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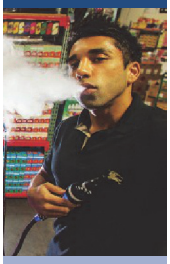
## Up Front



Anand Gupta's not blowing smoke: His e-hookah evades regulation. **PAGE 3**

## News & Analysis

Edison gets static from businesses over planned power outages. **PAGE 8**

## The List

L.A.'s biggest performing arts venues. **PAGE 14**

MAIL TO:

# Ex-Employer Battles 'Exec Poaching'

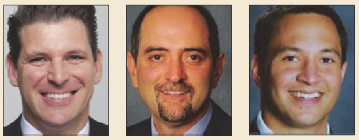
**SPORTS:** AEG plays hardball after former execs team up with rival.

**By ALFRED LEE** *Staff Reporter*

Key members of **Anschutz Entertainment Group**'s sales and marketing team left for other companies after last year's departure of Chief Executive **Tim Leiweke**, prompting the sports business giant to wage a fight against one of the defectors.

**Shervin Mirhashemi**, former president of AEG's global partnerships division, left in July to open an L.A. office for rival **Legends Sports**, a move that was followed by the exit of **Bill Pedigo**, senior vice president of partnership sales, who went to San Diego's **Competitor Group Inc.** in November.

But it was Mirhashemi's alleged poaching last month of another senior AEG employee, **Michael Tomon**, that has rankled AEG officers.



Pedigo | Mirhashemi | Tomon

The company has launched a legal fight against Mirhashemi, claiming that he stole trade secrets and violated a nonsolicitation clause.

The fight comes as Southern California has emerged as a player in the sports world's big-money sales and partnership industry. The business involves not only negotiating multimillion-dollar naming

*Please see SPORTS page 30*

# Tower Developer Set to Take Run At Miracle Mile

**By BETHANY FIRNHABER** *Staff Reporter*

Miracle Mile is inching closer to gaining a new 13-story office tower – the first to be built in the area in more than a quarter-century.

After submitting preliminary plans to the city more than a year ago for a steel-frame building at Museum Square, developer **J.H. Snyder Co.** has begun to move through the approval process.

The city of L.A.'s Planning Department released a draft environmental impact report on the project for public review early last month, and

*Please see REAL ESTATE page 31*

Fresh Face: Joel Ravitz, left, with new CEO Mark Minichiello, at Quincy Cass Associates in West Los Angeles.

RINGO H.W. CHIU/LABJ

# NEW AGE

L.A.'s oldest investment firm decides time's ripe to tap 'young' CEO.

**By MATT PRESSBERG** *Staff Reporter*

When Quincy Cass first set up his investment firm, there were no Bloomberg terminals that could track any stock in the world. Nobody paid attention to CNBC, because the channel didn't exist. Neither did television. The Securities and Exchange Commission wouldn't be created for another dozen years.

**Quincy Cass Associates** was founded in 1922 in downtown Los Angeles and

*Please see INVESTMENT page 30*

# Super Heroes Fight Over Fanboys

**EVENTS:** Multiplying comic cons spar for world domination.

**By JONATHAN POLAKOFF** *Staff Reporter*

What's that monster towering over the pop culture world? It's comic con-zilla.

Comic cons, or pop culture gatherings where thousands of costumed attendees celebrate comic book characters and related TV shows and movies, are expanding all over the country. Smaller productions are trying to replicate the popularity of annual geek get-together Comic-Con International in San Diego, the industry leader.

One player in the rapid growth of comic cons is a

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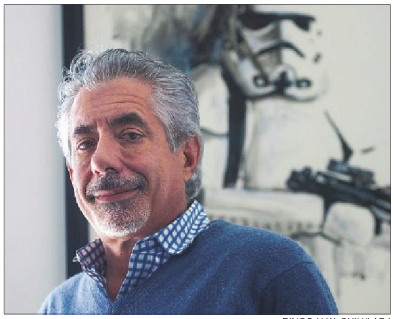
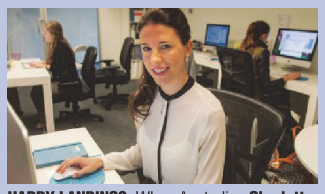


RINGO H.W. CHIU/LABJ

**Booker: Wizard World's John Macaluso.**

**SPECIAL REPORT**
IMMIGRANT ENTREPRENEURS



**HAPPY LANDINGS:** When Australian **Charlotte Crivelli** arrived in the States, she was taken by the excitement and enthusiasm of Americans. She started a communications firm in Santa Monica, becoming one of seven immigrant entrepreneurs profiled in this special report.

**BEGINNING ON PAGE 16**

**Business Hall of Fame Awards**

Join us as we honor the **2014 Business Person of the Year** and the **top-ranked companies** from the Book of Lists!

Luncheon and Awards Ceremony **March 18, 2014** 11am-1:30pm

For more information, see page 12

# Investment: 'Youth' Served at L.A.'s Oldest Firm

*Continued from page 1*

moved to West Los Angeles in 1986. It's an old firm with old clients and an old investment team. The company's research director, 89-year-old **Frank Foellmer**, the late founder's son-in-law, holds certification number 807 out of 112,966 from the CFA Institute for investment professionals.

Today, the management of Quincy Cass wants to give a new look to an old-fashioned company. The firm named 46-year-old **Mark Minichiello** as president early this year, and it's looking to add a handful of younger investment advisers. And for the first time in its history, Quincy Cass is spreading the word in industry circles to try to get new clients in order to ensure the firm's long-term survival.

"We never looked for clients because they were all family, friends or referrals," said **Joel Ravitz**, the 68-year-old chairman of Quincy Cass. "The world has changed and we want to make Quincy Cass known. We've been a very well-kept secret for a long time."

However, as it builds for the future, the firm will preserve the founder's philosophy. Quincy Cass was a deep-value investor who was as conservative in his stock picks as he was in his wardrobe, and this was a man who never went to the office without his hat.

"I want Quincy Cass Associates to continue on with the sensibility that Quincy had," said Ravitz.

The firm would not disclose the amount of its assets under management; Ravitz would only say "low nine figures."

It's L.A.'s oldest money management firm that's still running. The next oldest, **Capital Group**, was founded in 1931, and after that is **Everett Harris & Co.**, founded in 1937.

RINGO H.W. CHIU/LABJ

**Time for Change: Joel Ravitz, left, with new Chief Executive Mark Minichiello, at West L.A.'s Quincy Cass Associates.**

## Deep value

Cass was a Southern California native who graduated from Stanford law school and practiced law for years. He initially founded his firm to manage money for family and friends, and in the 92 years since, not much about this mission has changed. The firm still takes a conservative, bottom-up approach, starting by determining a client's goals and developing an investment plan from there. Clients are wealthy individuals and their family members.

"This was a family office before that became a hot name," said Ravitz. "We still manage five generations of Cass family funds. This sets the tone for the culture of the firm."

Ravitz worked alongside Cass for more than 13 years and fondly recalls the man's old-school mentality. Cass prohibited his staff from walking the hallways in shirtsleeves because he believed it unprofessional to be in a public space without wearing a suit jacket. He once told Ravitz about his dismay when he saw the first person on the floor of the old Los Angeles Stock Exchange who had the temerity to wear a sports jacket.

Cass' personal style might have been of a different era, but his value-driven investment philosophy remains relevant today. He believed in buying strong companies in basic industries that paid high dividends and holding them for an extended period of time.

"As archaic as he seems, his investment advice is absolutely sound today," said Ravitz. "He was a Warren Buffett before Warren."

Minichiello is only the third president of Quincy Cass Associates and the first not from the Cass family. Nearly 30 percent of the firm's clients have been with Quincy Cass since at least the 1950s.

The office staff sticks around, too. **Rebecca Terrazas**, an executive vice president, is 57 and is celebrating her 40th anniversary at the firm. **Lupe Benitez**, 40, the company's director of client services, has been there 21 years.

## Marathon man

Quincy Cass retired as president in 1976 but never stopped working. He died in 1984 on a Monday; he'd come to the office the previous Friday. Charles G. Bragg, another son-in-law of Cass, succeeded him and died in 2001. Ravitz chose to remain in his role as chairman and keep the presidency vacant until he found the right successor – who was just down the hall.

Minichiello had moved from his hometown of Chicago to Los Angeles in 2004 to serve as a subadviser to a mutual fund, and he rented space in Quincy Cass' office. As he and Ravitz got to know each other, they found that they saw eye to eye on their investment philosophies.

Minichiello joined the firm in 2009, was promoted to chief investment officer the following year and stepped into his new role Jan. 1, tasked with finding new clients and becoming the face of the next generation of Quincy Cass.

"He can relate better to younger people," Ravitz said. "That's part of his portfolio here, to be the young guy in the firm."

Ravitz gets in about 9 a.m. and works late, while Minichiello gets to the office at about 6 a.m. and leaves about 3 p.m. so he can squeeze in an afternoon run. He's a marathoner, so he doesn't worry about other joggers sprinting ahead of him, just keeping a consistent pace.

The firm he now heads has been through numerous market cycles, depressions and wars, always relying on a slow and steady approach to keep moving forward.

"We really are the tortoise," said Ravitz. "We're going to be around for the next 90 years."

# Sports: Rival Makes Play for Departed Executives

*Continued from page 1*

rights for sports venues but also more mundane, yet no less lucrative, deals to sell beverages, banners, parking lot signage and other assets. Sports sponsorship spending in North America was estimated at $13.7 billion last year, according to an annual report by consulting firm IEG.

With the announced purchase of New York sports firm IMG by Beverly Hills talent agency **William Morris Endeavor** in December and the growth of homegrown firms such as **Premier Partnerships**, the entrance of New York's Legends into the market has further marked Los Angeles as an epicenter of the business.

That expansion has created opportunities for talent to make a move.

Leiweke

**'When Tim Leiweke left, I think it may have signaled a time for others to look at other opportunities and leverage what they did at AEG.'**

JEFF MARKS, Premier Partnerships

"When Tim Leiweke left, I think it may have signaled a time for others to look at other opportunities and leverage what they did at AEG," said **Jeff Marks**, managing director at Premier. "Los Angeles has become a new hub of partnership marketing."

While Legends is seen as having different strengths from AEG, such as selling premium seating, the Mirhashemi hire is viewed as an attempt to bolster its sponsorship capabilities.

**Keith M. Gregory**, an attorney who reviewed AEG's case against Mirhashemi and Legends for the Business Journal, said such lawsuits are often aimed at more than one audience.

"It's done as a way not just to send a message to the person who left to make sure that they better comply with the contract, but also as a message sent to the current employees that are still there to say if you leave and provide confidential information or poach people away, we're not messing around and you could be subject to a lawsuit," he said.

## Departures

The wrangling comes at a time of high-profile transition for AEG. A year ago, **Philip Anschutz** was soliciting bids for AEG, only to pull it from the market when he did not receive bids close to the $10 billion he was seeking. At the same time, AEG announced the departure of Leiweke, its chief executive since 1996. The moves raised doubts about its ability to finish downtown L.A. football stadium Farmers Field, though Anschutz has said publicly that he remains committed to the project. **Randy Phillips**, chief executive of subsidiary AEG

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