we wanted to move it out of the portfolio."*

— **Greg Geis, co-owner, Geis Cos. Page One**

*"Do we plan to curb 'brain drain' by asking our children to grow up and attend college in this region, only to find that the bulk of jobs available upon graduating are flipping cards or serving drinks at a casino?"*

— **Joseph A. Glick, from his Personal View. Page 10**

*"If you want to come here and have a quiet night sleep, living on West Sixth Street is kind of tough."*

— **Robert Rains, co-owner, Landmark Management Ltd. Page 13**

*"They ate the petting zoo."*

— **Paul Westlake, managing partner, Westlake Reed Leskosky, from a Reporters' Notebook item. Page 22**



RUGGERO FATICA

Terry McKenna, production manager for Moulton Brewing Co., works on the keg-filling machine at the brewery's home at 3751 Carnegie Ave.

## BREWING A BUSINESS

*In-town talent, out-of-state money pair up for planned roll-out of new entry in Cleveland's microbrew market*

By **JOHN BOOTH**  
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**M**ixing local experience at Cleveland microbrew legend Great Lakes Brewing Co. with out-of-state financial backing, Moulton Brewing Co. wants to add a new set of taps to the Northeast Ohio beer bar.

Formed last year, Moulton is taking shape in a 46,000-square-foot space at 3751 Carnegie Ave. Brewmaster and vice president of operations Brian Lottig said he hopes Moulton can start shipping its first two brews, Lott's Pale Ale and Helles Lager, in the first quarter of 2007.

At one end of the cavernous building sit pallets stacked high with Moulton-embossed beer kegs. At the other end is a test run cluster of water-filled, unlabeled brown bottles.

In between lies a landscape of half-assembled equipment such as fermenting tanks, packaging machines, bottle fillers and keg cleaners.

"It can be (daunting) at times," Mr. Lottig admitted. "It's a balance between details and the big picture. As a whole, it's overwhelming. (But) each little piece is manageable."

Moulton president Natasha Moulton-Levy represents the family picking up the project's \$1.5 million tab.

Ms. Moulton-Levy, who lives in Maryland, said her relatives back home in Michigan long have been interested in starting a brewery. She called Mr. Lottig after reading an article about his life as a brewmaster in a College of William and Mary alumni magazine.

See **BREW** Page 17

**"We sat around the table and discussed what we thought a beer should be."**

— Natasha Moulton-Levy, president, Moulton Brewing Co.

## INSIGHT

### Local health officials rally to stem blacks' cancer fears

By **SHANNON MORTLAND**  
smortland@crain.com

Mention cancer treatment to many in the black community and thoughts turn to the Tuskegee syphilis study and its mistreatment of 400 black men. Though nearly 40 years have passed since the experiment's end, the health care system still scares many black people — enough to make them forego cancer diagnosis and treatment.

"They're worried about cancer, they're worried about Tuskegee, they're worried about insurance," said Dr. Derek Raghavan, chairman and director of the Cleveland Clinic's Taussig Cancer Center.

To calm such fears, representatives from the Clinic, Cuyahoga County Board of Health, Cleveland Department of Public Health, MetroHealth Medical Center, University Hospitals, local churches, government officials and community members recently met to create a plan to boost cancer education and treatment in the area's black community, Dr. Raghavan said.

The need for intervention is obvious. The cancer death rate is higher in Northeast Ohio than in the rest of the country, and the cancer death rate for blacks is higher than for whites, according to a report released in April from the Center for Reducing Health Disparities at MetroHealth.

Initially, the group will focus on cancers of the prostate, lung, colon, breast and cervix, all of which are prevalent in the black community and are cancers in which local health authorities believe they can make the biggest impact in the fastest manner, Dr. Raghavan said.

For its part, the Clinic is establishing a cancer program at Huron Hospital, which Dr. Raghavan said "is at the epicenter of the African-American community" in Cleveland. The Clinic will offer more cancer treatments and research at Huron, as well as counselors who will work with black patients to overcome their fear of health care, he said.

Dr. Stan Gerson, director of the

See **CANCER** Page 17

# Walker & Weeks site converted to 36 condos

1920s-era building ill-suited for apartment rentals due to expensive finishes, bigger suites

By STAN BULLARD  
sbullard@crain.com

The 80-year-old Walker & Weeks building is bringing something new to the downtown Cleveland housing market: a condo conversion aimed at salvaging a troubled rental apartment project.

Chris Ferchill, director of residential development at the Ferchill Group of Cleveland, said the building at 2404 Prospect Ave. has been turned into 36 condos. He said Ferchill Group

received substantial interest in buying the units for condos when the building was included in downtown residential tours over the past year.

Ferchill Group's MJM Management Co. had managed the apartment building since 2005 and had leased just four suites as rentals, Mr. Ferchill said.

David Sharkey, vice president of the Progressive Urban Real Estate Inc. residential brokerage, said the property is suited to condo conversion because it was "overbuilt" for the

rental market, with larger suites and more expensive finishes than the typical downtown loft rehab. Mr. Sharkey's firm is marketing the condos.

The six-story building has a rare distinction: Walker & Weeks was designed by and was home to the famed Walker & Weeks architecture firm, a high-profile Cleveland business in the 1920s. Condos cost between \$129,900 for a lower-level, two-bedroom suite and \$449,900 for a top-floor penthouse.

Ferchill Group, a specialist in historic restoration projects, is the second developer to undertake the project. Mr. Ferchill said the company replaced the original developer, R. Michael Ujcich, as general partner of

the project in April. Mr. Ferchill declined to disclose financial terms.

Mr. Ujcich declined comment on the transaction or the litigation that had surrounded it.

In September 2003, three years after renovation of the building began, Sky Bank sued Mr. Ujcich's Carnegie-Prospect LLC in Cuyahoga County Common Pleas Court for foreclosure on a \$4 million loan.

Construction had been on an on-again, off-again basis, but after the suit was filed contractors resumed work under the supervision of Judge Timothy McMonagle. Court records show he declared the project finished May 25 and closed the case June 29. ■

# Market ripe for shopping developer to sell centers

By STAN BULLARD  
sbullard@crain.com

The Coral Co., a shopping center developer in Beachwood that has diversified its focus in the past decade to include housing, has sold two of its retail centers and is shopping another one.

Puritas Park Plaza, an 82,200-square-foot center in Cleveland, sold for \$5.45 million, and Stow Workman Plaza, a 51,600-square-foot center in Stow, sold for \$6.8 million, according to two brokers with Sekulovski & Luttner Group at Marcus & Millichap Co.'s Chicago office.

Beyond identifying the new owner of Puritas Park as an investor based in Beverly Hills and the new owner of Stow Workman as a Los Angeles-based investor group, Mark Luttner, a partner in the Sekulovski & Luttner Group, refused to name the buyers.

**"Buyers are willing to pay what we think are good returns, and we've owned these assets for a long time."**

— David Kornbluth, vice president for capital markets, Coral Co.

Coral also is marketing, again through Marcus & Millichap, its University Corners shopping center in University Heights, said David Kornbluth, Coral's vice president for capital markets.

That 43,000-square-foot retail center carries an asking price of \$10 million.

Mr. Kornbluth said Coral has sold or is offering the other center for sale to "take advantage of market conditions."

"Buyers are willing to pay what we think are good returns, and we've owned these assets for a long time," Mr. Kornbluth said. He said Coral plans to use proceeds to buy different centers or apartments, adding, "We're hoping we can buy at better prices than we are selling at."

Though Coral has multiple housing developments under way, including a new tony townhouse project at Westlake's Crocker Park, Mr. Kornbluth said the sales have no connection to the residential developments or the soft housing market.

Coral does not disclose its portfolio's size, but Mr. Kornbluth confirmed the company still would have substantial retail holdings. Coral's web site lists seven other shopping centers from Shaker Square in Cleveland to City Center in Lakewood, plus office, medical-office and mixed-use properties. ■

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# A rewarding reunion

## Ancora assets leap as ex-Maxus employees return to work with firm's former CEO

By SHAWN A. TURNER  
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So far, getting the guys back together has turned out to be a pretty good idea for Ancora Advisors LLC in Beachwood.

Ancora's assets under management have grown to \$850 million during the past year from \$150 million, as former members of the Maxus Investment Group management team have come on board — and their clients have followed.

The growth allowed the firm last month to move into a 13,000-square-foot office at 2000 Auburn Drive, a much bigger space than its former 3,500-square-foot office in the same building. Ancora currently employs 23; its long-term plan is to hire 10 more people during the next five years.

Ancora's growth is a bit of a surprise to Richard A. Barone, the former CEO of Maxus, which was sold to Fifth Third Bank in 2001. In January 2001, he repurchased a small slice of the business for an undisclosed price to launch what would become Ancora. He imagined he would spend the rest of his working days operating it as a family office for clients.

"I was quite content," said Mr. Barone, now chairman of Ancora.

But during the course of the past year, Mr. Barone's small, quiet office began to regain a familiar flavor.

One by one, his former Maxus colleagues returned. Frederick D. DiSanto left Fifth Third, where he was executive vice president and manager of the bank's investment management division, as did Denis J. Amato, who was chief investment officer for the bank's Northeast Ohio region.

Also returning was James M. Bernard, who formerly was an associate of Maxus and managed fixed-income portfolios and the Ohio Municipal Bond Fund and Kentucky Municipal Common Trust Fund for Fifth Third.

Mr. Bernard is senior portfolio manager for the fixed income management and consulting group at Ancora. Mr. DiSanto is Ancora's CEO, and Mr. Amato is executive vice president and portfolio manager.

"This came together piece by piece," Mr. Barone said.

The former executives say they left the bank on amicable terms. A Fifth Third spokeswoman declined to comment, saying the bank does not discuss personnel issues.

Adding Messrs. DiSanto and Amato brought strong client portfolios to Ancora, which, coincidentally, is Italian for "once again." The clients that followed Messrs. DiSanto and Amato to the firm account for "a good part" of the significant increase in assets under management.

But Ancora isn't counting solely on clients following their advisers.

One potential avenue for growth is in Ancora's proprietary Homeland Security Fund, started in January. The firm hasn't begun marketing the fund, which invests in areas such as bio-terror, transportation security, identity programs and others that

are likely to do well in the event of a terrorist attack.

"We haven't found another fund that is like that," he said.

Mr. Barone sees the fund as eventually holding between \$50 million and \$100 million under management.

Still, such niche funds can be risky given the narrow sector of companies in which they invest, said Stephen L. Rudolph, managing director and financial adviser at HW Financial

Advisors in Beachwood.

"If you're putting together that portfolio and you do a bad job, are you going to fire yourselves?" he asked.

Mr. Barone acknowledged the dangers involved, but he's optimistic about the fund's prospects.

"Long-term, we've always found we've outperformed," he said.

Near-term, Mr. Barone said he expects Ancora to top \$1 billion in assets under management by the end of the year.

"It's sort of a milestone in our industry," he said. "It kind of represents that you're a real firm." ■

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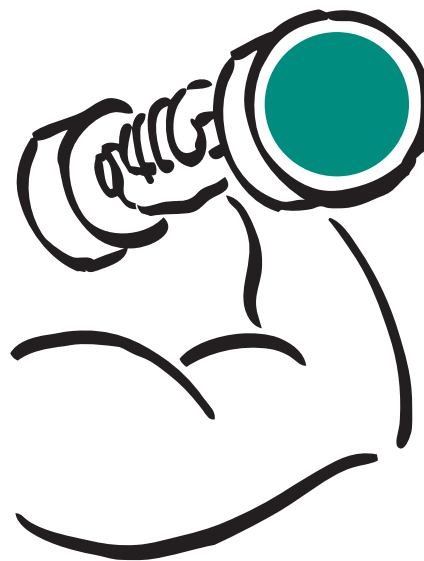
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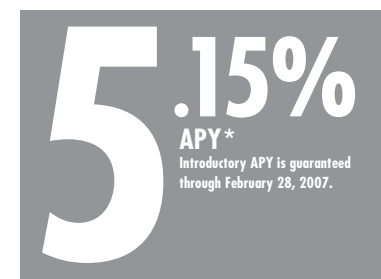
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# Grant program to nurture city neighborhoods

By JAY MILLER  
jmillercrain.com

A handful of Cleveland streets are being targeted for a special sprucing up in a new, foundation-sponsored program.

As part of a three-year effort called the Strategic Investment Initiative, seven areas have been selected for a Model Block program that will offer homeowners financial assistance to improve the exteriors of their properties. The neighborhoods are considered to have the greatest potential for residential and economic growth in the city. The program is testing a theory that one way to rebuild a struggling, declining city is to plant

seeds close to areas that already are beginning to blossom.

For that reason, the Model Block program is targeting neighborhoods where a major redevelopment project is under way nearby.

"Just a new housing development or a shopping center doesn't change a neighborhood," said Bobbi Reichtell, vice president for planning for Neighborhood Progress Inc., a Cleveland nonprofit group that fosters the rejuvenation of Cleveland's neighborhoods. "We're extending the development into the neighborhoods."

The seven areas targeted by the Model Block project are East 72<sup>nd</sup>, East 74<sup>th</sup> and East 75<sup>th</sup> streets around the developing Morgana Bike Trail in

**"Just a new housing development or a shopping center doesn't change a neighborhood. We're extending the development into the neighborhoods."**

— Bobbi Reichtell, vice president for planning, Neighborhood Progress Inc.

Slavic Village; East 82<sup>nd</sup> and East 83<sup>rd</sup> streets in Fairfax; East 111<sup>th</sup> and East 115<sup>th</sup> streets in the Buckeye-Woodland area; Mount Overlook Avenue in the Shaker Square area; several streets, primarily West Fifth and West Seventh streets, around the new Valley View housing development in Tremont; West 73<sup>rd</sup> and West 76<sup>th</sup> streets in the Detroit-Shoreway neighborhood; and along Wade Park Avenue east from East 105<sup>th</sup> Street.

Each of the model block programs

is adjacent to a new neighborhood development that promises to be a beacon for the neighborhood. In the Shaker Square area, for example, Mount Overlook Avenue is adjacent to a new building for the Social Security Administration. The Wade Park block project is adjacent to Famicos Foundation's redevelopment along East 105<sup>th</sup> Street called Heritage Lane, which includes 80 units of new and renovated housing. Ms. Reichtell said the Model Block

money — \$50,000 for each of the seven neighborhoods — is part of \$3.7 million in foundation funding Neighborhood Progress will receive over three years for the broader strategic initiative. The funding came from the Cleveland Foundation and Columbia, Md.-based Enterprise Foundation.

The immediate goal is to improve "curb appeal" in the neighborhoods, said John Anoliefo, executive director of Famicos. He said the program is a first step that can build confidence among homeowners and potential homeowners that the neighborhood is on its way back.

He said his organization will do a neighborhood inspection and suggest to homeowners some exterior improvements that could be made and that funding is available.

Mr. Anoliefo said his organization is budgeting \$1,500 per household for the Model Block improvements.

On Mount Overlook, Reid Robbins, executive director of the Shaker Square Area Development Corp., said 61 homes will be outfitted with uniform outdoor light poles and the homeowners will be offered some financial assistance for landscaping. Some money will also go to landscape a pocket park along the street.

The funds will be used as both grants and loans, varying from neighborhood to neighborhood.

These seven projects were chosen from 30 that applied. They were chosen, Ms. Reichtell said, because Neighborhood Progress believed that these neighborhoods have the greatest potential for improvement. The Strategic Initiative program is part of a national experiment that includes 11 other cities. ■

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## Engineering firm finds new Westlake home

By JON BUTLER

Engineering firm TES Engineering has moved to a new, larger headquarters in Westlake that will accommodate its growing business.

The company's new home at 25760 First St. features 6,600 square feet for TES' 20 employees. Terms of the lease were not disclosed.

TES, founded in 1993 as Thermal Environmental Systems Inc., previously occupied a 4,800-square-foot office on Detroit Road in Westlake. Company president Lawrence Thomas said the move is part of a business plan that aims to double the size of TES in the next five years.

"We're slated to (post) revenues of about \$3.1 million for 2006, and it's a time for us to be expansion-minded," Mr. Thomas said. "We hope to add five new positions in the immediate future: two mechanical engineers, two electrical engineers and an office manager."

TES specializes in consulting services for mechanical, electrical and plumbing engineering projects in retail developments. Past ventures have involved direct collaborations with retailers such as La-Z-Boy and Borders, and collaborations through architects on projects for Barnes & Noble and clothing retailer Anne Fontaine. ■

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## GOING PLACES

### JOB CHANGES

#### ARCHITECTURE

**CEDARWOOD ARCHITECTURAL INC.:** **Linda Chiera** to business development manager.

#### CONSTRUCTION

**REGENCY CONSTRUCTION SERVICES INC.:** **Barbara Oakley Doidge** to director of marketing and business development; **Kim Stredney** to regional program coordinator; **Jim Rafferty** to scheduling department; **Angela Brdar** to executive assistant.

#### DISTRIBUTION

**NACSCORP.:** **Kurt Schoen** to president, chief operating officer.  
**STONEWORKS:** **Stephanie Doyle** and

**Debrah DeNunzio** to design and sales representatives; **Jay Funkhouser** to account representative.

#### EDUCATION

**JOHN CARROLL UNIVERSITY:** **J. Gerard Sheehan** to associate vice president of government and community relations.

**KENT STATE UNIVERSITY:** **Lori A. Randorf** to executive director, alumni relations.

**NOTRE DAME COLLEGE:** **Deborah L. Sheren** to associate dean for academic affairs; **Tonia Kates Stewart** to associate dean for student affairs.

#### MARKETING

**HITCHCOCK FLEMING &**

**ASSOCIATES INC.:** **Nick Betro** to vice president, executive creative director.

**JAMESTOWN GROUP:** **Matt Amsden** to vice president, client services.

**THINK MEDIA STUDIOS:** **Trina Agosto** to producer, director of business development.

#### MEDIA

**BABCOX PUBLICATIONS:** **Larry Norton** to regional sales manager.

#### NONPROFIT

**CITY YEAR CLEVELAND:** **James Yoo** to director of program and service; **Debra Pence-Meyenberg** to director of leadership and training.

#### SERVICE

**LAKWEST GROUP:** **Roddy Mann**



Doidge Stredney Rafferty



Brdar Sheren Stewart

to vice president.

**RADCOM:** **Ginny Haas** to sales associate.

**THE RESERVES NETWORK:** **Becky Kosik** to regional manager; **Joan Dorony** to branch manager; **Kelly Cimino** to sales manager.

**WRG SERVICES INC.:** **Greg Adkins** to director of sales.

#### SPORTS

**THE CLEVELAND CAVALIERS OPERATING CO. LLC:** **Michael Behan** to sales consultant; **Jonny Greco** to director of video services; **Meka White** to corporate sales executive; **Lindsay Wise** to corporate services coordinator; **Andrew Brezina** to help desk analyst; **Michael Carny** to staff accountant; **Jill Cohen** to account service representative; **Matt Haltuch** to web coordinator; **Valerie Kropp** to group events assistant; **Jami Taylor** to scream team coordinator.

#### BOARDS

**CITY CLUB OF CLEVELAND:** **Courtney DeOreo** (Entrepreneurs for Sustainability) to president; **Lee F. Hill** to vice president; **Hewitt B. Shaw** to treasurer; **Edward P. Asher** to secretary.

**CITY CLUB FORUM FOUNDATION:** **J. Donald Cairns** (Speith, Bell, McCurdy & Newell) to president; **M. Orry Jacobs** to vice president;

**Margaret S. Wheeler** to secretary treasurer.

**CLEVELAND ENGINEERING SOCIETY:** **Susan Davis** (ESA Engineering Services Inc.) to president; **John S. Petkovsek** to first vice president; **Nora Jacobs** to second vice president; **Ted A. Beltavski** to treasurer; **Randall E. DeVaul** to secretary; **Stephen J. Gage** to immediate past president.

**CLEVELAND MUSIC SCHOOL SETTLEMENT:** **Dr. John D. Clough** to chairman; **Geralyn M. Presti** to first vice chair; **Craig M. Boise** to second vice chair; **Steven P. Muir** to treasurer; **Michael D. Stovsky** to secretary.

**DIABETES ASSOCIATION OF GREATER CLEVELAND:** **James R. Pender** (Oswald Co.) to secretary.

**ULI CLEVELAND:** **Kenneth W. McGovern** (Planning & Development Services) to chair; **Michael L. Sturges** to treasurer; **Richard C. Conti**, **James A. Ratner**, **Adrian Byrne**, **Carolyn J. Sechel**, **Michael J. Haas**, **Clifford West**, **Patrick Campbell** and **George F. McGovern** to vice-chairs; **Linda A. Strifsky** to past-chair.

#### AWARDS

**AMERICAN HEART ASSOCIATION, COUNCIL FOR ARTERIOSCLEROSIS, THROMBOSIS AND VASCULAR BIOLOGY:** **Edward F. Plow** (Cleveland Clinic) received the 2006 Mentoring Award from the Women's Leadership Committee.

**BUCKINGHAM, DOOLITTLE & BURROUGHS LLP:** **Rita McMahon** (City of Painesville) received a Stellar Performer Award.

**CITY YEAR CLEVELAND:** **Tom Sullivan** and **Frank Sullivan** (RPM International) received the Lifetime of Service Award.

**THE ENDOCRINE SOCIETY:** **Dr. Charis Eng** (Cleveland Clinic) received the Ernst Oppenheimer Award.

Send information for Going Places to [dhillyer@crain.com](mailto:dhillyer@crain.com).



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# CRAIN'S CLEVELAND BUSINESS

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## OPINION

### Bad news

Those of us in the field of journalism like to believe a vigorous, free press serves a valuable role in our society by keeping the public well-informed about what's happening in their communities and their world. We worry the people who run Northeast Ohio's two largest daily newspapers are compromising their ability to fulfill that high calling with plans to reduce their news staffs in order to improve their bottom lines.

The *Plain Dealer* and the *Akron Beacon Journal* long have been the two most important news franchises in the region because of the resources they have been able to devote to unearthing, reporting and interpreting local news. The content of their pages often serves as the basis of the public discourse, whether the discussion is about how well our schools are educating our children or the politics that is behind the push for a particular piece of legislation. Hence, anything that hurts the ability of these newspapers to do their jobs and do them well can impact just how knowledgeable their readers are about the goings-on around them.

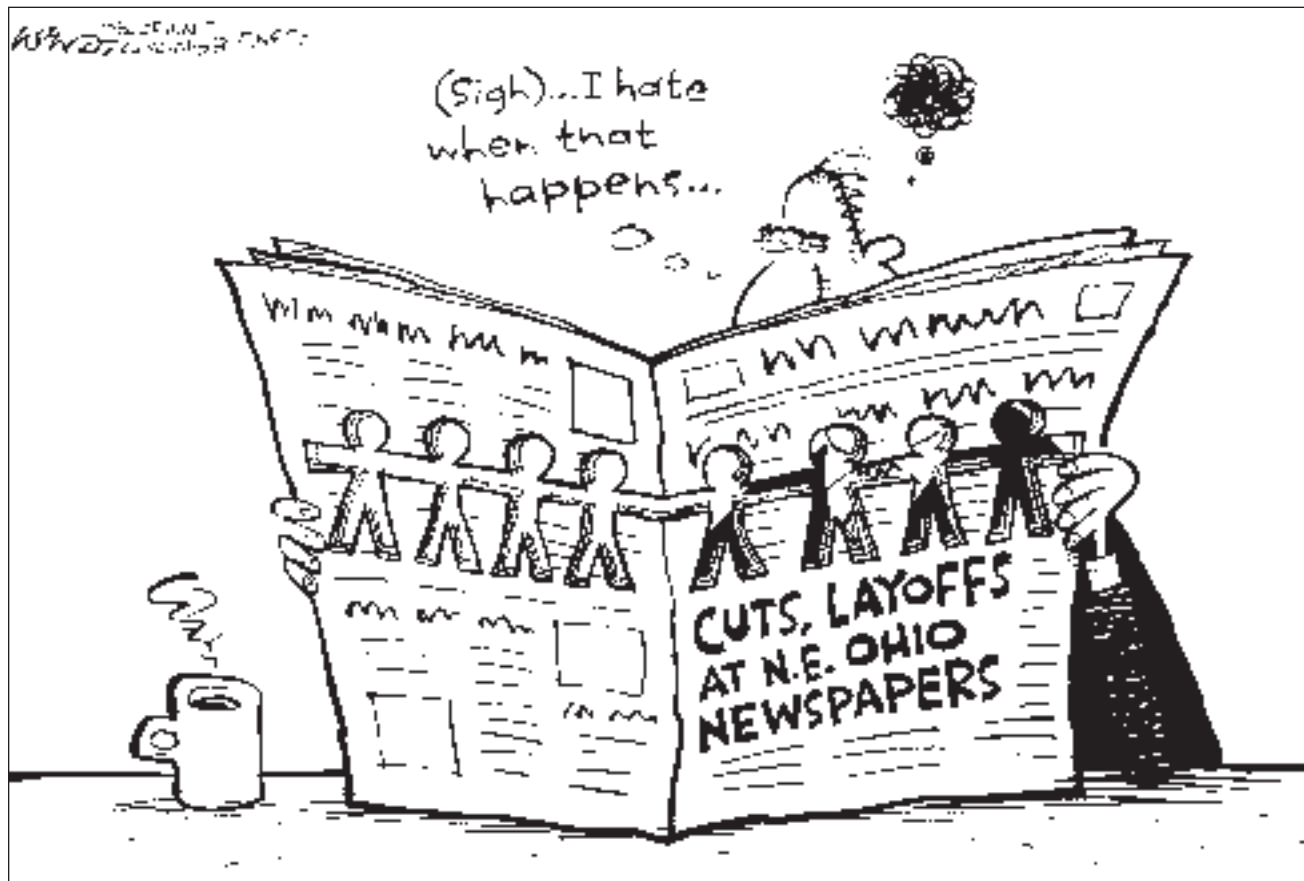
Of course, even guardians of the public trust need to make money, which is the motivation for the cost-cutting efforts that have been initiated at both big papers. We know firsthand that the newspaper business has been tough in recent years, with circulation and advertising on the decline at many publications as more readers gravitate to the Internet. The *Plain Dealer* and the *Beacon Journal* have not been immune to these trends, and in the last couple weeks both papers have announced serious measures to bring down their costs in light of their revenue struggles.

Two Saturdays ago, *The Plain Dealer* on its lead business page revealed that all of its newsroom's 370 employees had received letters outlining buyout packages that for its most veteran employees promised two-and-a-half years of pay plus health care coverage. That announcement was followed last week by word that the *Beacon Journal* had decided to cut about 25% of its newsroom staff in order to save money.

New *Plain Dealer* publisher Terrance C.Z. Egger said the paper had no target for the number of newsroom employees it hopes will take the buyouts, which also were offered to an unspecified number of business office employees. But we've got to wonder whether the cuts at *The Plain Dealer* and the *Beacon Journal* will diminish the aggressiveness and quality of the local coverage of these publications.

In a recent interview with Reuters, the *Beacon Journal's* new owner, Canadian publishing mogul David Black, observed that he doesn't believe the quality of a newspaper "is a direct function of body count in the newsroom." Far be it from us to argue that newsrooms are unlike manufacturing plants or insurance offices and don't accumulate their share of workplace fat over time. However, it's also easy to start cutting into bone once the fat-trimming process has begun.

We urge the managers who will wield the knives in these cost-cutting efforts to do so with great care. Their readers and the communities they serve deserve no less.



## COMMENTARY

### MLB experts to Tribe fans: Take heart

Last week, as local sports fans concentrated their energy on the Browns at the midway point of camp and LeBron James and his Team USA mates were running amok in Asia, came an interesting item that was seen by those who receive our daily e-mail news report.

I'm a news junkie, which is what got me into this business more than 30 years ago. Consequently, I read a lot, and one of the things I find fascinating, after I finish reading the news items our staff has produced each day, is the "Editor's Choice" feature at the bottom of the report. In that area are stories swept from the Internet that have a local connection.

Well, it seems that despite the despair over the nonperformance this year of the Cleveland Indians, some well-respected baseball observers expect this disappointment will be short-lived. One blog item pulled from ESPN.com was based on a question posed to Rob Neyer, an author who writes about baseball from a statis-

tical approach.

"They're fine," Mr. Neyer wrote. "Here's a bit of betting advice from Rob Neyer, Unprofessional Handicapper ... whatever the line is on the Indians next spring, take the over. Because they're going to win 90 games."

In that same Editor's Choice item was a link to a piece in the *The (New York) Sun* that supported Mr. Neyer with more stats. Here's hoping that the Dolan family and Indians management can avoid the same train wreck next year that this season became.

It's one thing to have year after year of dismal performance, as it was in the bad old days at Municipal Stadium. It's quite another to expect fans to continue to support a rebuilding effort that continually falls short, especially after that exciting run of championship years in Jacobs Field's infancy.

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worthwhile each day.

\*\*\*\*

FIRESTONE COUNTRY CLUB couldn't have looked any better for last week's practice rounds before the Bridgestone Invitational. As I wrote this, the weather forecast was a bit suspect for the opening round, but golf fans won't be disappointed by the quality of the field, which again has the sport's biggest names competing at one of its most storied venues.

The city of Akron and all of Northeast Ohio are the biggest benefactors as the PGA Tour rolls in each year for this great tournament, which has a huge base of volunteer and corporate support and raises close to \$1 million for area charities.

And the terrific thing about this event, which is one of four in the World Championships of Golf, is that so many international players are drawn here. So fans can watch the likes of Peter Lonard, Paul Casey and Paul McGinley in person, instead of on those Saturday-morning broadcasts of the European PGA Tour on The Golf Channel. As the TV commercial says, "these guys are good," regardless of what tour they're from. ■

**BRIAN  
TUCKER**



## PERSONAL VIEW

### Casino development no sure bet for region

By JOSEPH A. GLICK

As drive to legalize casino gambling is gaining momentum in Ohio. With the battle cry that \$3 billion in gambling revenue leaves Ohio every year, proponents argue that we should legalize casinos this November and bring gambling to downtown Cleveland.

The proposal is enticing, especially in light of our region's perpetually sluggish economy. There is the allure of big tax dollars, gleaming new downtown buildings, and the promise of new jobs. But a closer look reveals that "growth via gambling" is a me-too strategy that is in no way forward-thinking or differentiating. The amount of money leaving Ohio is difficult to ignore, but who really benefits from casinos coming to Northeast Ohio?

Mr. Glick is a consultant with Westlake-based management consulting firm Newry Corp. In his spare time, he studies urban turnaround and development strategies.

**Taxpayers and our economy? No.** Short of winning a major jackpot playing the slots, taxpayers lose out, because your taxes actually subsidize casino operations. Nationwide, for every tax dollar gambling generates, it costs taxpayers an estimated \$3 to pay for increased infrastructure, regulatory, criminal justice and social welfare system costs.

Furthermore, no one has accurately estimated Ohio's cost — really the taxpayer's cost — to cover increased bankruptcies, criminal activity and associated health issues. Despite a Cleveland State University study, which the Ohio Round-

table called "biased and focused on manipulating voters," casino gambling is not the solution for economic stimulus.

**Our education system? No.** Many believe that the associated tax revenue will benefit the surrounding school districts and state universities. Well, how has casino tax funding worked for Detroit city schools? Last February — nearly five years after casinos were introduced into their economy — Detroit closed 34 schools, uprooted more than 10,000 students to crowd into other schools, and attempted to cut \$500 million from their budget, due to an unexpected cash shortfall. Where was the casinos' tax money to bail them out?

**The poor? No.** Legalizing casino gambling will not raise our region's median

See **VIEW** Page 11

## THE BIG ISSUE

What is Cleveland's strongest asset for landing the Republican National Convention?



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**JULIE GINNARD**  
Wadsworth

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**KRISTA FARO**  
Sheffield Village

I feel like Cleveland might be more of an up-and-coming city. They might want to try something new and different other than going to L.A. and New York.

►► Let us know what you think. Vote in our online poll at [www.CrainsCleveland.com](http://www.CrainsCleveland.com)

## LETTERS

### Domain good for few, bad for Flats East property owners

■ Graig E. Kluge's suggestion in his Aug. 21 Letter to the Editor of shortsightedness on my part regarding the future of the East Bank of the Flats is, unfortunately, based on his own blindness to reality.

My clients in the Flats do not occupy vacant parcels. Heaven and Earth nightclub (owned by an African-American entrepreneur) has for years operated on the first two floors of one client's building, the

top two floors of which are rented to Minuteman, the employment services agency. A second client has an incredibly attractive and profitable billboard lease. A third just spent over \$1 million to renovate for its successful Aug. 17 grand opening.

My clients and other property owners (whom I don't represent) are threatened with confiscation of their properties, although they have had their own plans for attractive rede-

velopments ignored by government for years.

Now, the 30%, politically connected property owner — with the forced taking, below-market-price offers of eminent domain backing him up — seeks to take over the property, business and dreams of the 70%

majority.

Those owners of the majority of the property are capable of redeveloping their own venues, if government followed the competitive proposal laws and gave them half a chance.

Selling for what amounts to 20%

to 30% of fair market value is not the only way for any of these folks to make money. They'd prefer to do it the old-fashioned way, the American way — on their own, not as forced contributors to make one millionaire more government-subsidized millions.

*Kenneth F. Seminatore*  
Attorney  
Cleveland

### View: Casinos would harm Northeast Ohio more than help

continued from PAGE 10

income. In fact, based on the experience of other cities, gambling will make the poor poorer and exacerbate many social welfare problems.

Socioeconomically disadvantaged families tend to gamble a larger percentage of their income than those better off. Not surprisingly, casinos have successfully marketed to the disadvantaged, limiting many families' ability to build savings and budget for basic needs.

**Northeast Ohio's youth? No.** What promises are we making to future generations if our region's primary job creation effort is rooted in gambling parlors? Do we plan to curb "brain drain" by asking our children to grow up and attend college in this region, only to find that the bulk of jobs available upon graduating are flipping cards or serving drinks at a casino? These are not the professional and technical jobs in emerging industries promised by our administrators during the last two election cycles.

**Casino owners and developers? Yes.** Of course they will benefit. The market for gambling in the United States was estimated at more than \$50 billion last year. With only 35 states offering casino gambling, casino

owners and developers obviously have a strong incentive to expand into the other 15.

And how are they pursuing that agenda? By lobbying politicians through substantial campaign contributions; promising inflated tax revenues and licensing fees to the city and county; and, most recently, mounting a multimillion-dollar campaign tied to the Learn and Earn initiative, whose petition and signature-gathering efforts have been described as "backhanded" and "hiding its gambling roots" by not stating upfront that casinos are its primary source of funding.

Instead of asking if Northeast Ohio is missing out by not having casino gambling, we should explore ways to differentiate our region by making it more commercially and socially attractive — not duplicating other cities' development mistakes.

Gambling for growth is just that: a gamble that doesn't hold much promise for Northeast Ohio's citizens. County commissioners, Mayor Jackson, gubernatorial hopefuls — let's place our bets elsewhere. You have the power. We can do better. ■

Contact Mr. Glick at [jglick@newrycorp.com](mailto:jglick@newrycorp.com).

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