

LOS ANGELES BUSINESS JOURNAL

Volume 38, Number 21

THE COMMUNITY OF BUSINESS

May 23 • 29, 2016 • \$5.00

Up Front



Why this jeans maker is hanging around a yoga studio.
PAGE 3

Look Ahead



Inaugural organic food conference crops up downtown.
PAGE 5

Deal of the Week



Which startup studio nabbed De Niro crime pic?
PAGE 15

MAIL TO:

Market Vendors Fear Packing Up

FOOD: Rents rise for produce wholesalers under new landlord.

By MARNI USHEROFF Staff Reporter

At noon on a recent Tuesday at the 7th Street Produce Market in downtown Los Angeles, wholesalers who have been hawking mangoes, spinach, and tomatoes since 2 a.m. are ready to head home.

Yet some of the 70-odd vendors are concerned their businesses might die on the vine as the market's new landlord, New York real estate investment management firm Atlas Capital Group, raises rents.

Pedro Astorga, president of Liso Produce Inc.,

said he had a five-year lease for his 2,200-square-foot unit under the previous owner. In February, he was offered and signed a yearlong contract that raised his rent by almost 24 percent to \$6,000 a month. Others are seeing their rents raised by 20 percent to 25 percent and are being put on 12-month leases as well.

"There's warehouses outside you can lease for a better rate," said Astorga, 40, who has worked at the market since he was a teen, but might move if rent is raised substantially next year. "The downside (of moving out) is the market is where people come and buy and you have the flow of traffic."

The wholesalers source fruits and vegetables from

Please see **FOOD** page 39



Boxed In: Pedro Astorga said his rent went up 24 percent at 7th Street Produce Market.



New Look: Co-Editors-in-Chief Andrew Wallenstein and Claudia Eller with a copy of the redesigned Variety.

MEDIA: Variety recasts print publication in heated showbiz battle.

By KRISTIN MARGUERITE DOIDGE Staff Reporter

The fight to stay fresh and relevant doesn't just apply to aging stars in Hollywood. That's also the name of the game for the aging print trade publications that cover it.

Variety has just unveiled a new look for its weekly magazine, the latest shot in a near centurylong circulation war with the rival Hollywood Reporter.

The facelift comes as the two entertainment trade magazines — and newer competitors in print and digital — are in the midst of a long-running pitched battle for a niche audience of powerful, affluent readers and advertisers in the entertainment industry.

It is a rivalry that hasn't been as pretty and polished as the actors who grace their respective covers. Negotiating with Hollywood's biggest players and fighting for exclusive coverage in a hypercompetitive industry has led to vitriol back and forth, including everything from allegations

Please see **MEDIA** page 39

Co-Living Firm Squeezes 'Em In

HOSPITALITY: PodShare hopes tight space stacks up as business.

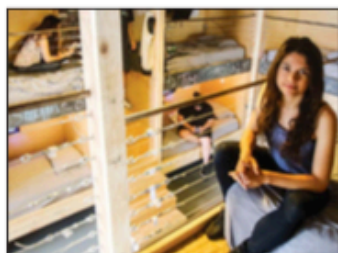
By DAINA BETH SOLOMON Staff Reporter

Thrifty travelers to Los Angeles now have more options than bunk beds in grim Hollywood hostels or spartan rooms rented through Airbnb. They can sleep in a pod.

At Elvina Beck's PodShare in downtown Los Angeles, guests grab a bed for \$40 a night — as long as they're cool with sacrificing privacy in a unisex communal space with about 20 other people.

Just as Uber Technologies Inc. has proved that

Please see **HOSPITALITY** page 40



Rest Stop: Elvina Beck at the downtown L.A. location of communal-oriented PodShare.

Bad Buzz Hits Charging Firm

By GARRETT REIM Staff Reporter

Wireless-charging startup uBeam Inc. is facing a potential crisis.

After riding high on media hype and \$23.5 million in venture capital, the Santa Monica company is receiving intense scrutiny after a former top employee questioned claims about its technology and voiced concerns about information it was feeding the press in a series of recent posts on his blog, Lies, Damn Lies, and Startup PR.

Though it has not demonstrated a working

Please see **TECHNOLOGY** page 43

The only source of knowledge is experience.

— Albert Einstein

squamilner

Certified Public Accountants and Financial Advisors

phone 310.826.4474
squamilner.com

EXECUTIVE STYLE

Cut Looser

'They get a little bit intimidated if we show up in a suit and tie because generally they're not in a suit and tie.'

DUAN TRAN, KAA Design Group, on working with younger clients



Marc Jacobs leather messenger bag. Cost: about \$500.



Harrys of London penny loafers. Cost: about \$450.



Tag Heuer Formula 1 Calibre 16 watch. Cost: about \$3,000.



Tom Ford sunglasses. Cost: about \$400.

DUAN Tran, principal at Marina del Rey architecture and design firm KAA Design Group, is trying to loosen up a bit. Though he often goes with a more conservative style, he's been adding some color lately, such as the red plaid Banana Republic shirt he wore for the Business Journal. While it might not be a "crazy shirt," it's certainly a departure from his attire when he started out in design more than 15 years ago.

"Early on in my career, I was wearing things that were a little bit more conservative and expected," said Tran, 41. "I wore more button-downs in solid colors, black shoes — nothing that would make you stand out (or) suggest a level of personality."

As he's moved up the ranks, he prefers to pair his button-down shirts with jeans and a blazer instead of wearing a full suit. And he's found many of his younger clients prefer a more casual look.

"There's no pretense," he said. "They get a little bit intimidated if we show up in a suit and tie because

generally they're not in a suit and tie."

Tran, an Ohio native, added that L.A.'s laid-back style meshes with his own relaxed approach when dealing with clients.

Weekends are even more casual and feature T-shirts, shorts, and flip-flops. He said comfort is key, especially since he lives in a beach community.

Tran enjoys shopping and prefers clothing from retailers such as Nordstrom, J. Crew, and Bluefly. He often picks up pieces based on the season, such as cashmere sweaters for fall. And accessories are kept to a minimum: just a Tag Heuer watch and Tom Ford sunglasses.

But Tran's preferred style can sometimes be hard to pin down, and his wife even has trouble picking out clothes for him.

"She has the best of intentions," he said. "But she does admit I have a particular eye. And I usually don't know myself until I see it."

— Sabrina Hudson

MARKET
YOUR
EXECUTIVE
STYLE

For more information,
please call 323.549.5225

LOS ANGELES BUSINESS JOURNAL