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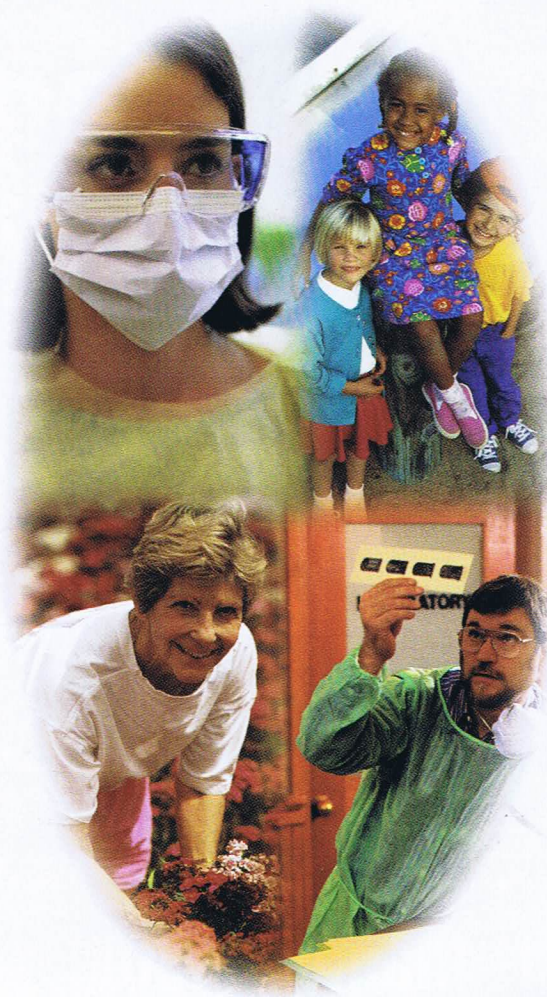
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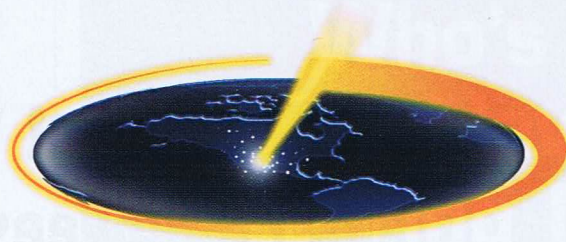
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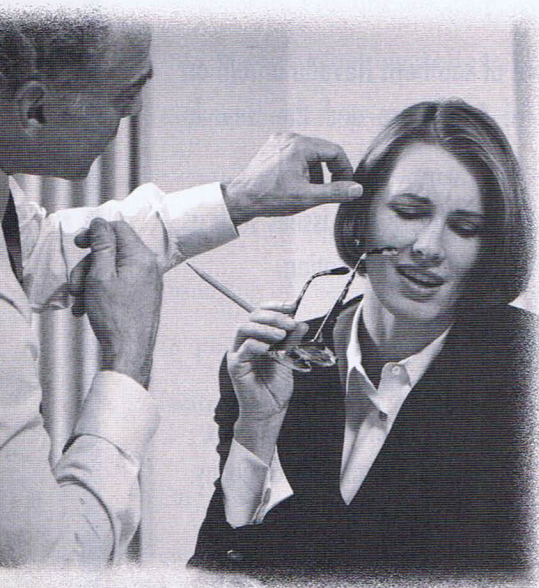
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COMMENTARY

LYLE E.
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Protect Your Company and Employees From Sexual Harassment Litigation



If you are an employer, there is a real possibility that, at some point, you will have to deal with the issue of sexual harassment. Even if your workforce is single gender, the threat of a sexual harassment lawsuit is a distinct possibility.

But the words "sexual harassment" need no longer strike fear in the hearts of employers. Thanks to a new U.S. Supreme Court ruling, employers can protect themselves from most, if not all, sexual harassment lawsuits. Through the establishment and implementation of an anti-harassment policy, for the first

time, companies have the ammunition to protect themselves from sexual harassment lawsuits.

Last summer the Supreme Court handed down two rulings dealing with sexual harassment. The rulings are a mixture of good-and-bad news for employers, with the good far outweighing the bad.

On the downside, the court made it clear that companies are liable for the illegal behavior of supervisors, even if top management is not negligent and has no knowledge of the supervisor's actions.

But the Court also gave employers common-sense guidelines on how they can protect themselves from sexual harassment lawsuits. With almost 16,000 sexual harassment cases filed with the Equal Employment Opportunity Commission (EEOC) in 1997, the new ruling offers businesses the best hope for insulating themselves from sexual harassment lawsuits.

The ruling gives both the employer and employee clear responsibilities for dealing with harassment issues. Employers must put in place an "affirmative defense," which requires them to develop, disseminate and enforce a corporate policy against sexual harassment. It is the responsibility

of employees to take full advantage of the policy.

If an employer has an effective policy and the employee does not use it, there is no case for sexual harassment.

Developing an anti-harassment policy is not difficult. It must contain certain elements in order to provide your company with maximum protection under the new Supreme Court rulings.

With courts awarding hundreds of thousands of dollars to victims of sexual harassment, it is critical for all companies to develop and implement a written policy. And, while there is no bulletproof protection from sexual harassment litigation, the rulings offer businesses new hope for protecting their companies, and employees, from harassment.

Suggested Guidelines For Developing An Anti-Harassment Policy

- Create a written policy that is distributed to all employees and recirculated at least once a year.
- Include a statement indicating that all forms of sexual harassment are against company policy and will not be tolerated from anyone, including supervisors and customers.
- Communicate a clear understanding of what behavior constitutes sexual harassment.
- Incorporate a training program for supervisors and managers.
- Establish a strategy for responding to, and resolving, complaints.
- Make sure the policy includes an encouragement for employees to complain early, before the matter gets out of hand. Assure them that retaliation will not be tolerated and that every effort will be made to maintain confidentiality.
- Once the policy has been developed, make sure that all employees read and return a signed copy to management.
- Seek legal counsel to review the policy before it is distributed.



COMMENTS? e-mail: lb.nbj@usa.net

**The Supreme
Court's recent
ruling on sexual
harassment
demonstrated a
common sense
approach not
usually found in
our nation's
highest court.**

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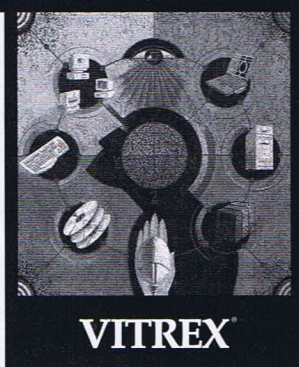
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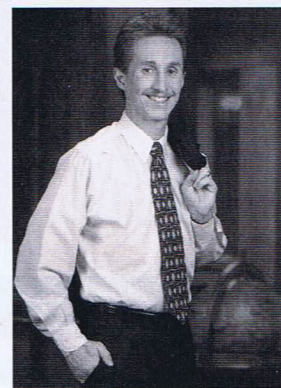
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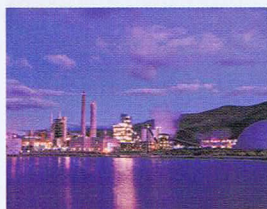
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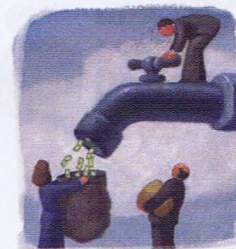
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**EMPLOYEE
RELATIONS**



Knowing when to let go

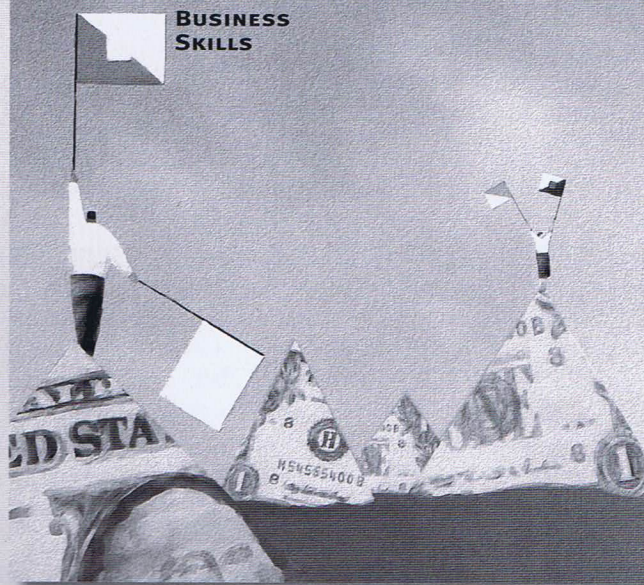
Even amidst the current tight job market, a new study suggests company executives are divided over desperate measures designed to retain employees. While the initial urge is to present a counteroffer, Robert Half International reports that 42 percent of CFOs recently surveyed would refrain

“Some managers may harbor lingering doubts about an employee’s loyalty.”

– MAX MESSMER, CHAIR/CEO
ROBERT HALF INTERNATIONAL

from such proffers. Though counteroffers are often made impulsively, they do present long-term issues. According to Max Messmer, Robert Half International chair and CEO, managers “should first uncover all the contributing factors that led the individual to explore other opportunities – and then take a hard look at whether these problems can truly be resolved. Some managers may have lingering concerns about an employee’s loyalty after a counteroffer is accepted.” Also, be prepared for challenges from other staff, who may learn of the agreement and question their own salaries.

**BUSINESS
SKILLS**



THE ART OF NETWORKING DEFINED

WHILE MOST EVERYONE AGREES ON THE IMPORTANCE OF PROFESSIONAL NETWORKING, CONSULTING FIRM RUNZHEIMER INTERNATIONAL OFFERS A FEW KEY POINTS DESIGNED TO MAXIMIZE THE FRUITS OF DEVELOPING AND SUSTAINING BUSINESS CONTACTS. FIRST, DON’T ASSUME QUALITY NETWORKING CAN ONLY BE ACCOMPLISHED IN PERSON; TELEPHONES ARE IDEAL WHEN DISTANCE BARRIERS SEPARATE CONTACTS, AND E-MAIL REPRESENTS A GOOD

ALTERNATIVE FOR THOSE SEEKING TO REACH NUMEROUS CONTACTS AT ONCE. ALSO, DON’T CHAMPION THE COCKTAIL PARTY AS AN IDEAL MEETING GROUND. “SUCH CONTACTS TEND TO BE BRIEF AND QUITE TRIVIAL,” EXPLAINED SENIOR RUNZHEIMER CONSULTANT ROLFE SHELLINGER. DON’T OVERLOOK THE IMPORTANCE OF NETWORKING WITHIN YOUR ORGANIZATION, AND DON’T CONFINE EXTERNAL NETWORKING TO YOUR OWN INDUSTRY.

THE ECONOMY



Business leaders expect strong hiring activity

Given the recent press received by the potentially slowing national economy, it may surprise some to note a recent survey conducted by Manpower Inc. projects upbeat hiring patterns in this year’s first quarter. The Employment Outlook Survey revealed 23 percent of the 15,000 polled firms plan to increase their workforce in the first quarter, while 63 percent expect no change. This compares favorably to 1998’s rapid-growth first quarter, when the same survey showed 24 percent anticipating increases and 62 percent expecting to remain unchanged. “Aside from expected seasonal factors, there is no indication that the labor market is facing significant layoffs or downsizings,” observed Manpower CEO Mitchell S. Fromstein.



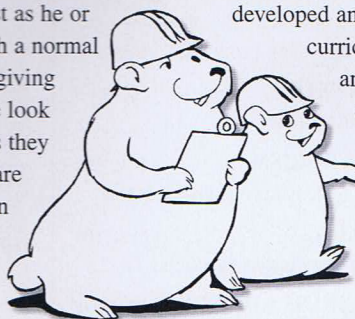
MENTORING

A new kind of shadow to appear on Groundhog Day

Though most people generally look for the shadow of the groundhog on February 2, a national effort is underway to earmark the day for a new kind of “shadowing” experience. America’s Promise is urging members of the business community to invite youngsters into the workplace on

February 2 for job shadowing. Students can spend time with a workplace host as he or she goes through a normal day on the job, giving kids an up-close look at how the skills they learn in school are put into action in the workplace. To ensure students benefit academically from

job shadowing, the National School-to-Work Office has developed an extensive curriculum educators and employers can use in conjunction with the event. For more information, call Veronica McGarry at (202) 452-9441.



CONSULTING



The growing market for financial consultants

Finance executives have chosen an ideal time to pursue consulting in record numbers. Companies are increasingly relying on consultants as rapid expansion, mergers and new technologies require managers to establish greater staffing flexibility. In the current economy, the rising numbers of consultants hold mutually rewarding benefits. "Project-based work offers financial professionals the opportunity to not only further develop their skills, but also explore different industries," notes Cecil Gregg, executive director of RHI Management Resources. "From the perspective of companies faced with mission-critical work [lacking] available full-time staff to complete it, consultants with specialized experience are highly valued."

EDUCATION



Nevada AGC introduces education program

The Nevada Chapter of Associated General Contractors is taking part in a national program designed to teach children about the basic principles of construction. Using hands-on activities, Build-Up! – A Toolkit for Learning integrates into existing curricula a "real world" basis for math and science applications. Though the toolkits are valued at \$185 each, the Nevada AGC is providing them free of charge to fifth grade teachers in Northern Nevada. The kits contain teachers' guides, a book and video, posters, classroom exercises, learning guides and "building" supplies for 30 students. The AGC will make 150,000 Build Up! toolkits available nationally by February; for information about obtaining a kit for a classroom, call Cathy Hartman at (702) 329-6116.

SMART INVESTING

BUY THE BUSINESS, NOT THE STOCK

It's almost impossible these days to turn on the television or open a newspaper without hearing or seeing something about the recent volatility in the world's stock markets. We seem to have turned into a nation obsessed with tracking stock prices along with the political scandal of the day. Being aware of how the economy and how stock prices are performing is a good thing. However, focusing too intently "on the market," as opposed to the underlying business fundamentals of the companies you own, actually increases your odds of losing money.

There's an old Wall Street adage that says, "It's not a stock market, but a market of stocks." On any given day "the market" is up or down, yet, the shares of a number of individual companies will often move in the opposite direction. For example, just this last August, as the Dow Jones Industrials plummeted 14 percent because of the Russian/Asian debt crises, shares of Amoco were up 10 percent because of a merger announcement.

Individuals aren't the only ones losing sight of the original purpose of the securities exchanges; even professionals, such as mutual fund managers, have fallen into the trap of "playing the market." A recent university study indicated that upwards of half the daily volume on the New York Stock Exchange was "noise" – trades



**BY MICHAEL
L. DIERSEN**

A recent university study indicated that upwards of half the daily volume on the New York Stock Exchange was "noise" – trades executed only to make a quick profit in the market, without any real knowledge of the underlying business fundamentals. That's more akin to gambling than investing.

executed only to make a quick profit in the market, without any real knowledge of the underlying business fundamentals. That's more akin to gambling than investing.

If you study the writings of some of the world's greatest investors, such as Warren Buffett or Peter Lynch, they say they ignore the day-to-day fluctuations of the stock market. However, they pay very close attention to the underlying fundamentals of the businesses in which they invest.

The thought process for buying stocks or stock mutual funds is really no different than if you were going to purchase a business of your own. You'd want to identify a company with good products, sound financials, a proven track record, as well as management and employees committed to making the business a continued success. After you had identified such a firm, you would determine if you could buy it at a fair price. It's not likely that you'd allow events in other parts of the world deter you from buying the company, as long as those events did not

represent a substantial long-term impact. As logical as this process sounds, people "playing the market" often refrain from making purchases during market drops when such times actually represent the best chance of obtaining a real bargain for shares of quality companies. ➤



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SMART INVESTING

continued

In the short run, market prices may fluctuate downward, but in the long run, management will make the necessary adjustments to ensure profitability. Investing in high-quality businesses has historically been one of the best ways to create wealth.

After buying a good business, you would not "trade" the business the next day for a quick one-point profit but would continue to own it as long as it was earning money. If there were an Asian or Russian crisis you would not panic and immediately sell the company. Instead, you would do a careful analysis to determine what impact these events were likely to have on profitability and then make any necessary adjustments to keep the business competitive.

This is exactly what the managers of America's great corporations are doing right now. As a shareholder, you've hired these managers to act in your best interest. Certainly in the short run, the market prices of these businesses may fluctuate downward, but in the long run, management will make the necessary adjustments to ensure profitability. If you or your money managers have done the homework, there will be no reason to panic and sell. Virtually every year there is a world crisis of some sort, but the world has not ended yet. Investing in high-quality businesses has historically been one of the best ways to create wealth.

The next time you contemplate purchasing a stock, realize that the stock or stock fund is merely the vehicle that allows you to buy part ownership of quality businesses. Ignore the day-to-day fluctuations in prices caused by speculators playing the market and instead focus on the fundamentals of your underlying business portfolio. In buying the business, instead of the stock, not only will you sleep better at night – you'll also make more money in the long run. 🌿

Michael L. Diersen, a 15-year veteran of the securities industry, is senior vice president of Wedbush Morgan Securities and president of MLD Investment Advisory, Inc. He currently manages more than \$55 million for over 700 clients across 23 states.

QUICK QUOTES

Stock volatility renews interest in re-pricing

Although the stock market's roller coaster ride is encouraging more companies to consider re-pricing the stock they give to executives, Deloitte & Touche, LLP, a professional services firm, wants to remind companies that several issues accompany such a decision.

Stocks have long been a key component of executive compensation. However,

"Re-pricing may be disruptive to shareholders, who may view the action as rewarding poor stock performance."

— DAVID INSLER
DELOITTE & TOUCHE

problems emerge when a company's stock price falls significantly below the exercise price of its stock options. The dilemma is especially critical in industries such as high-tech, real estate and healthcare, where keeping employees represents a major challenge.

"Re-pricing stock options can be disruptive to shareholders, who may view the action as rewarding poor stock performance," explained David Insler, a partner in Deloitte & Touche's Human Resources Strategies Group, Western Region. As an alternative, Insler notes the possibility of re-pricing options for employees, but not executives or directors. "This will send a message to the markets that the company wants to maintain employee morale, but is not rewarding executives for poor stock market performance," he said.

Some alternatives to stock option re-pricing Insler suggested include accelerating the date for next year's option grants, increasing future grant size, changing or extending the vesting schedule or reissuing options at a premium to the current price.

"The bottom line is that a company must weigh all of these factors before making a decision," Insler concluded. "In some cases, they may discover that the threat of losing quality executives outweighs other issues. They may also find an alternative to re-pricing that still achieves their goals." 🌿

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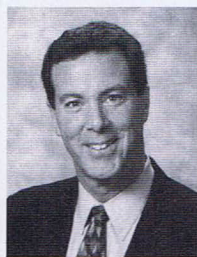
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NEVADA LEADS FIGHT AGAINST FEDERAL THREAT TO TOURISM



BY TOM TAIT

Nevada's tourism industry narrowly dodged a big bullet at the tail end of the last Congress in October.

We won a 2½-year reprieve in implementing a red tape exercise at U.S. borders that

threatens to slow the growth of tourism, and deter the visitors who fill our hotels and gamble in our casinos. The reprieve until March 31, 2001, allows us time to marshal our travel, tourism, transportation and trade industries, and every business that depends upon them.

The Travel Industry Association of America asked me and David Evans, senior vice president of Starwood Hotels and Resorts, the parent of Sheraton and Westin hotels, to co-chair a national industry effort to halt this bureaucratic boondoggle.

A cumbersome data-gathering system, devised under Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, would force all travelers to undergo U.S. Customs checks not only entering the country, but – for the first time – leaving as well! Purportedly, the system would produce data that eventually could identify visitors who overstayed their visas. But it provides no means of apprehending or removing them or other individuals who are in the United States illegally. All it would do is create a hassle for legitimate tourists, who would be stuck in traffic lines at our borders with Canada and Mexico, Nevada's No. 1 and No. 7 sources of international visitors.

Like other ill-conceived regulations, Section 110 crept along the road to passage without much fanfare and nearly was implemented three months ago on October 1. Had we not put up a fight,

we'd be stuck with tourism-killing gridlock at all land and sea border points. As it is, Congress went ahead and implemented the program at international airports. Luckily, we have a second chance

to prevent its installation at land and sea-port entries, where it would hurt the most.

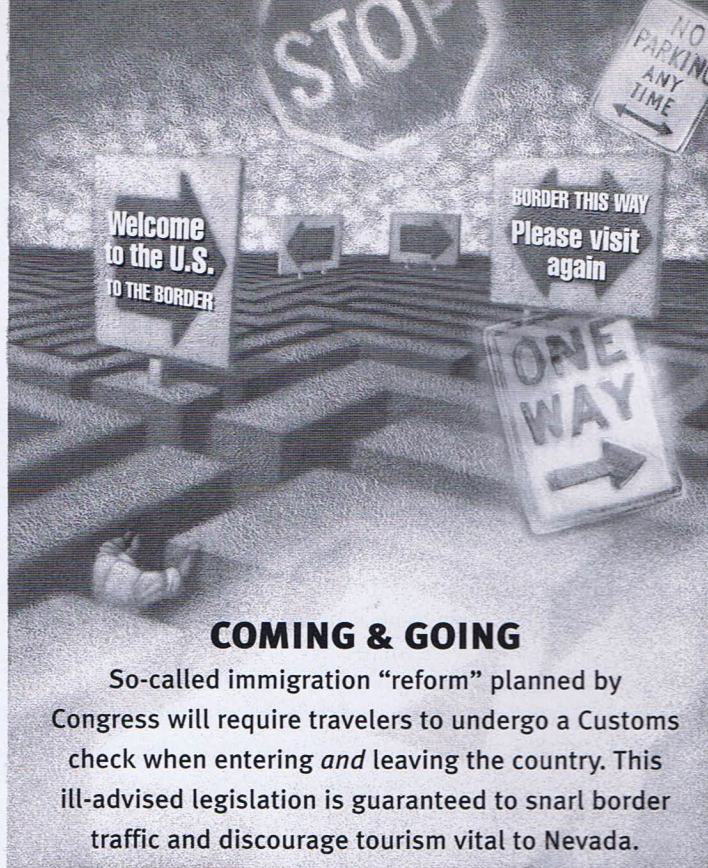
Tourism drives Nevada's economy. If we "build it," and they don't come, we lose money and jobs. We are doing a lot of building, particularly in Las Vegas – Nevada's largest single source of state tax revenue. By 2001, Las Vegas will have 125,000 hotel rooms to fill, 16,000 which are not yet built.

We need to make it convenient for tourists to visit the United States, not put up roadblocks. If additional data gathering and record keeping are needed, let's first provide technology that can accomplish these tasks without aggravating, and ultimately discouraging, the tourists who provide our bread and butter.

We in Nevada's business community can seize this opportunity to join forces through our chambers of commerce and other organizations and associations and speak in unison to our elected representatives in Nevada and Washington, where the battle will resume all too soon.

Let's not wait until it's too late. Let's tell them now to revise Section 110 to prevent it from disrupting tourism. 🌵

Tom Tait is co-chair of a national effort by the Travel Industry Association of America and Americans for Better Borders to halt Section 110. He is also executive director for the Nevada Commission on Tourism.



COMING & GOING

So-called immigration "reform" planned by Congress will require travelers to undergo a Customs check when entering *and* leaving the country. This ill-advised legislation is guaranteed to snarl border traffic and discourage tourism vital to Nevada.

TRAVEL TRENDS

Southwest renews commitment to Nevada

Southwest Airlines has renewed its commitment to Nevada's major tourism markets by stepping up service substantially. First, the airline is slated to add non-stop service starting January 16 from Reno/Tahoe International Airport to three Texas markets – Austin, Houston and San Antonio. The service should

Southwest Airlines is expanding service from Reno/Tahoe International by adding non-stop flights serving three major Texas cities.

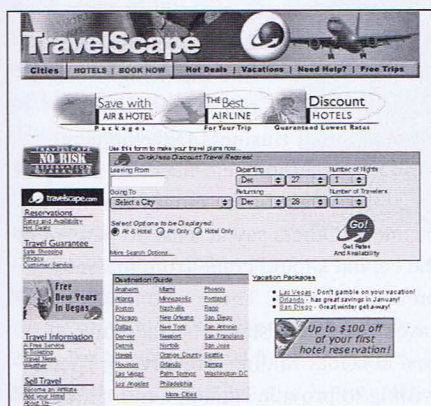
help boost tourism between Reno and Texas, a state to which Reno/Sparks Convention and Visitors Authority officials have been looking recently as a potential source for new tourists.

Southwest also recently announced the addition of long-haul flights on a weekly basis from Las Vegas to Baltimore, Cleveland, St. Louis, Tampa and Orlando. The service is scheduled to begin January 14, with one-way rates as low as \$99. The additional flights come as welcome news

TRAVEL TRENDS

to Las Vegas-area tourism officials, who have long decried the consequences of declining air traffic into McCarran International Airport. Southwest constitutes the number-one carrier at McCarran, with 140 regularly scheduled daily flights. Between Southwest's announcements and the launching this quarter of Las Vegas-based National Airlines, hopes are high in the community that air traffic into the region may again take off.

Firm takes Internet travel services to next level



Las Vegas-based travelscape.com, a company already posting a positive track record in the \$2 billion online travel services market, recently established a new Web site that it's supporting with a multi-million dollar advertising and marketing campaign. The company has designed its Web site to simplify and improve the online travel planning experience.

Travelscape.com features Click.Less architecture and a transactional engine allowing comparative shopping and customization of all-inclusive trip packages. The company expects to attract 100 million monthly impressions via co-marketing agreements with more than a dozen Internet gateways and hubs, including AT&T WorldNet and Earthlink. It will also have co-branding and revenue sharing agreements with the *Washington Post*, *San Francisco Chronicle* and other online publishers and destination sites. The company's partnerships with hotel properties, airlines and car rental agencies will enable it to provide below-market fares, special rates and preferential prices for customers. 🌿

CUTTING EDGE

BY BOB FELTEN

MY VIEW FROM JUST OUTSIDE THE CUTTING EDGE

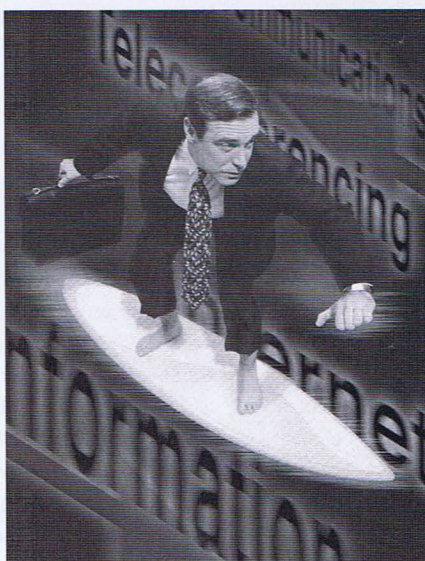
Interesting phrase, *Cutting Edge*. To some, it sounds painful. Others believe it's the place they just have to be. Most of us want to know about it, but we aren't sure we need to visit right now. The cutting edge is like a remote vacation spot. We'll let our adventurous neighbor go there and report back before we'll risk our time and money on the trip.

So what about new technology, state-of-the-art gadgets and cutting-edge methods? How comfortable are you with them? Be honest with yourself. Were you the first person you know to get a cell phone, personal computer or even a Web site?

If you are on the cutting edge, you're relatively unusual. Only a small percentage of the population is composed of "early adopters." That's the group that embraces new technology and new products. The rest of us are more conservative, more difficult to convince, more set in our ways.

Even in business, where there's a strong profit motive for being on the cutting edge, many go there only reluctantly and never seem to find it a comfortable location. Some remain distrustful of and intimidated by new technologies.

Personally, I freely admit to living just outside the cutting edge. And I'll be writing this column from that vantage point: just outside the cutting edge.



Now, I don't want you to think I'm opposed to change. Quite the opposite. I love all that is new. I'm filled with admiration for those who have brought us all the cool gadgets that make every day easier. Still, I'm a Nevadan. I'm saddled with a certain economic conservatism, appreciation of common sense and love of individualism. These attributes are not al-

ways at the top of the high-tech priority list. My approach can be summarized simply: if someone wants to give me all the new high-tech items meant to make my business and personal life easier and better, I will happily accept them and use them. If they want me to pay for them, I will proceed a little more slowly.

I'll assume most of you also have to pay for things. This column will look at the cutting edge with that thought in mind. I'll discuss new technology, gadgets and methods from a practical perspective. And I'll remember it's not always the creator of a new invention who gets rich from it, but rather the innovator who discovers its best use. I won't be worried too much about comfort on the cutting edge, but I will be looking for common sense. 🌿

Bob Felten is an account executive and creative director with Innerwest Advertising in Reno. He has more than 25 years' experience in marketing communications. E-mail him at bob@innerwestadv.com.

A safer way to bank?

Bank of America is testing new security and safety features on its ATM VERSATELLER machines at two Las Vegas branches. Key features of the No Cash Security Advisor include flexible light level sensing that closes an ATM if there's little or no light and a red/green Cash/No Cash light designed to provide a universal and multicultural indication of whether the ATM is operating normally. Patrons of the bank's 4795 South Maryland Parkway and 1933 West Craig Road branches can see the features in action. According to company spokespeople, Bank of America intends to add the safety measures to branches and ATMs as they open.

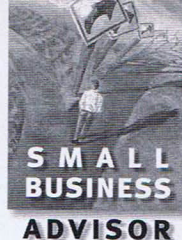
Lucent Technologies rewires Summerlin

Las Vegas' Summerlin master-plan is participating in a \$22 million agreement with Lucent Technologies to provide advanced residential communications networks in thousands of new homes. Lucent's Home-Star Wiring System will support voice, video and data technologies throughout homes. Residents will be able to surf the Internet at the fastest available speeds, chat with neighbors via a community in-

"The agreement assures residents will move into the next century positioned as technology leaders."

— STEW GIBBONS
THE HOWARD HUGHES CORP.

tranet and see who's at the front door by changing the TV channel or picking up the telephone. "The Lucent agreement assures that Summerlin residents will move into the next century positioned as technology leaders and trendsetters," said Stew Gibbons, senior vice president of The Howard Hughes Corp.'s Summerlin division. "As a master developer, we are pleased to embrace technological solutions that take real estate development to higher levels." Lucent's agreement also includes Power Ranch in Gilbert, Ariz. and Sunset Lakes in Miramar, Fla. 🌿



CAPITALIZING YOUR BUSINESS

Whether for start-up or expansion, information about small business financing is available from a number of reliable sources

BY TOM DYE

A few years ago, I got a call from a man who wanted to talk to a reporter about his failure in business. I was surprised, to say the least. Usually, entrepreneurs call to tell me how great they're doing and ask if I can help them spread the word about their success.

The man came in for an interview with a tale of woe that gave new meaning to Murphy's Law of "What can go wrong, will go wrong." He plunged into the business because the concept sounded promising. He was tired of being an employee and wanted to live the American Dream of working for himself. The would-be entrepreneur had no knowledge or experience in the type of business he was entering; he had no clear business plan, either. He had about \$20,000 saved, but no idea how much money he needed because he had no financial projections. The business failed within a year.

I tried to think of something intelligent to ask him and finally said, "How much do you have left?" He reached into his pocket and put a handful of change on the desk.

His plight illustrates how not to start a business. Launching a business takes many things, including a great deal of financial planning and knowledge. About 50 percent of new businesses fail in their first year. A new business has to have enough money. And that's not easy to find in Nevada.

"Compared to other states, there are not as many resources for the small businessman in Nevada," said John Scott, district director for the U.S. Small Business

Administration (SBA) in Nevada. But there are ways to find financing. According to Sharolyn Craft, who heads the Nevada Small Business Development Center, an entrepreneur needs to put up at least 35 percent of the money for the business. Others say at least 50 percent of the capital should come from the entrepreneur's pocket. Those who haven't saved enough to start a business might first consider finding a relative or friend willing to provide capital, Craft added.

For those without such resources, the center, which is affiliated with the University of Nevada system and has a relationship with the SBA, is a good place to start. It counsels entrepreneurs about compiling a business plan, which is vital to obtaining a loan. You can find information on programs and seminars by calling the center's Las Vegas office (702-734-7575), North Las Vegas office (702-895-0852) or Reno office (775-689-6677).

Craft and other experts say entrepreneurs can often obtain favorable terms on a loan without a government guarantee. Entrepreneurs who maintain good working relationships with bankers have an advantage over those who must search for a lender. Despite the number of small banks and departments of larger banks in Nevada that specialize in working with small businesses, it's often hard for entrepreneurs to develop a working relationship with a banker, said Tom Guthrie, who heads the Southern Nevada Certified Development Corporation (CDC).

Fortunately, entrepreneurs aren't confined to banks when seeking financing.

The federal government licenses the CDC to finance small businesses. It assembles loan packages using the two most popular SBA programs: 7a and 504 loans. The programs guarantee 75 percent of bank loans of up to \$1 million and 80 percent of loans of \$100,000 or less. These guarantees make it more attractive for banks to make the loan, because they know the government will

repay should the borrower default. However, the borrower must have good credit, sufficient collateral (such as a home) and a secondary way to repay (such as a salary from another job) if the business fails. That's why many experts recommend you keep your current job while establishing your own venture.

One of the more agonizing experiences for any entrepreneur entails waiting for loan approval. The SBA has an arrangement with qualified lenders to bypass government bureaucracy and find fast answers on loans. The SBAExpress program allows the lender to make most of the approvals normally made by the government agency. The program, which has a \$150,000 limit, enables the borrower to receive an answer on a loan in about three days.

SBA-guaranteed loans usually charge two points above the prime rate and have arrangements for paybacks as long as 25 years. The rates on 7a loans are variable, which means they can change if the prime rate goes up or down. About one-fourth of all 7a loans are made by non-bank lenders, the National Federation of Independent Business reports. The fees for these loans are often higher, but the



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requirements are less stringent than those banks often impose.

Gutherie, who can be reached at 702-732-3998, said the SBA's 504 loan-guarantee program is good for companies seeking to finance new facilities or equipment for expansion. His operation can package up to a \$2 million loan for a borrower in which the certified development company provides 40 percent of the cost of the project at an interest rate of 7 percent, with 50 percent coming from a bank at its prevailing rate. The borrower is required to provide the capital for the remaining 10 percent.

The 504 program is valuable for entrepreneurs who want to own, rather

than lease, their buildings. The Amato Commercial Group packages loans and finds promising sites for entrepreneurs in the market for a building, said broker-salesman Marshall Mast. According to Mast, who can be reached at 702-242-6767, the tax advantages are similar to home ownership. Professionals, such as lawyers and doctors, and small retail operations, often use the benefits of the 504 program to buy an existing building or build a new facility.

Gutherie can put entrepreneurs in touch with

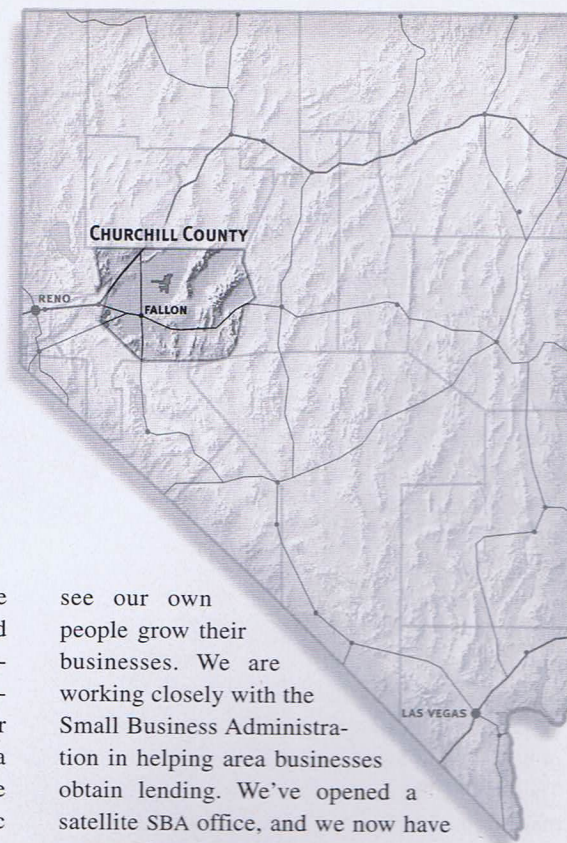
Small Business Investment Companies, a government-affiliated national network that provides venture capital. The Angel Capital Electronic Network is another useful government program; it consists of individual investors seeking to invest in promising companies. The deals these investors make with entrepreneurs vary from direct loans to purchasing stock in the new operation, or a combination of investments. According to Gutherie, the government also has programs to finance import and export firms, as well as those owned by minorities or women.

For more information, the Small Business Development Center offers a book with listings of financial sources called *Financing Your Business*. The SBA also has a hotline that provides information on its loans (1-800-UASKSBA).

Despite the gloomy talk about the difficulty of borrowing money, small business experts agree bankers are aggressive and want to make deals. Scott points out that SBA programs provided a record \$125 million in financing to 433 Nevada firms last fiscal year. That's promising news for those needing the financing necessary to take their business to the next level. 🌿

Churchill Economic Development Authority

*Pilot training grounds gunning
for an evermore varied future*



VITAL STATISTICS

POPULATION
23,860

AREA
4,913 square miles

MAJOR CITY
Fallon

**PRIMARY ECONOMIC
ENGINE**
Agriculture

MAJOR COMPANIES
Kennemetal,
SMI Joist,
Gemini Inc.

NEWER BUSINESSES
SMI Joist,
Gemini Inc.

YEAR AUTHORITY EST.
1986

EXECUTIVE DIRECTOR
Shirley Walker

**TRANSPORTATION
THOROUGHFARES**
U.S. Hwy 50 –
East/West
U.S. Hwy 395 –
North/South

AIRPORT
Fallon Municipal
Airport

RAILROAD
Union Pacific

You may think of Fallon as a sleepy little Northern Nevada town, and you'll find lots of evidence to support that view. Alfalfa and dairy farms dot peaceful Churchill County's countryside, and its population of just over 23,000 leaves plenty of room to breathe in an area that spans 4,913 square miles. However, one of the Lahontan Valley area's most important economic contributors brings with it far flashier images more reminiscent of Hollywood glamour: its Naval Air Station (NAS) Fallon is the training site for the U.S. Navy's "Top Gun" fighter pilots.

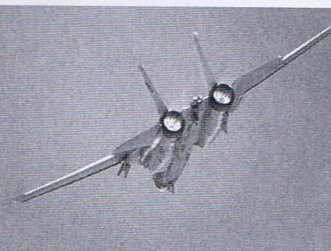
The contributions of NAS Fallon, established as a military airfield in 1912, extend beyond providing a regional claim to fame: the base accounts for 25 to 30 percent of Churchill County's economy. Add to that the fact that agriculture comprises one-third of the county's tax base, and it's easy to understand why the Churchill Economic Development Authority (CEDA) has adopted "economic diversification" as its buzz-phrase for the future.

Shirley Walker, executive director of the CEDA, will tell you that Top Gun training isn't the only exciting thing happening in the county. The CEDA's emphasis on attracting new business has drawn Arkansas-based SMI Joist, a company that manufactures joist supports for walls and ceilings, and Gemini Inc., which makes letters for signage. "We're trying very hard to diversify so we're not dependent on the base," Walker explained. "We are growing at a rapid rate, and we're currently working with several companies considering locating here. We've established ourselves as a retail hub for such nearby towns as Hawthorne, Lovelock, Austin, Yerington and Fernley." The retail landscape in Fallon has indeed changed dramatically in recent years; the town now has a highly successful Wal-Mart, and Rite-Aid, Taco Bell and Arby's have recently arrived in Fallon as well. Walker is especially proud of the homegrown businesses finding success in a more retail-oriented Fallon: "We love to

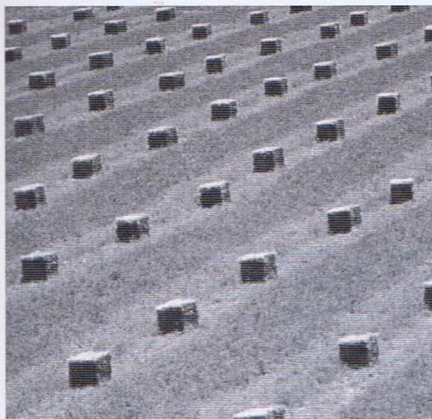
see our own people grow their businesses. We are working closely with the Small Business Administration in helping area businesses obtain lending. We've opened a satellite SBA office, and we now have a counselor situated here."

Such economic development is becoming increasingly critical to Churchill County. Although its farming community has dabbled in an eclectic variety of crops, including sugar beets and cantaloupes, alfalfa for Asian markets and dairy products for Californians represent its agricultural mainstays. Its alfalfa market "has become a little depressed" due to Asia's plummeting economy, Walker noted. As much as the Asian economy represents a source of concern for many economies, Walker talks of more long-range issues.

"Our biggest problem has always been the lack of an industrial park with an infrastructure in place," she stated. "The city of Fallon is making efforts to rectify that, and Churchill County is also working to locate an area suitable for more heavy industry." Though Fallon is just 26 miles from Fernley and its Nevada Pacific Industrial Park, as well as 60 miles from Carson City and Reno and their manufacturing/industrial sites, Walker says she's not worried about the competition. "The companies we have here looked into situating operations at Fernley, and they preferred to be here. We don't need to be competitive. The rural areas, Reno, Las Vegas – we all need to work together to accomplish what's best for the region. All of us need to look at that carefully. If a firm finds a better fit in Fernley, or vice versa, so be it. We want to bring companies in, and we want the best for them, but we also want the best for us. We want businesses that fit into the community, and we want jobs people will stay with and enjoy. We want our citizens to take pride in what we attract to the area."



*Naval Air Station Fallon
is home to the Top Gun
training program.*

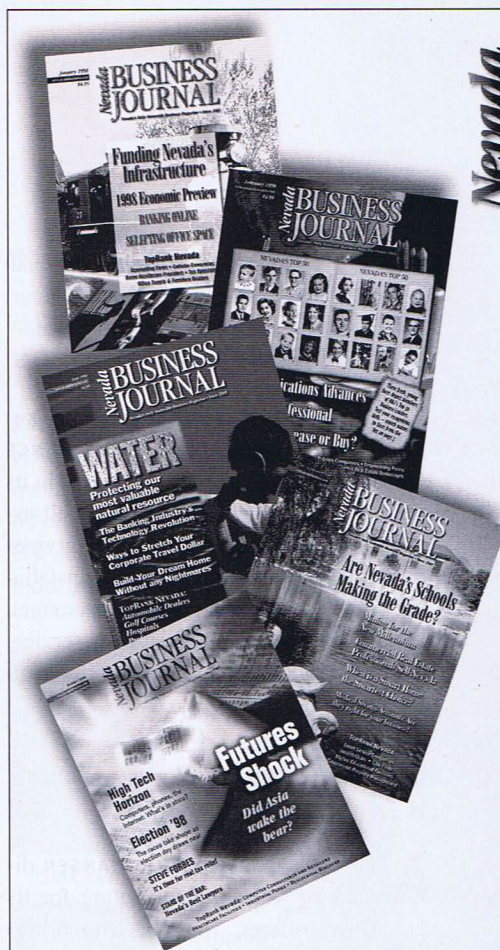


Churchill County's cash crop is alfalfa.

That civic pride is already evident throughout Churchill County. Its denizens regularly boast about its fine schools, virtually non-existent crime, clean environs and the recreational opportunities at such area attractions as Stillwater National Wildlife Refuge and Lake Lahontan. "Quality of life is a cliché, but we really do have it here," Walker asserted. "Our community is very interested in its young people; we have youth rodeos, sports clubs and many other activities geared toward youngsters." The city of Fallon is also rebuilding Old Oaks Park School to accommodate an arts council, regular theater events and cultural fund-raising dinners. The Churchill Community Hospital makes Lahontan Valley "the only rural region with the caliber of medical facility we have," Walker said. Reno-based physician-specialists make regular trips to the area, enabling residents to avail themselves of metropolitan-quality medical care.

What does the future hold for this regional economy, which has known everything from the boom-and-bust cycle of the mining industry to the perpetual roar of U.S. Navy fighter jets? "By 2010, I'd like to see our economy become fully sustaining, so we won't see the leakage from the community into Reno and California," Walker envisioned. A growing population may make that dream more attainable. If the county sustains its present moderate growth rate, it will see its 23,000 residents swell to nearly 35,000 in the next decade.

Churchill County's colorful history can perhaps shed light on its prospects for future economic success. Adaptability constitutes a key attribute for enduring success. The county's morphing economy mirrors the capacity for change characterizing the global economy, boding well for this Northern Nevada community's future. 🌱



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Business Banking – In today's ever-evolving business world, banking options expand almost daily. How do you know which banking alternatives are right for your firm?

Tourism Diversification – As Nevada's tourism industry faces its toughest times for competition ever, read about what members of the state's tourism markets have planned for attracting new kinds of visitors.

Hotel Development – A boom in non-gaming hotels catering to business travelers is underway in Southern Nevada. Take a look at the offerings, and learn whether this hospitality submarket is in danger of becoming overbuilt.

Small Business Advisor – Planning for your company's short- and long-term goals.

Smart Investing – Is it time to buy bonds?

Regional Spotlight – Eureka County Economic Development Council

DON'T MISS IT!

BANKING & FINANCE

MICHAEL RICE joined GOLETA NATIONAL BANK as vice president and division manager for the SBA financing division. Rice, formerly vice president of sales for The Associates, will be based out of San Rafael, Calif. and will oversee SBA lending offices in Nevada and California.



BANK OF AMERICA appointed **BRENDA O. MEAD** senior vice president and area manager for its new private bank division for the state of Nevada. Bank of America

also named two new branch managers. **STEPHANIE ROMERO** is now assistant vice president and branch manager for the bank's Laughlin Branch, while **JEFF HAYWARD** was named assistant vice president and branch manager for its Winnemucca location.

MCGLADREY & PULLEN, LLP named two members of its Las Vegas office to the firm's partnership. **DANIEL T. GERETY** and **TIM J. TIEFENTHALER** are two of 27 new partners and five new principals for the company, the nation's seventh largest accounting and consulting firm.

FIRST SECURITY BANK OF NEVADA in Las Vegas appointed **BRUCE FORD** senior vice president/credit administrator. Ford has more than 13 years' banking experience, including posts with Nevada State Bank, Security Pacific Bank, First Interstate Bank and Pioneer Citizens Bank, where he most recently served as lending center manager.



MICHAEL J. SMALL

MICHAEL J. SMALL, CPA joined **DELOITTE & TOUCHE LLP** as a tax director for the firm's Las Vegas office. His duties include serving the tax consulting and compliance needs of the firm's clients. Small

was most recently a shareholder in O'Bannon Dunn & Small, CPAs.

BUSINESS SERVICES

COMPUTING RESOURCES, INC. announced the promotion of **VANCE WALKER** to payroll services manager in its Reno office. Walker now oversees all aspects of providing quality payroll services for CRI customers, including the installation process, all phone center personnel, payroll distribution and customer service. Walker joined CRI in 1995 as phone center manager.

DEVELOPMENT & REAL ESTATE

ATI TITLE appointed **DOUG HANSEN** director of sales and marketing for its Las Vegas offices. Hansen, who brings more than 18 years of sales and marketing experience to his post, handles all marketing, new business development and the supervision of company communications.



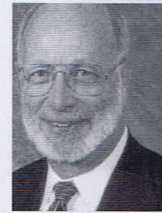
SAM STANDTLANDER



JASON BURNETTE

BURNETT HAASE CONSTRUCTION in Las Vegas appointed two assistant project managers in **SAM STANDTLANDER** and **JASON BURNETTE**. Most recently, Standtlander served as a tenant improvement coordinator for The Howard Hughes Corp. Burnette, who is also the construction firm's plan room coordinator, was previously a communications center supervisor in the Marine Corps. Both are responsible for contract administration, and Burnette also disseminates plans for the company.

DEL WEBB made several staffing changes in recent weeks. The developer promoted **KEN HULL** from vice president of sales and marketing for Sun Cities Las Vegas to general manager at Sun City Georgetown



BILL DIVELEY



SHANE SANCHEZ

in Texas. **CHRIS HAINES** was promoted to vice president of sales and marketing for Sun Cities Las Vegas. The developer promoted **DENNIS BACOPULOS** to general manager of Coventry Homes for Nevada and Arizona. Del Webb also announced the hiring of **BILL DIVELEY** as vice president of its community association management division, and **SHANE SANCHEZ** as head golf professional for the Revere Golf Course at Sun City Anthem.



AARON PARIS

Reno-based **DERMODY PROPERTIES** appointed **AARON PARIS** chief operating officer. Most recently COO and CFO of Los Angeles-based Tooley & Company, Paris has spent 20 years in the development and property management fields. His responsibilities at Dermody Properties include marketing, leasing, development and acquisitions.



KLIF ANDREWS

PARDEE CONSTRUCTION COMPANY promoted **KLIF ANDREWS** to vice president-project manager for the Las Vegas area. Andrews, who joined Pardee in 1997, has more than 10 years' experience in real estate development and construction.



STAN GUTSHALL

STAN GUTSHALL was named vice president of construction operations for **DEL WEBB's** Anthem Country Club in Henderson. Gutshall transferred from the developer's Anthem Phoenix community, and will oversee homebuilding construction of the new community, supervise

the purchasing and design center divisions and coordinate land development, sales and customer service departments.



AARON KAZARIAN

Las Vegas-based **ROEL CONSTRUCTION COMPANY, INC.** hired **AARON KAZARIAN** as project engineer and **DESERAY MEISTER** as administrative assistant.

Kazarian is currently working on Red Rock Country Club; Meister possesses six years of administrative experience.



DESERAY MEISTER



ALLEN PAVELKA



KEITH HATTON

ALLEN PAVELKA and **KEITH HATTON** opened **AMERICAN CONSULTANTS ENGINEERING PARTNERSHIP** in Las Vegas. The firm provides engineering design and management in the areas of transportation, roadway design, land development, water and sanitary facilities and drainage, as well as construction management. Pavelka is president of the new company, while Hatton is executive vice president.



SHAUNA H. MAYNE

NINYO & MOORE GEOTECHNICAL AND ENVIRONMENTAL SCIENCES CONSULTANTS named **SHAUNA H. MAYNE** marketing coordinator. Mayne, who has three years' experience in marketing professional services, is responsible for the Las Vegas company's proposal preparation, marketing materials and assisting company principles in business development.

MICHAEL E. PIPKINS joined the hospitality studio of Las Vegas' **JMA ARCHITECTURE STUDIOS** as senior job captain. Pipkins has 11 years of experience in hospitality

and casino design, and has worked on such high rise and casino projects as the Sahara Hotel & Casino, Four Queens, Boardwalk and Mandalay Bay.

KELLER WILLIAMS REALTY-THE MARKETPLACE appointed **ROSE MARY JACOBSON** as manager and team leader of its new commercial office in Henderson's Green Valley. Jacobson has 20 years' commercial, industrial and development experience.



SARA MARTIN



TERI ANN HICKS

COMMERCIAL ROOFERS, INC. announced **SARA MARTIN** has assumed the sales and service administrator post for the Las Vegas-based company. **TERI ANN HICKS** was hired as administrative assistant to support the company's principals and project managers. Martin has been with Commercial Roofers for 10 years, and Hicks has spent 10 years in the construction industry.

EDUCATION

THE UNIVERSITY OF PHOENIX appointed **NICOLE HUDSON-DARMODY** as corporate liaison for its Nevada campus in Las Vegas. Hudson-Darmody has been with the University of Phoenix for three years, most recently serving as marketing coordinator and enrollment counselor for the Phoenix and Nevada campuses. In her new capacity, she fosters partnerships between the college and local corporations to accomplish higher education goals for corporate employees.



NICOLE HUDSON-DARMODY

GAMING & TOURISM

ROBERT ZITTO joined **BALLY'S/PARIS LAS VEGAS** as vice president of food and beverage. With more than

13 years' experience in executive food and beverage management, Zitto most recently served as vice president of food and beverage for Foxwoods Resort Casino in Ledyard, Conn.



PEGGY LIMON



JOEL RACKER

of the 149-room property.

PEGGY LIMON joined **MARRIOTT** as senior sales manager for its six Southern Nevada properties. Limon is responsible for area sales of the properties. Marriott also appointed **JOEL RACKER** general manager of its Las Vegas Convention Center Courtyard Hotel. Racker, who has been with Marriott for more than 12 years, is responsible for the management and operations



ROBERT BALMER



CRAIG SANDOVAL



SANDRA HORVATH

DOUBLETREE-LAS VEGAS AIRPORT appointed people to three key positions at its Club Hotel. **ROBERT BALMER** is the property's general manager, **CRAIG SANDOVAL** is its food and beverage manager and **SANDRA HORVATH** is director of sales. Balmer, who was general manager of the Doubletree Hotel in Eureka, Calif., has more than 13 years of hotel and hospitality experience. Sandoval has more than four years of hotel and hospitality experience, most recently as sales manager of the Club Hotel by Doubletree-Chicago O'Hare. Horvath also has more than four years' hotel and hospitality sales experience, previously serving as a corporate sales manager for the Las Vegas-based St. Tropez Suite Hotel.

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PEOPLE ON THE MOVE

STATION CASINOS announced the promotions of three vice president/general managers of its Southern Nevada properties to president/general manager of their respective properties. **DON MARRANDINO** of Sunset Station Hotel & Casino and Boulder Station Hotel & Casino, **KEVIN L. KELLEY** of Texas Station Gambling Hall & Hotel and **JIM HUGHES** of Palace Station Hotel and Casino are now presidents and general managers.



BUD COYNER



MARK KRAEBER



DAMON WANCO

AMERISTAR CASINOS in Las Vegas named **MICHELE CORRAO** director of recruitment. Corrao is responsible for identifying qualified candidates for top-level positions. She brings 13 years of expertise to her position, and was formerly president of her own firm, The Garvis Group of Louisiana.

GES EXPOSITION SERVICES named **WILLIAM H. EDWARDS** executive vice president of its new marketing and creative services department in Las Vegas. Edwards will provide creative development and brand marketing for the firm's products and services. He comes to GES following 11 years at McCann Erickson in Dallas, Texas.

Reno's **ELDORADO HOTEL/CASINO** announced numerous promotions in its hotel and casino departments. In its hotel department, **BUD COYNER** was named director of housekeeping services. **MARK KRAEBER** is now hotel manager, and **DAMON WANCO** was promoted to executive housekeeper. **ROB LESTER** was named public area housekeeping manager, while **TODD ANDERSEN** now serves as front office manager.



ROB LESTER



TODD ANDERSEN



PETE BOYD



FRED WALTERS



ARTHUR KEITH



MIKE MANNING



BRUCE
HIMELFARB

MEDIA & COMMUNICATIONS

Las Vegas-based **MASSMEDIA** appointed **ALEZA GOLDSMITH** public relations coordinator. Goldsmith's responsibilities include creating press releases and assisting with client and event management. Goldsmith previously held the position of features editor and production assistant for the University of Nevada-Las Vegas newspaper *The Rebel Yell*.



ALEZA GOLDSMITH

DRGM ADVERTISING & PUBLIC RELATIONS announced several promotions and new hires. The Southern Nevada company promoted **COLLEEN HIGGINS** from account coordinator to account executive. **ROBERT MCWILLIAMS** was promoted from studio

THE VENETIAN RESORT-HOTEL-CASINO filled six positions at its Las Vegas property. Twenty-year hospitality veteran **PETE BOYD** has been named director of catering and convention services. **FRED T. WALTERS**, of Forest City Commercial Management, is now general manager of The Grand Canal Shoppes. **ARTHUR KEITH**, a 16-year hospitality industry veteran, was appointed director of hotel operations. **MIKE MANNING**, the property's new director of security, has 37 years' experience in security and law enforcement. **BRUCE HIMELFARB**, a member of the gaming industry for 20 years, is vice president of casino marketing. **GEORG PAULUSSEN**, with more than 19 years' culinary experience was named executive chef.



GEORG
PAULUSSEN

manager to digital color systems supervisor. Graphic artists **SHELLEY SICKMAN** and **JENNI CHIN-GREGORIO** were promoted to studio supervisors. **MARY GREGO-SMITH** joined the Las Vegas-based firm as production manager.

Las Vegas-based **CREATIVE DYNAMICS INC.** added **CHRISTINE JOHNSONG** to its staff as director of marketing and account services. Johnsong's duties include leading the account team activities of the agency and assisting with sales and marketing goals and objectives. She comes to the company after recently serving as director of marketing for The Longevity Network in New York.



LORNA SHEPARD

THE ROSE/GLENN GROUP, headquartered in Reno, named **LORNA SHEPARD** senior account planner. Shepard brings more than nine years' major market advertising account supervision and strategic planning experience to Rose/Glenn. She has worked at some of the nation's leading advertising agencies, including Ogilvy and Mather and J. Walter Thompson, both in Chicago.

MEDIA BROADCAST NETWORK hired graphic and print designer **THOMAS VOSICKY** as creative services director. Prior to joining the Las Vegas-based television broadcast and production company, Vosicky worked for KVBC TV-3 in Las Vegas as the station's art director. Media Broadcast Network operates Las Vegas television station KTV.

CONSOLIDATED REPROGRAPHICS appointed **KEITH J. MESSER** to head its new digital publishing department in its Las Vegas office. Messer previously held positions with Xerographic Copier Services and Kinko's, both in San Antonio, Texas.



He has a bachelor of science in marketing from Eastern New Mexico University.

MEDICINE

The medical staff of **SAINT MARY'S REGIONAL MEDICAL CENTER** in Reno recently installed new officers to represent the more than 450 physicians affiliated with the hospital. Taking on the chief of staff position is **BRIAN JUELL, M.D.**, a vascular and thoracic surgeon. Other officers include vice chief of staff **DONALD VAN DYKEN, M.D.**; secretary of staff **JOHN WILLIAMSON, M.D.**; and members-at-large **COLBY LAUGHLIN, M.D.**, **DAVID MATHIS, M.D.** and **RICHARD MULLINS, M.D.** Each will serve a two-year term.

VICKY VANMEETREN assumed the title of senior vice president, operations/chief administrative officer for **ST. ROSE DOMINICAN HOSPITAL** in Henderson. VanMeetren, who has more than 15 years of healthcare industry experience, has been with St. Rose since 1996. Her duties now include providing strategic direction for the hospital's off-site ambulatory care services.

DOROTHY PERKINS was appointed to serve as the certified nursing assistant member of the **NEVADA STATE BOARD OF NURSING**. Appointed to four-year terms, the seven-member board consists of four registered nurses, one practical nurse, one certified nursing assistant and one consumer.

TELECOMMUNICATIONS & TECHNOLOGY

BUSINESS COMMUNICATIONS, INC. hired **BRENT HALL** and **GREG SHUTE** in its Las Vegas division. Hall joined the business technology company as the network project manager, and oversees the design and network configurations of BCI's clients. As the structured data cabling project manager, Shute is responsible for the company's cabling division.



GREGORY A. SACCONI

PLATINUM COMMUNICATIONS promoted two employees in its Las Vegas offices. **GREGORY A. SACCONI** was promoted to senior global account manager, and **WILLIAM C. "SKIP" MUMAW III** was



WILLIAM C. MUMAW

promoted to enterprise account executive. Saccone joined Platinum in 1995, Mumaw in 1997. The Lucent Technologies provider, based in Las Vegas and Somerset, N.J., was recently named for the second consecutive year to *Inc.*'s annual ranking of the 500 fastest-growing private companies in America.

JOHN PALMA joined **NEXTLINK Nevada** as director of operations. Before joining NEXTLINK, Palma worked in private consulting and subcontracting for Business Telecom Inc.

TRANSPORTATION

After a seven-month executive search, the **AIRPORT AUTHORITY OF WASHOE COUNTY** board of trustees agreed to select **KRYS BART** as its new executive director. Bart comes to the Airport Authority of Washoe County from San Jose International Airport in San Jose, Calif., where he was assistant director of aviation.

UTILITIES

SOUTHWEST GAS CORPORATION promoted **BILL MOODY** to director of customer relations for its Southern Nevada division. Moody has been with Southwest Gas since 1979, most recently as director of corporate development for the company's Las Vegas corporate headquarters. In his new capacity, Moody is responsible for the office, customer relations, meter reading and service technicians, as well as management functions for outlying areas such as North Las Vegas, Henderson and Bullhead City, Ariz.

The **UTILITY SHAREHOLDERS ASSOCIATION OF NEVADA** elected **CHARLES E. HUFF** to its board of directors. Huff is vice president, secretary and senior gaming counsel for the Boyd Gaming Corp. parent and subsidiary corporations. Huff also serves as "of counsel" for the law firm of McDonald, Carano, Wilson, McCune, Bergin, Frankovich and Hicks.

Deregulation in the Wired, Wired West

No Room for One-Trick Ponies

BY CINDIE GEDDES

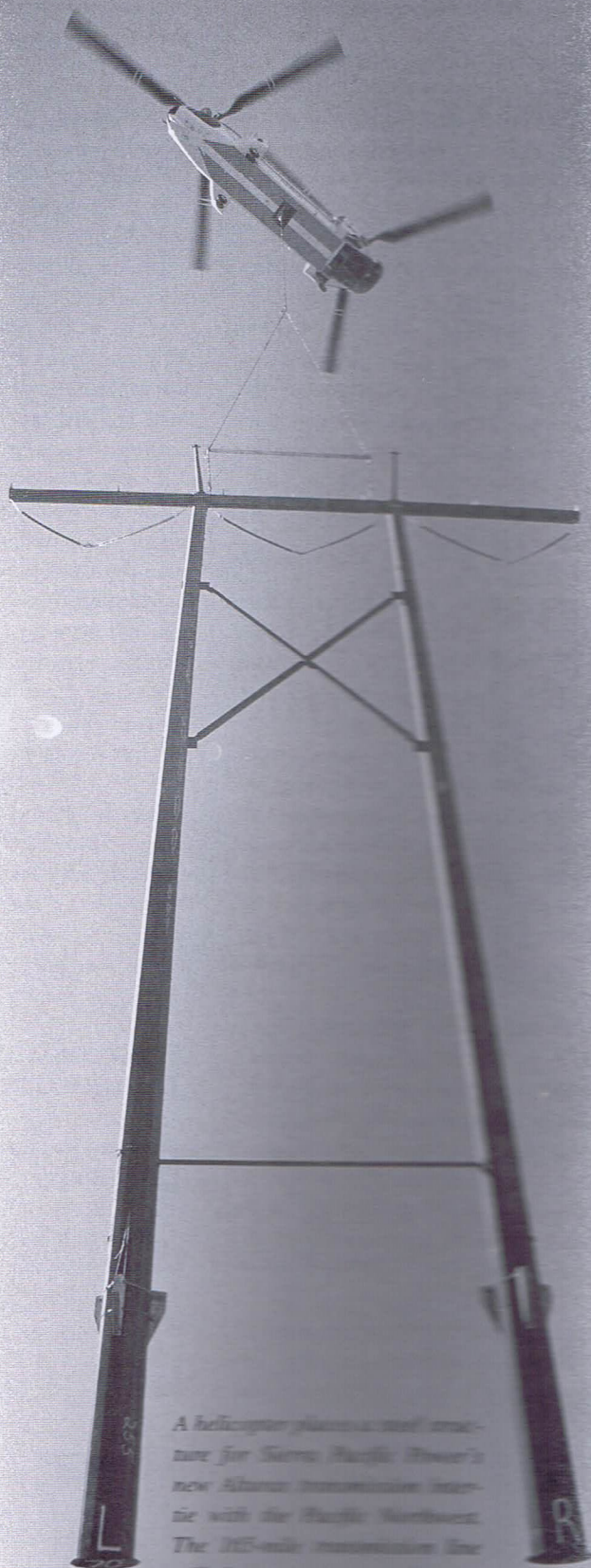
Getting the lights turned on in your new place is easy today. You call the utility company granted exclusive rights to provide service in your geographic area, wait a little while, flip a switch, and then pay the rate set by the state regulatory agency. But come January 1, 2000 (unless the Public Utilities Commission deems a later date to be in the better interest of the public), Nevada's power will be deregulated, and everything changes.

Bringing on Competition: What Consumers Can Expect

Billing, metering and customer service are considered potentially competitive services in Nevada, but a final decision on whether they'll be regulated has yet to be made. What is certain is that the generation of power, through deregulation, is deemed to become competitive. Federal policies also ensure the delivery system – the means of moving electricity from one place to another – will still be regulated, so reliability of service should be no different than it is today. Electricity will be available on a nationwide transmission system designed to avoid costly infrastructure duplication. The production of electricity from power plants and hydroelectric dams will be open to competition.

The system will also give rise to middlemen who will try to find the cheapest power available and buy from or sell to other middlemen or directly to customers. No longer will state agencies be setting the prices you pay for power. "Being a consumer in 1998," says Kathy Kollar, consumer education coordinator for the Public Utilities Commission of Nevada (PUCN), "is all about choice." You may choose to stay with an affiliate of your current power company, or you may choose a new one. Either way, you will need to make an informed choice, because the changes brought on by deregulation may be huge. And we're not just talking price.

Most consumers will notice the differences in costs from competing companies, but you will be best served by looking a little deeper. Competition will bring incentives to offer



A helicopter places a steel structure for Sierra Pacific Power's new Altamira transmission line with the Pacific Northwest. The 385-mile transmission line will play an important role in the new, merged "super" company. Photo: Dallmeier Photography

diverse terms, conditions and payment plans in response to customer needs and interests. More services may be offered, different companies may offer different groups of services and they'll become much more creative in their methods of attracting you as a customer. Expect phone calls and mailers offering you frequent flier miles, free televisions and any other promotional offers they can devise. Watch out for scams. You saw it with the long-distance companies, so you have an idea of what to expect.

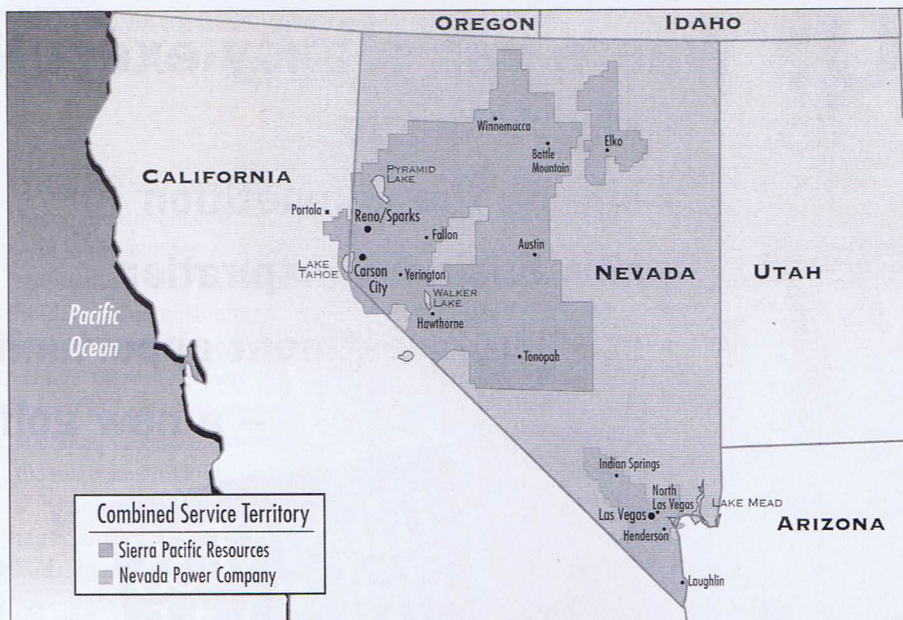
Be prepared. As an informed consumer, you should know your energy needs whether they be home, business, office, farm or industrial facility uses. Review past utility bills to see what you use, when you use it, and how much you're paying for it. You may see significant variations over the course of a year, which could be important. Prices for power may vary according to season, day of week or time of day. Your new bill may be an itemized list of charges rather than the bottom-line payment to which you are accustomed.

Large customers will be able to negotiate special terms and conditions. But that doesn't mean the individual residential user won't be able to save some cash too. Residential and small business customers may be able to join together through a marketer or aggregator who can negotiate the best price on behalf of the entire group.

But don't expect to just change companies and see lower rates. The full benefits of deregulation, especially for the residential customer, may only be realized over time. Market forces and the costs associated with the conversion to a more competitive market will determine the actual impact on your power bills.

Staying Competitive Amidst Deregulation

In preparation for the conversion, and in order to compete with what is sure to be an influx of new power companies, Sierra Pacific Power Company and Nevada Power Company are proposing a \$4 billion merger. Already approved by their respective shareholders, the merger is conditioned, among other things, upon obtaining the remaining approvals of the PUCN, the Federal Energy Regulatory Commission, and the Securities and Ex-



change Commission. The PUCN was slated to give its decision on the proposed merger early this month.

Sierra Pacific Power employs about 1,500 people and is based in Reno; Nevada Power employs approximately 1,900 people and is situated in Las Vegas. Both bases will stay open post-merger, with Reno serving as the corporate headquarters and Las Vegas the utility headquarters. Though mergers usually mean big layoffs, the merged company, Sierra Pacific Resources, expects no more than 250 people to lose their jobs. Steve Rigazio, vice president of transmission, treasurer and CFO of Nevada Power, says the merger does not mean downsizing; both companies are lean and fast-growing. And with the immigration of new companies after deregulation, employees with industry experience in Nevada will prove more valuable than they are today. Neither the PUCN nor the respective power companies expect laid-off employees to have a hard time finding new jobs.

As Sierra Pacific Resources, the company expects to serve more than 800,000 electric customers. Though that makes the company mid-sized by national standards, it will constitute the fastest growing power company in the country. But you won't actually get your power from Sierra Pacific Resources. If the company has its way, you'll be served by Nevada Power or Sierra Pacific, both affiliates of Sierra Pacific Resources. If the PUCN gets its way, you'll receive service through affiliates with entirely new names. The merged entity's affiliates would be allowed to state they're

associated with Sierra Pacific Resources on all their advertising, but that doesn't do Nevada Power a lot of good. Proponents of both sides of this argument claim leveling of the playing field as their reason for supporting their respective stances.

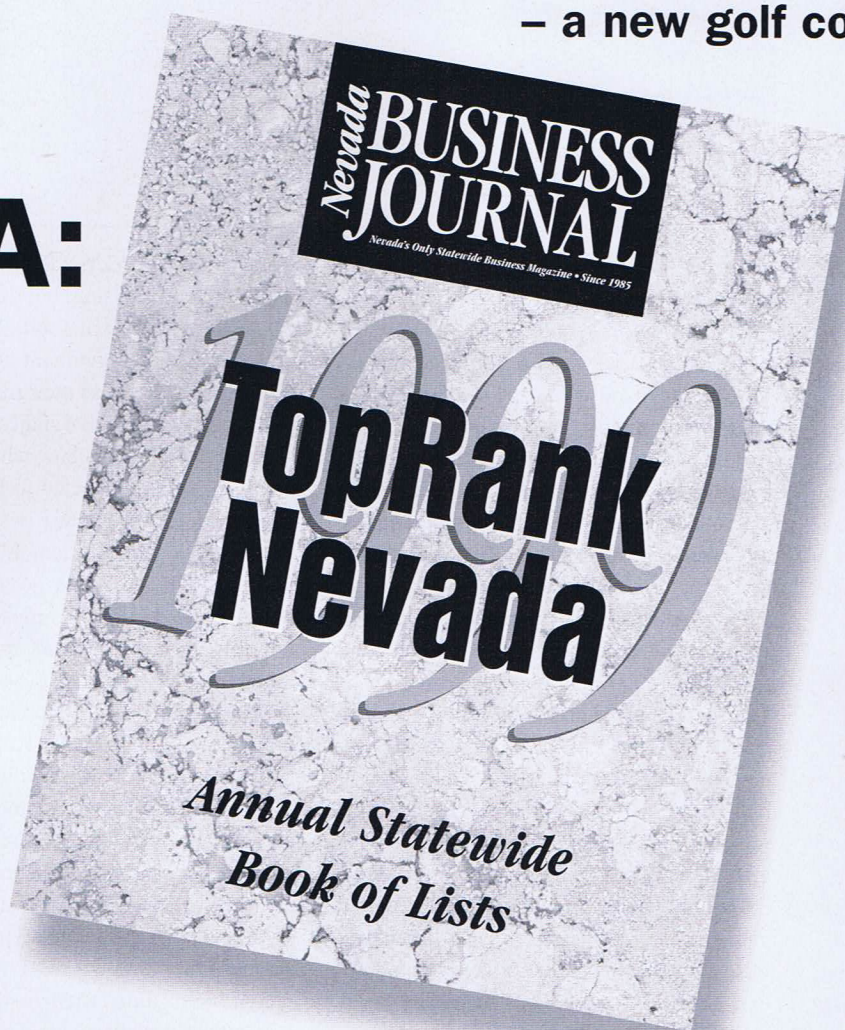
According to Kollar, when the new company starts (expected to be in the last quarter of 1999), it must be independent, with only an "arm's length" association with the affiliates. That's because it will be a differently regulated company providing different services, making the old names inherently confusing to customers. Companies from out of state can keep their current names because, Kollar argues, Nevadans aren't familiar with them. A survey did indeed show that most Nevadans know the name of their local power company, but not those from other states.

However, Southern Nevada's influx of new residents presents atypical circumstances for Nevada Power in the name-recognition game. Rigazio noted that 40 percent of Southern Nevada's residents are from California, and therefore will recognize names like PG&E, Southern California Edison and San Diego Gas and Electric. "And they're 10 times bigger than we are," he states. Steve Oldham, vice president of transmission for Sierra Pacific, adds that other well-known names have expressed interest in coming to Nevada. Who hasn't heard of Amway, Texaco, or Chevron? He feels that if Sierra Pacific Resources is to be an effective player, its affiliates have to be able to keep the Sierra Pacific and Nevada Power names. It's a subject about which the com-

Q: Where can a busy executive go to find

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- info on the competition
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- sterling investment opportunities, OR
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A:



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— STEVE RIGAZIO, NEVADA POWER

pany feels strongly enough to consider taking to court.

Another concern for Sierra Pacific and Nevada Power is the issue of which will be the provider of last resort. This company will be responsible for offering service to customers who don't choose a provider, or who live in a geographical location where none of the companies chooses to operate. It will also cover people who are credit risks. No one will be left in the dark just because the market becomes competitive.

The PUCN plans to take the provider of last resort position out to bid by percentages. For example, if Sierra Pacific provides service to 10 percent of customers in the service area, it can bid on 10 percent of the non-choosers. The company that provides service to the credit risks can write off losses as a distribution company. But, as with everything else involved in Nevada's deregulation process, no final decisions have been made.

A Vested Interest for Companies and Consumers

Oldham and Rigazio feel strongly about most aspects of deregulation because, as Oldham says, "The current utility companies have the greatest stake in this. They aren't moving. Other entities can choose to come in or not. Sierra Pacific and Nevada Power have a vested interest in how the rules play out." That vested interest is one of the reasons the two companies have worked so hard to garner support for their merger. "Our employees actually cheered," Rigazio says, because they were so glad not to be taken over by an out-of-state interest. He also says they've received numerous supportive customer calls. And shareholders voted 96 percent in favor of the merger.

Joyce Newman, executive director of the Utilities Shareholders Association of Nevada, a group made up of Sierra Pacific and Nevada Power shareholders, says the merger bodes well for everyone. Since the merger plans two headquarters in two parts of the state, the professional jobs will stay. The two companies are also working hard to make sure no union jobs are lost: the merged operation expects to employ more than 3,200 people.

Rigazio says the merger will increase the competitiveness of both companies, as well as make for a financially stronger corporation. That's good news for shareholders, and customers can expect the same quality service and low rates to which they've grown accustomed. The state will benefit because jobs will stay in state and income, resources, revenues and the tax base will all be in Nevada, bucking a national trend. Around the country, many smaller power companies are being bought out or forced out by larger companies. Sierra Pacific and Nevada Power are determined to stick around.

The two companies hope to increase their competitive edge by selling off their generating plants and becoming a "wires-only" utility, with or without merger approval. But the generating plants won't be closed; they'll just be under new ownership. Sierra Pacific and Nevada Power will reinvest money raised from the sales in new transmission and distribution facilities. Expansion of the electric transmission system will help any distributors when competition is opened in 2000, giving customers even greater choice.

Initiating the Millennium with an Open Market

With January 1, 2000 slated for the market's opening, questions regarding the Y2K virus inevitably arise. But folks at Sierra Pacific and Nevada Power seem relaxed. "We're not proposing any delays," says Doug Ponn, executive director of governmental and regulatory affairs for Sierra Pacific. Oldham adds that not all competitors will necessarily be ready, but Sierra Pacific and Nevada Power will. And he hopes most of them are, so there'll be less confusion and fewer problems with bringing the whole deregulation system into being.

Kollar says the PUCN has been working with utility companies on Y2K problems separate from competition or merger issues. She recommends customers ask the companies courting their dollar whether or how they've addressed the Y2K problem.

It's all going to be complicated. But that's the nature of competition. And it seems to work. Many consumers have no-

SOME THINGS TO ASK BEFORE CHOOSING AN ELECTRICAL COMPANY

- ▶ Are prices fixed? For what time period?
- ▶ Are prices variable? Will they be based on season, day of week, or time of day?
- ▶ Are there restrictions on how much energy is used and when it is used?
- ▶ Is special metering required? Who pays for it? How much?
- ▶ What happens to the meter if I move?
- ▶ Is there a contract or written agreement?
- ▶ What is the duration of the contract?
- ▶ Does the contract automatically renew?
- ▶ Is there a cancellation fee?
- ▶ From where does the energy originate?
- ▶ What is the fuel source?
- ▶ What is the environmental impact?
- ▶ When does the first bill arrive?
- ▶ How many bills will I receive and from whom?
- ▶ How quickly is payment due?
- ▶ Can payment be made by cash, check, electronic transfer, credit card?
- ▶ Is there a late payment fee?
- ▶ Is there a budget plan?
- ▶ Is there a local business office?
- ▶ Who do I call if the service goes out, or if there is a billing problem?
- ▶ Are customer service calls free?
- ▶ Can I call anytime, day or night?
- ▶ Will personal information be released or sold to a third party?

SOURCE: NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS AD HOC COMMITTEE ON CONSUMER AFFAIRS

ticed that their long-distance rates really have dropped. And most prefer the opportunity to shop around and compare. But people also like to know with whom they're dealing. Available resources covering utility deregulation are nearly overwhelming, but don't be afraid to dip into the World Wide Web or make some phone calls. The bottom line in this brave new world of choice is going to be knowledge. The more you know about the different utility companies, what they offer, and what you need, the more likely are your chances that the power is going to come on when you flick that switch in 2000. In this case, knowledge truly is power. 🌿

The Utility of Deregulation: How Useful is It?

Past deregulated markets offer insights into the future of the electric utility industry

While it's tempting to speculate about how deregulation might impact Nevada's electrical market, a look at the consequences of past market openings may help clarify the picture. Various utility industries have already endured government-mandated competition; most indications show that, when coordinated properly, such deregulation can be a boon to consumers as companies improve products and service to compete in hotly contested markets.

Nevadans had the first opportunity to see telephone service provider deregulation in action in 1995. That year, the state public utilities commission and incumbent phone service providers designed a plan for regulation that preceded the U.S. Congress' 1996 Telecommunications Act. Much can be learned from how phone service providers have capitalized on competition.

"Sprint's position is that competition is definitely good," noted Lou Emmert, vice president and general manager for Sprint of Nevada, the incumbent provider. "It benefits consumers, giving them choice. It also brings products and services to the market more quickly, and it's good for the companies, because it makes the pie bigger."

The pie has indeed grown substantially: since the market's opening, more than 60 companies have become certified to provide local phone service in Nevada. Sprint has about a dozen interconnection agreements with companies that are either in business, such as MGC Communications and NEXTLINK, or close to opening shop.

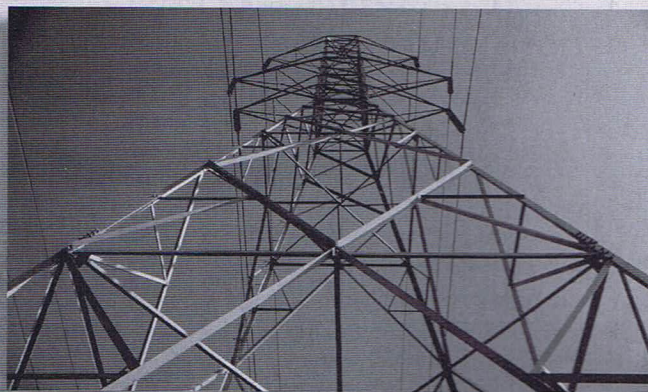
The 310 through 320 prefixes that pepper Las Vegas phone books are a result of this open market; they belong to customers of MGC, which began

offering service to Nevadans in 1995. The local phone service provider has thrived in the deregulated environment. It ended 1997 with roughly 120 employees, and closed out 1998 with 500 staffers. According to Nield J. Montgomery, MGC president and CEO, the company is just one byproduct of deregulation.

"We're seeing several things in the market, such as lower prices for local phone service, competition informing the public of the services they're offering and the evolution of new products," Montgomery observed. "The emergence of new products will continue throughout 1999, because technology now has an impetus to introduce innovations that monopolies weren't encouraging."

Deregulation has also provided the catalyst for change within phone companies, according to Emmert. "We have lost a significant share of the market," she acknowledged. "It's required us to look at our internal processes and procedures, which we had developed over the years to handle just our customers." Accommodating a more varied customer base encouraged Sprint to invest \$190 million in 1998 alone to enhance its Nevada infrastructure. Emmert's advice to companies such as Nevada Power and Sierra Pacific: establish and maintain effective communication with customer bases, regulators and employees to help cope with the rapid changes deregulation brings.

Employees aren't the only ones faced with the frustration of rapid change. Montgomery cites two camps of phone users: those who grew weary of the single-provider system and those who "have no desire for choice and have the necessity for decision thrust upon them.



"The market forces of competition bring about improvements in price and product that would not otherwise happen."

— NIELD J. MONTGOMERY, MGC COMMUNICATIONS

It's not a field of roses by any means, but when you sort through it all, the market forces of competition bring about improvements in price and product that would not otherwise happen," he declared.


While Montgomery would like to see the public education efforts being applied to the opening of the electric utility market come to the phone market, Emmert asserts consumers bear the burden of informing themselves. "Deregulation places more responsibility on consumers to become educated. They now have to know specifically what kind of service they need. Understanding all their options requires research. Things won't be as simple as they were in the past," she noted.

Consumers have witnessed the benefits of the natural gas industry's deregulation for 20 years. In 1978, the Natural Gas Policy Act set the stage for gradual deregulation of gas prices at wellheads. By 1989, the federal government had removed all price controls on new and recently discovered natural gas. The Federal Energy Regulatory Commission also encouraged pipelines to become open access carriers, allowing clients to contract directly with pipelines for service. "The objective was to provide for a more competitive structure, increase efficiencies and bring about lower prices," explained Roger

Montgomery (no relation to Nield), vice president of pricing for Southwest Gas Corp., which just recently merged with Tulsa-based ONEOK.

Has it worked? "The natural gas industry has seen substantial reduction in gas prices in the last decade or more," Roger Montgomery stated. The pending deregulation of the electric industry will make it more closely resemble natural gas markets, he added. "Electric companies have been vertically integrated — they generate, transmit and distribute power themselves. The natural gas industry has always had separate production, transmission and distribution companies. One of the primary objectives of restructuring the electric market is to break up utilities performing all those functions, doing what the natural gas industry has been doing for many years."

"Competition has been an integral part of the natural gas industry for two decades," Roger Montgomery continued. "Natural gas has always had to be competitive because we're selling heat, which can be provided by electricity. Our industry has never had a pure monopoly."

Fewer industries and companies can claim such dominance these days. Fortunately for consumers, the news looks positive. For those willing to give electrical utility choice some thought, the future looks bright. 



Nevada Power Company IS Energy

There's a great deal of energy at Nevada Power Company—we're the nation's fastest-growing electric utility serving more than 1.2 million customers in southern Nevada, powered by the energy of dedicated employees committed to keeping pace with a customer growth rate that has averaged six percent per year for the last several years.

Our energy is focused on our customers and on redefining our role in the atmosphere of a reregulated marketplace. On July 17, 1997 the Nevada State Legislature passed Assembly Bill 366 which opens Nevada's electric utility industry to competition no later than December 31, 1999, unless the Public Utilities Commission of Nevada decides another date would be in the best interest of customers.

Nevada Power is energized to remain a significant part of the Nevada landscape, just as we have for the past 93 years. Our energy is propelling us into a competitive environment and positioning us as Nevada's premier transmission, distribution and energy services

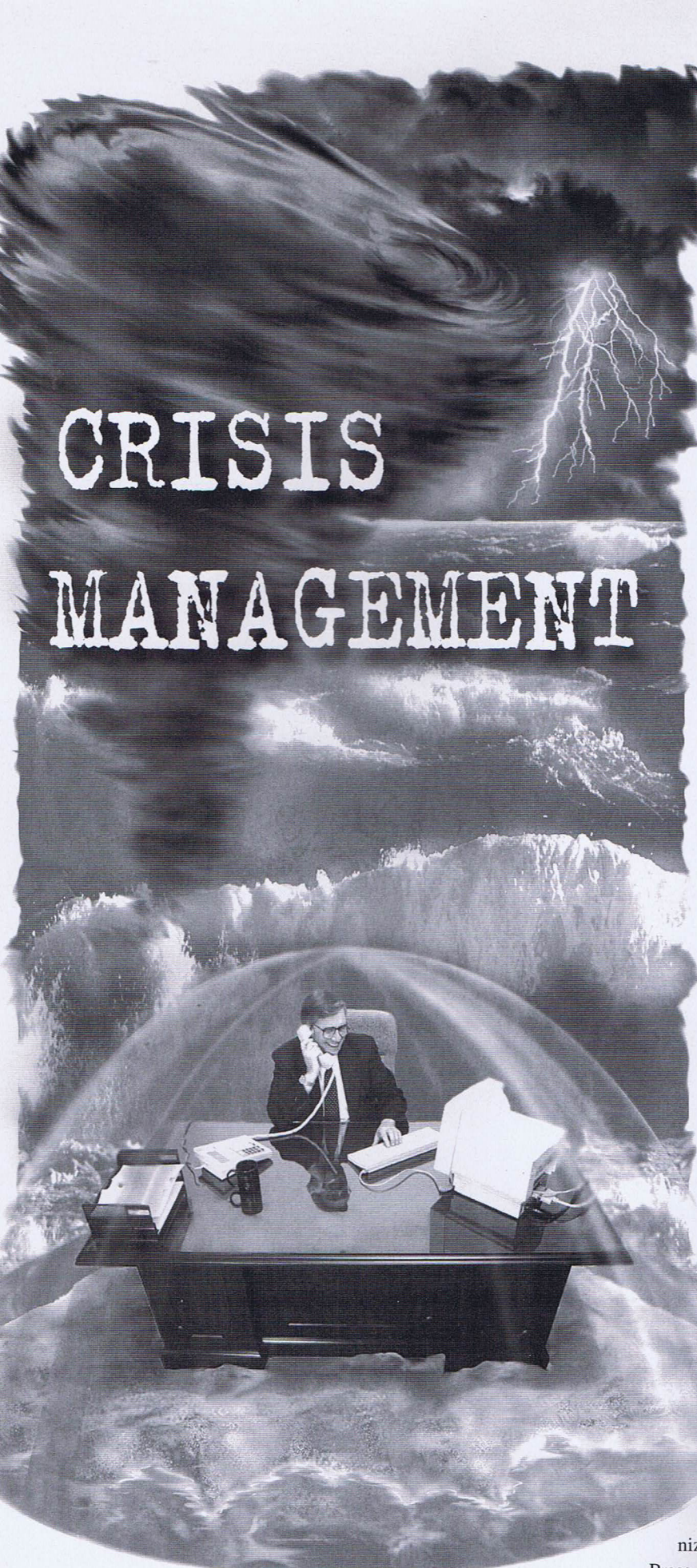
company. "We're in tune with our customers' energy needs and service requirements," stated President and Chief Operating Officer, Michael R. Niggli. "In a competitive environment, it means we'll be selling electricity and related services in a competitive arena. We'll also pursue customer segments and develop strategies to acquire and retain new business."

Conscious of the energy needs of our growing customer base, Nevada Power, in a collaborative effort, introduced Northwind Las Vegas, an innovative option in district energy services. Northwind provides businesses with chilled water for air conditioning and hot water through cost saving measures. Additionally, our Economic Development Office works closely with government and business leaders to bring new businesses and industries to the Nevada marketplace.

As you can see, Nevada Power is energy—and as we enter the new era of competition—our history, our employees and our business strategies invigorate us with a renewed energy to propel Nevada into the new millennium.



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The Power Behind The Possibilities
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CRISIS MANAGEMENT

Planning for the Unthinkable

BY LINDA LINSSEN

Washoe County businesspeople are unlikely to forget New Year's Day, 1997. Dark sludge and sewage poured into offices and commercial buildings. The current from the flooding Truckee River was so strong that employees had to be evacuated. For business owners, that was bad enough. But they also had to cope with losing company records, losing touch with customers and suppliers, and losing revenue from damaged goods and the disruption of operations. In all, around 280 area businesses were affected. Fortunately, no one was killed.

While not all crises affect so many, an event can just as easily devastate an individual company. Fires, floods, earthquakes, tornadoes, bombings, shootings, riots, fraud, disease, terrorist threats, chemical leaks and explosions – each has the potential to bring even the most stable company to its knees. Yet many are not prepared for what seems to be a fairly common occurrence.

Planning for Survival

Business owners don't like to think that a disaster could affect their operations. Yet it makes good sense to develop a comprehensive business continuity plan in case the unthinkable occurs. That means selecting a trouble-shooting team and designating a business continuity manager – a person dedicated to overseeing the company's state of readiness. It also means planning a "war room," an operations center where the trouble-shooting team can meet immediately following an event.

To prepare for an event, a company must first assess its vulnerability to sources of internal and external crisis. Then it must evaluate the impacts such crises may have on the company's ability to operate, and on its cash flow, its security systems, its resources and staff. From this evaluation, it must devise ways to reduce these impacts. It must also determine the minimum level of operations that will sustain the organization until it can regain its normal level of activity.

Press Clewe has served as Washoe County's emergency

management administrator for more than a dozen years. He says a company should look internally and make the best use of available resources. "You don't need to do a lot of elaborate planning. Just determine what's in jeopardy, what will happen if there's an event. How will you protect staff, customers and assets? How will you keep your doors open so you can produce goods and services and make money? How will you protect data systems, computer systems, telephone lines? How will you communicate with the outside world?"

Once that's determined, Clewe says to look to the outside and figure out how you can help or be helped by neighbors. He cautions business owners not to ignore the warning signs of an impending disaster. "If you receive emergency notification, mobilize your plan. Prior to Washoe County's flood, we had four hours' notice that major floodwaters would hit, but we had known of the potential for several days."

Judith Simpson, executive director of Washoe County's Partners in Education – a private partnership between the Reno/Sparks Chamber of Commerce and the Washoe County School District – says she and her co-workers learned the hard way it pays to plan. The flood forced the evacuation of their offices, and everything was bulldozed – furniture, files and computers, as well as a warehouse full of recycled books and other materials. Employees were not allowed back into the office until January 6, and the organization was not up and running for several more weeks.

Simpson says they now have a disaster plan in place. The filing cabinets are on wheels, and individuals have been appointed to remove computer hard drives in case of evacuation. "A list with their names and job duties is posted around the office," says Simpson, "with the tasks in order of importance."

Mary Henderson is president of Strategic Alliances, a firm involved in government and public affairs work. But during the flood, she was public affairs director for Washoe County. She says, "One of the main things is to have a disaster plan in place and practice it. You need a sense of the organization and all its players. With the flood disaster, we had representatives of many agencies involved, and everyone knew his or her role. You need a commu-

nications plan when your firm is cut off."

According to Henderson, Washoe County's emergency plan fell into place. "All in all, everything went well for us, and our preparations paid off."

No Company is an Island

In an age of abundant communications devices, the business world has become a small place, and countless people can be affected by one company's crisis. Yet, too few contingency plans address the participation of business partners, customers, emergency service providers, and other organizations. Businesses need to work in partnership with those dependent on them, and on whom they are dependent. They need to determine what other businesses are affected up and down the supply chain. Then, they need to incorporate those people into their contingency plans.

According to Clewe, "You need to help the outside world, your customer base, come to you. Tell them you are experiencing a temporary setback, and you'll be back online really quickly." He also says to meet public safety people at the door and show them where the problem is. "But people must understand that public safety may not be able to help them immediately. They need to plan for a minimum of 72 hours on their own. That means food, water, and all the basics needed for short-term survival. They must take steps to reduce the impact of the crisis."

First Aid for Body & Mind

Like any emergency situation, people exhibit signs of trauma after an event. They may be disoriented, disbelieving, or even too paralyzed to react. Simpson states, "The most important thing we learned is that a crisis is an emotional time. The flood was so traumatic that we received stress management from the Red Cross." For the Partners in Education team, the Red Cross counseling was a godsend. "We truly were in mourning, and they gave us permission to grieve," recalls Simpson. "When you are hit with a disaster, you can become sick when your sense of balance and purpose are destroyed."

As such, managers and staff need to be psychologically and physiologically pre-

pared for the impact and stresses that crises impose upon them. In turn, they will more effectively respond to an event, cope with the impacts, and handle the recovery activities needed to get the business returned to a fully operational state.

P.R. and the Media

Keith Sheldon is president of Aztec Communications, a Las Vegas firm specializing in workshops and seminars in high-concern, low-trust environments. In his 25 years in the business, Sheldon has learned that "particularly in crisis situations, companies need to establish and maintain credibility with the public."

Sheldon teaches four main ways to do that: establish empathy and caring, establish competence and expertise, establish dedication and commitment, and establish openness and honesty. Of those four, he says 50 percent of the people care more about empathy and caring than anything else. "Apparently, we're doing a good job of being high-tech, but we're not doing a good job of being high-touch."

He says, "Companies need to recognize the importance of being a straight shooter. Be honest with the press; the public is forgiving. Shareholders, customers, vendors, employees are all important. Tell them what's happening."

Sheldon advises business owners to remember that employees are a company's primary ambassadors. As such, owners need to communicate clearly with supervisors. "Usually the upper and middle management are part of dominant coalition, the decision makers who serve as spokespersons to communicate with employees and the media. Often, they also communicate with police, fire and EMT personnel."

The Impending Y2K Issue

Most analysts agree: the Year 2000 Bug (Y2K) is a real threat, and failure to achieve total software and hardware applications is inevitable. They warn that even if an individual business does achieve total compliance, somewhere along the supply chain a non-compliant entity is apt to affect everyone else to whom that company is technologically linked.

According to a statement from the Fed-



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CRISIS MANAGEMENT

eral Emergency Management Agency (FEMA), "Government agencies, public utilities, businesses, and individuals should consider disruption of computer-based systems a serious risk to continuity of operations."

As such, business owners need to assess their company's vulnerability and take steps to reduce their disruption of operations. Practical steps include 30-, 60- and 90-day-plus survival options, Y2K contingency strategies and a Y2K-specific business continuity process. FEMA stresses that it has no authority or capability at the national level to prevent computer disruptions such as Y2K. Companies must take personal responsibility to protect themselves against disaster.

First, Get Organized

One good source for learning crisis planning and response procedure is FEMA's *Emergency Operations Center Guidebook*, which follows public safety guidelines according to the Incident Command System used by fire, police and EMT personnel. The book includes a checklist of tools and methods needed for recovery.

FEMA's guide outlines steps in the planning process, emergency management considerations, hazard-specific information and information sources. One of those sources is a ready-to-print brochure that can be handed out to staff. The guide also includes a vulnerability assessment chart. The business link to FEMA's Website is located at <http://www.fema.gov/library/biz1.htm>.

Every county in Nevada has a plan for disaster recovery, as does every level of government in the U.S. Even so, experts agree: nothing can take the place of good old-fashioned personal responsibility. No one else can minimize a company's vulnerability to the unthinkable – and reduce the impact of a natural, technological or human-caused crisis – than those who care most about the company's long-term survival. To help with the planning process, crisis-management conferences and Web sites abound. And the best time to prepare is before that crisis arises. 🌿



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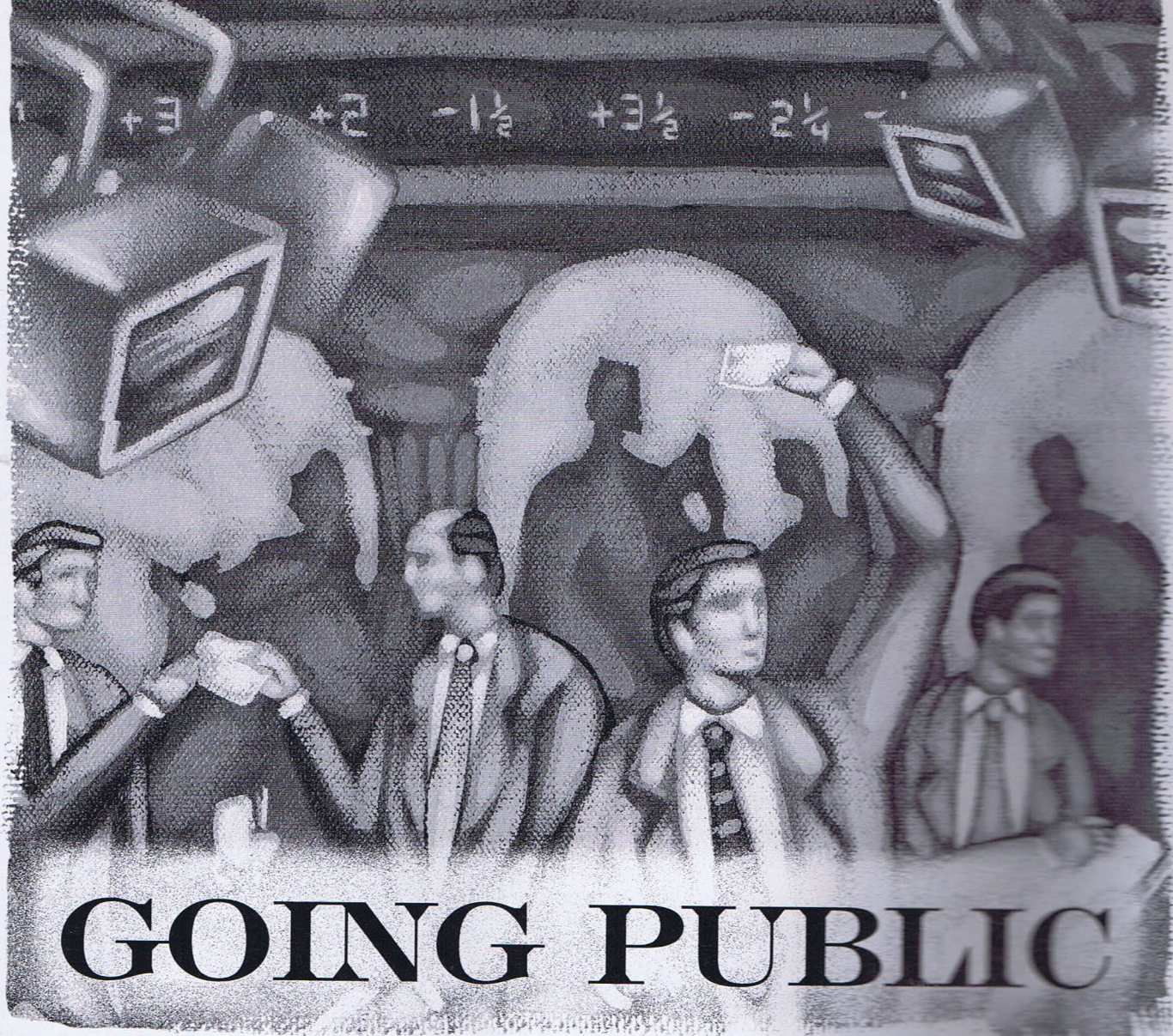
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GOING PUBLIC

Stock offerings represent a highly effective tool for funding business expansion. Nevertheless, not all companies are meant for Wall Street.

BY BRIAN E. CLARK

Casinovations Inc. president and CEO Steve Blad knows the ins and outs of growing a company. That's why the four-year-old Las Vegas-based gaming firm – maker of a card shuffler, secured slot machine drop and proprietary table games – is going public. Casinovations, which purchased Gaming 2000 in September, received permission from the federal Securities and Exchange Commission (SEC) in October to undertake a public stock offering projected to raise \$3.75 million. When the sale is done, Wall Street investors will own nearly 2 million of the firm's 7 million shares.

Larry Krause, who works for the ac-

counting firm Arthur Andersen, said in spite of the advantages of going public – which include infusions of capital, stock options for officers, higher visibility and increased liquidity – the move is often difficult. "Though financial, legal and accounting advisors can assist in the evaluation of the pros and cons of going public, at the end of the day it is a very personal decision owners must make," he said. "That decision may be driven by subjective factors such as relinquishing certain elements of company control."

For Blad and Casinovations, however, the decision to go public was made nearly three years ago, when Blad joined the com-

pany. "We've mostly been a research and development firm," explained Blad, who anticipates company sales of \$15 million to \$19 million in 1999. "But when I came on, we made a commitment to becoming a public company," he said. "It will enhance our value and accelerate our growth. But raising money wasn't our only desire. We also wanted to provide an exit strategy for backers and investors to get some of their money out down the road. If your firm is privately held, doing that might mean you have to get out completely."

Jay King, Casinovations' CFO, said the company began its push to become public in early 1996. "The first step entails filing

an exhaustive disclosure document with the SEC that includes audits, information on officers and investors, financial statements and other background material," he said. The company also hired an underwriter (investment banker) to handle the sale of its stock.

"Our SEC disclosure document ran to 140 pages. This requirement is designed to protect future shareholders so the public will know what it's buying and how the business is run. This kind of disclosure stems from the fallout of the 1929 Wall Street crash, when it was discovered that some publicly held companies did not have a standard reporting requirement," King explained.

In Casinovations' case, it took several months for the SEC to approve its application, King said. "I've heard of some situations where it takes more than a year. It depends on what questions and demands the SEC has."

Since the SEC granted approval, the company has had to seek permission from individual states to sell its stock. "We have to provide states with the SEC disclosure documents and then meet their requirements. Some states follow federal standards, while others have much stricter state standards," Casinovations has received permission to sell stock in Nevada, California, Idaho, Washington, Oregon, Illinois and New Jersey, said King. "Now, it's up to the market forces. If the company does well, the value of the shares should go up. In principle, it sounds simple."

To Offer or Not to Offer

While the decision to go public made sense for Casinovations, officials with that firm, lawyers who deal with public securities, investment brokers and other advisers say selling stock to the public is not for every expanding business. For starters, it can take an initial investment of \$250,000 for lawyers and accountants, and can mean yielding privacy and owner control to shareholders and outside directors.

Ron Radcliffe, CFO for the Rio Suite Hotel and Casino, has conducted several

public stock offerings during his career as a CPA and company executive. "Companies usually go public to raise money for future expansion and growth," he said. "Obtaining money from the public market place can be less expensive than getting it through a bank. What you give up is your

"You must possess [a product or service] that makes you credible. You must also be able to deliver [your product] to the marketplace. Ultimately, you must perform. With a stock offering, you go from the smell of the garlic to the taste."

— Steve Blad, Casinovations

share of equity and some control. Some people say there are disadvantages because you're working for shareholders, but I think the benefits for owners and shareholders should be the same."

In 1994, Radcliffe took Mikohn Gaming Corp. public in order to merge five expanding companies. Those firms included Mikohn, Casino Signs South, Casino Signs North, Petersen Sign Co. and Current Technology. The public offering raised \$51.75 million and gave public shareholders 35 percent of the company.

"We went through all the required steps," Radcliffe recalled. "We met with attorneys, underwriters, filed with the SEC, got approval and went on a road show to tell our story. But if people think your market is stagnant, you're going to be in trouble. There has to be a reason for them to think the stock price is going to get better. It all worked out well for us. But in some cases, if you can borrow the money from a bank and stay private, that might be the way to go."

For those who opt out of the private life, several considerations are critical. Presenting a compelling story to analysts and potential investors is important, said Mike Ballard, head of Ballard Communications in Las Vegas, which conducts seminars and provides consulting services for companies considering a public offering. "The best-performing companies are ones that are operated well," Ballard stated. "But they also must have a strong image. They have to have a compelling story to tell

about how they are fulfilling unmet needs in the marketplace. And it's great if they've been newsworthy in a positive way, because that gives them the kind of third-party credibility Wall Street loves."

Mike Bonner, a securities attorney with Kummer, Kaempfer, Bonner & Renshaw in Las Vegas, has taken companies public and then represented them in ongoing SEC dealings. He's also had to tell potential clients that taking their company public is not a good idea. "They might be good candidates," said Bonner, who has been practicing law for 20 years. "But they might not. I have to make these judgments based on my

experience. I would encourage company executives to exhaust their other alternatives first. They might be able to get bank financing, money from other backers or through joint venture opportunities."

Wayne White, an investment banker with Van Kasper & Co. in San Francisco, said he, too, has told some business owners to try another tack. "If I had money for every time I said, 'Golly, you shouldn't go public,' well, I'd have a bunch of money," he mused. "Not everyone needs to do it. There are a lot of great private firms out there that have grown without going to Wall Street." White said the first thing he investigates when a company comes to him is whether it has a solid management team in place. "Then I look to see if they have a market-tested concept. The last thing I look at is how tough the competition is. If a casino operation in Las Vegas came to me now, I'd say, 'Wow, I don't know.'"

Blad, of Casinovations, concurs with the emphasis White places on effective management. "In addition to having sound management in place, you must possess something that makes you credible," he added. "You must have a fairly unique concept in your product. You must also be able to market that product and deliver it to the marketplace, sustaining yourself while that's happening. Ultimately, you must perform. With a stock offering, you go from the smell of the garlic to the taste."

"Going public certainly has its advantages, because you can tap into public equity and debt markets," Bonner added.

"Typically, however, it doesn't make sense unless you are of a certain size, have a good track record and healthy earnings to boot. Otherwise, you won't get the serious interest of a top investment banker."

Now What?

White, of Van Kasper & Co., said he likes to tell business executives that going public – though time consuming and expensive – may actually be the easy part. "What's hard is staying public," said White, a lawyer who has served as a corporate officer for two major companies. "You have the obligation to continue to grow your company and increase its stock value at an acceptable rate. You have to be able to perform and beat out the competition, or at least come in a strong second and increase in value. You can't just take the money; you've got to make shareholders happy."

According to Casinovations' Blad, pleasing shareholders means companies that have been operating privately might have to make some big changes in the way they do business. "You can't just decide you're going public and then clean up your act," he noted. "It's a process, a mode of operation. It's a whole methodology of accounting. You really have to have your house in order to work with the SEC. And you can't just look at this as a way to save a company financially. In fact, it adds many more cash outlays during the process."

White noted that taking a firm public can be especially difficult if it has been family run. "The CEO is probably the founder, but you have to have a strong CFO who has experience and can handle Wall Street," he said. "That's very important. You have to report your performance every quarter, have regular audits, produce financial statements, run shareholders' meetings and elect outside directors who are responsible to shareholders. It changes

the whole game and for some, it can create a difficult playing field."

With a privately-held firm, Bonner said managers usually are not under as much pressure to constantly make money. "You can have an off year and then be up again," he said. "The only one who knows is the owners. If public, shareholders have expectations of continued growth in revenues and earnings. If you don't have that, you'll be criticized by stock analysts."

Another adjustment for executives who go public is having their salaries and compensation packages open to scrutiny. "It can be a culture shock," he said. "The top five executives must report how much they make and what their perks are, including club memberships, houses and cars. And if the firm is run by a family, they probably will lose some control."

"Going to Wall Street may be the best way for a company to grow," Bonner concluded. "But it's something that takes a lot of thought and investigation." 🌿

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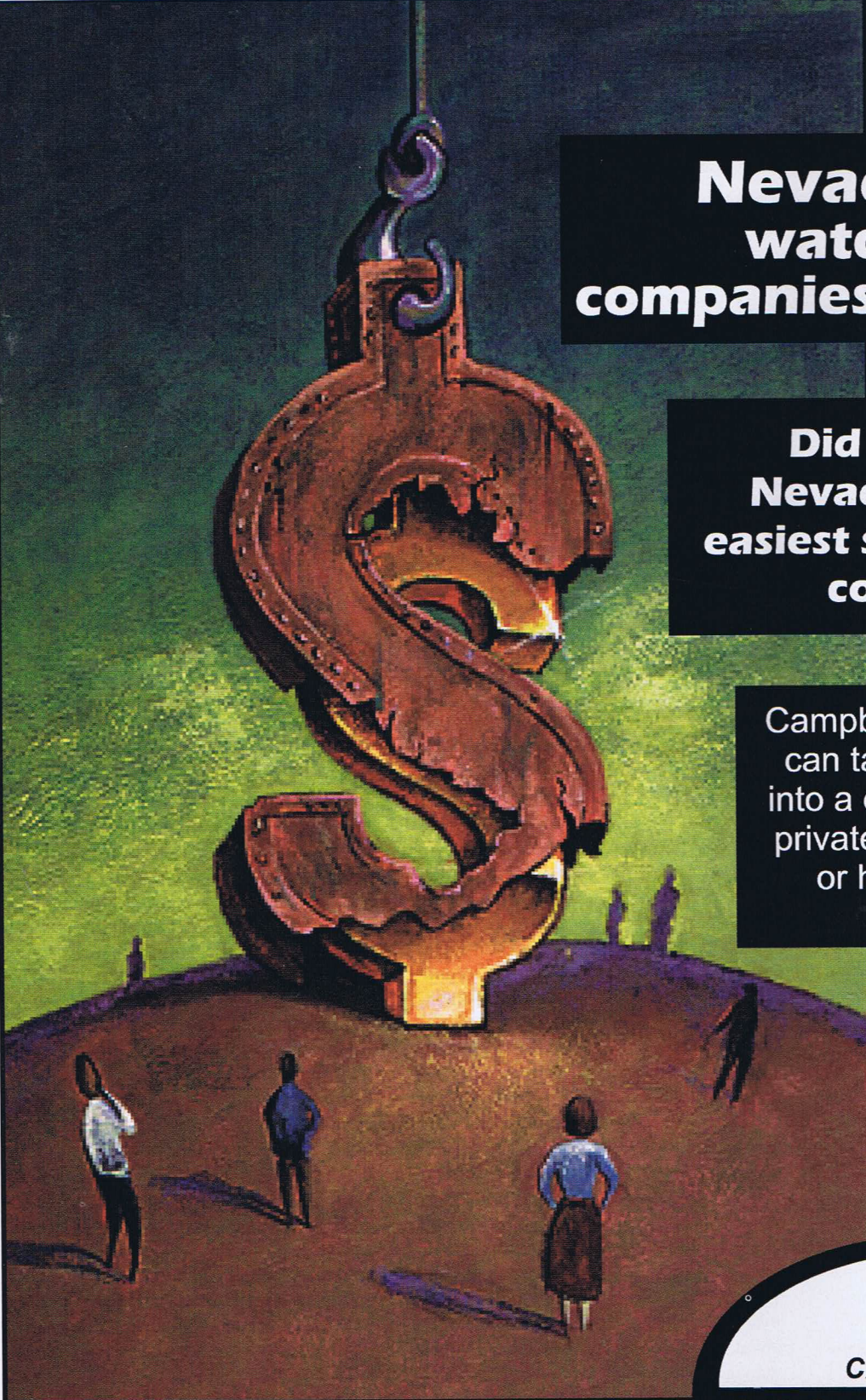
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1999 Economic Outlook & Business Survey

PART 1 OF 2

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It's difficult to pay attention to the news these days and overlook the almost constant analysis of the instability characterizing national and international economies. Widespread concern regarding issues ranging from the "Asian contagion" and falling corporate profits to the potential collapse of currencies in Russia and Brazil have the pundits talking virtually nonstop about what business people can expect from this year's economy.

However, the best way to understand what business people might expect is to ask them themselves. That's the impetus behind the second annual Deloitte & Touche/Nevada Business Journal Economic Outlook & Business Survey. Our foray into assessing business leaders' attitudes about their companies' economic prospects in 1999 is at once revealing and informative. Questionnaires sent to 1,139 Nevada business leaders garnered 301 responses on topics from the integrity of national and state economies to Y2K compliance and estimated sales growth.

Most striking in this year's survey is the dichotomy between answers to abstract questions about general economic performance and responses to more concrete queries about immediate staffing decisions and anticipated 1999 income. Many of Nevada's top executives, while worried about the sustained vibrancy of the economy, still seem to believe their firms can emerge from harder times unscathed. The number of participants anticipating sub-

stantial increases in sales, income and staff would give anyone aware of developing economic problems pause.

"This is a good time to prepare a well thought-out contingency plan for an economic downturn, including a commensurate reduction in sales," cautioned William R. Hartman, CPA, office managing partner for the Nevada practice of Deloitte & Touche LLP. "It's unrealistic to believe that in the early stages of a downturn, you will gain market share to offset a reduction in market. Companies in weak financial condition do desperate things at the onset of a downward economy. Not until they collapse will market share be released for the survivors."

That's assuming the market officially begins its irrevocable downward spiral. "Recession is not inevitable – no one really knows the true effects certain problems may have on the economy," acknowledged Hartman, who also serves as director of Deloitte & Touche's national gaming practice. "Businesses should be careful not to lose opportunities [because of anxiety about the future]. This is a great time to manage your business very carefully."

Leading a company effectively in uncertain economic times means striking a balance between taking caution and looking out for serendipitous opportunities, according to Hartman. "It's a great time to batten down the hatches and prepare your officers for a storm. But don't take down the sails – you'll be able to do that quickly if the storm is confirmed."

Although it's difficult to predict the economy's true status 12 months from now, it's useful to determine the expectations of Nevada's top business executives. For within those expectations rests the key to understanding the human forces shaping and defining tomorrow's economy.

RESPONDENT INDUSTRY

	AMOUNT	%
Gaming/Tourism/Leisure	83	27.6
Retail/Wholesale	24	8.0
Manufacturing	19	6.4
Healthcare	12	4.0
Financial Institutions	31	10.3
Real Estate/Construction	59	19.6
Service	60	20.0
Public Utility	7	2.4
Did Not Disclose	6	2.0

RESPONDENT COMPANY SIZE

REVENUE	AMOUNT	%
Less than \$3 million	88	29.3
\$3 million-\$9 million	60	20.0
\$10 million-\$24 million	34	11.3
\$25 million-\$50 million	33	11.0
Over \$50 million	78	26.0
Did Not Disclose	8	2.7

EMPLOYEES	AMOUNT	%
Less than 25	107	35.6
25-99	68	22.6
100-299	30	10.0
300-500	24	8.0
More than 500	66	22.0
Did Not Disclose	6	2.0

THE NATIONAL/STATE ECONOMY

The survey asked state business leaders for their opinions of how the national and Nevada economies will perform in 1999. The responses indicate growing concern for the health of the U.S. economy and their industries' national performance.

How will the national economy in 1999 compare to 1998?

	OVERALL	SOUTH	NORTH
Much better	1.0%	1.1%	1.0%
Better	15.3	13.4	18.9
About same	65.8	64.7	68.0
Worse	16.7	20.0	10.4
Much worse	0.4	0.0	1.0
DND	1.0	1.1	1.0

Overall, survey respondents seem to think the national economy will perform either on a par with or below 1998 levels. The survey witnessed dramatic growth in those asserting this year's economy will be "worse" than last year's; such responses almost tripled in percentage points over last year's survey (from last year's 6.2 percent to 16.7 percent).

In Southern Nevada, increased economic pessimism is even more apparent: respondents who said they believe the economy will be "better" this year dropped from 23.9 percent of last year's total to 13.4 percent, while Southern Nevadans anticipating the economy will worsen skyrocketed, from 4.9 percent to 20 percent.

Deviations from 1998's results aren't as evident in Northern Nevada, where those expecting an economic downturn went from 6.2 percent last year to 11.4 percent this year. Responses predicting a stronger economy in the year ahead dropped less than two percentage points, from 21.6 percent total to 19.9 percent combined. Perhaps Northern Nevada's more modest growth in recent years has inured the region's business leaders to worries about a substantial bust.

The public utilities industry posted the most upbeat outlook for 1999, with 28.6 percent of participants expecting better times for overall business and industry this year and only 14.3 percent anticipating harder times (although public utilities

respondents are decidedly more pessimistic regarding the fortunes of their specific industries, as forthcoming results show). Also optimistic were service industry respondents, of whom 21.7 percent expect an improved economy and 55 percent expect economic performance equal to that of 1998. At the opposite end of the spectrum, none of the healthcare industry's participants responded that the national economy will improve; 91.7 percent expect the economy simply to sustain its 1998 health. Also taking a dimmer view of economic acceleration were real estate industry participants: only 11.9 percent believe 1999's economy will represent an improvement over 1998.

How will the economic condition of your firm's industry (on a nationwide basis) compare in 1999 to 1998?

	OVERALL	SOUTH	NORTH
Much better	4.0%	3.1%	5.7%
Better	24.0	23.6	24.6
About same	53.2	51.8	55.7
Worse	18.0	20.6	13.2
Much worse	0.4	0.6	0.0
DND	0.7	0.6	1.0

In addition to anticipating a weaker national economy, many survey respondents also expect their specific industries to perform at a lower level in 1999. Last year, 42.3 percent were looking forward to improved industry performance; this year, only 28 percent said they believe their industry will pick up pace. More also expect their industries to worsen – 6.2 percent last year, compared to 18.4 percent this year.

Southern Nevada shows a slight upward trend in the number of those expecting industry conditions to remain static (from 48.4 percent to 51.8 percent). One prominent Las Vegas banker remarks on the stabilization in the region's banking industry: "There will always be an entrepreneurial drive for small community banks, but I think the market will level out due to absorption, both in Nevada and nationally," predicted Ed Jamison, president and CEO of Community Bank. "There will still be new banks. It's just like [trees in] the forest – one falls, and another springs up."

Aside from predictions of consistent

economic strength, Southern Nevada did, however, register substantial decreases in those seeing a rosy year ahead, from 40.7 percent to 26.7 percent. The percentage of respondents predicting slowed economic performance approximately doubled, from 10.9 percent to 21.2 percent.

Surveys from Northern Nevada show a much smaller change in the percentage of firms that foresee worsening conditions (10.5 percent in 1998 compared to 13.2 percent this year); however, the percentage of those awaiting improvements fell dramatically, from 46 percent to 30.3 percent.

Some Northern Nevada business leaders express special concern for the region's real estate market, which has recently enjoyed expansive growth. According to Don Wilkerson, president of Gaston & Wilkerson Management Group in Reno, oversupply has become a pressing concern. "The impact fees and laws associated with building in California, combined with the strength of the Northern Nevada real estate market, have led to a tremendous influx of California developers in both single- and multi-family arenas," Wilkerson noted. "I'm somewhat concerned we may be setting ourselves up for an oversupply. We have an immense number of new neighborhoods under construction or being proposed. When we couple that with California Proposition 5, which could cause layoffs in the gaming industry, we see the possibility for overbuilding exists." According to Wilkerson, alleviating the chance for oversupply requires "proper planning and zoning to insure approved projects will fit all market segments, rather than be directed at one economic level or another."

Service firms constituted the most optimistic survey group when asked about the national health of their industry in 1999. While 41.7 percent of service business participants believe their industry is headed for better times in the coming year, only 11.7 percent anticipate a downturn. Public utilities, on the other hand, showed extreme apprehension regarding the health of their industry nationwide. An astonishing majority of 71.5 percent portends rockier times for utilities in the next 12 months; none of the utilities respondents foresees better times.

How will the Nevada economy in 1999 compare to 1998?

	OVERALL	SOUTH	NORTH
Much better	1.4%	1.6%	1.0%
Better	21.6	21.1	22.7
About same	53.9	54.9	51.9
Worse	21.6	21.6	21.7
Much Worse	0.0	0.0	0.0
DND	1.7	1.1	2.9

Overall, responses statewide exhibited a very slight change in participants believing the state's economy will perform on a par with last year – 54.2 percent expected no change last year, while 53.9 percent expect no change in the coming year. The significant fall in “better” and “much better” responses (38.8 percent last year compared to 23 percent this year) perhaps can account for the sizable increase in those foreseeing “worse” state economic performance. Those choosing that response went from 6.9 percent last year to 21.6 percent this year.

Southern Nevadans tell a similar story; while 41.3 percent of last year's participants expected a better economy, only 22.7 of this year's respondents do. The percentage of Southern Nevada respondents concerned about a worsening state economy grew accordingly, from 6.5 percent last year to 21.6 percent this year.

Among Northern Nevadans, those fleeing to the “worse” category haven't come exclusively from the “better” segment. Participants expecting about the same economic performance statewide dropped more than 7 percentage points, from 59.2 percent to 51.9 percent. This year, 21.7 percent of Northern Nevada's participants expect a “worse” Nevada economy, compared to 7.9 percent last year. Respondents expecting a “better” or “much better” state economy dropped from 32.9 percent to 23.7 percent.

Expectations for Nevada's 1999 economy run highest in the retail/wholesale industry, where 41.7 percent of participants are looking forward to a better year ahead. The healthcare industry posted the fewest positive responses – 8.3 percent – but also the highest number expecting Nevada's economic strength in 1999 to stay on a par with that of 1998 (75 percent).

Regardless of their industry, many of Nevada's business watchers are paying careful heed to the fate of the state's economic engine – gaming and tourism –

and how it might affect growth in other areas of the economy. “What I'm hearing from both my gaming and non-gaming clients leads me to believe there's a more conservative air for 1999,” noted Michael J. Bonner, co-managing partner of Las Vegas-based law firm Kummer, Kaempfer, Bonner & Renshaw. “There's a lot of concern about overbuilding. In general, though, I'm relatively optimistic. If interest rates stay low, we'll see continued projects, but they'll be smart projects. People will put a little more thought into what types of projects they build.”

And what of the impacts of California's Proposition 5? “It's something that, before it happened, everyone was afraid of, but since it's actually here, it's not that bad,” Bonner said. “Short term, we'll see very little impact because of the legal challenges facing Prop 5. In the long term it could cut into business a little, but Las Vegas is still the ultimate resort city destination. The Native Americans cannot offer the entertainment venues we can.”

Do you consider Nevada a good place to do business?

	OVERALL	SOUTH	NORTH
Yes	98.7%	99.0%	98.2%
No	0.4	0.0	1.0
DND	1.0	1.1	1.0

While affirmative answers have eroded slightly, the responses to this question still show overwhelming confidence in Nevada's salubrious business climate. Last year's responses elicited positive answers totaling 99.2 percent statewide, 98.9 percent in the south and 100 percent in the north. It's unclear whether lower economic expectations are responsible for the miniscule changes in this category.

Nearly all industries furnished 100 percent endorsement of Nevada's attributes as a center for business and industry. “Those positive feelings come from quality of life,” explained Jim Devolld, a senior vice president with Pioneer Citizens Bank in Reno. “In addition to quality of life, people also enjoy the low tax rate, the pro-business environment and the friendly people. We do things really well now, but we need to think about how we can improve on our business-friendly attributes. That search for improvement is what gives us our edge over other states. We'll remain a popular place for business and industry

as long as we don't become complacent about offering positive attributes for business owners.”

NEVADA'S REGIONAL ECONOMIES

The survey gave participants the opportunity to share their thoughts on how Northern and Southern Nevada's business communities will perform this year. Their responses in areas ranging from the economy to political leadership reveal some thought-provoking results.

How will the economic condition of your firm's industry in Las Vegas/Reno in 1999 compare to 1998?

	LAS VEGAS	RENO
Much better	5.7%	3.8%
Better	27.2	28.3
About same	48.2	48.2
Worse	17.5	16.1
Much worse	0.6	1.0
DND	1.1	2.9

When it comes to regional, rather than national, industry performance, Nevada's business leaders are more sanguine. This year's survey has many more respondents expecting stable performance than last year's, from 38.5 percent to 48.2 percent. Last year's 47.8 percent of participants expecting better industry performance in Southern Nevada dwindled to 32.9 percent. Respondents anticipating a worsening economy rose (from 13.7 percent to 18.1 percent), but not as substantially as they did among Northern Nevadans.

Last year, 9.5 percent of the Northern Nevadans responding forecasted poorer regional industry performance; this year, 17.1 percent share such apprehensions. The percentage predicting roughly the same industry health stayed virtually unchanged. The “better” and “much better” categories garnered 32.1 percent of the responses, compared to last year's 43.2 percent.

How will the Las Vegas/Reno economy in 1999 compare to 1998?

	LAS VEGAS	RENO
Much better	1.6%	1.9%
Better	25.2	16.1
About same	51.3	53.8
Worse	22.1	25.5
Much worse	0.0	1.0
DND	0.0	1.9



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President
Nevada Test Site Development



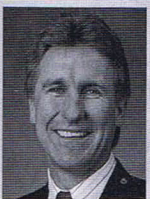
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President
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Elaina Blake
President
Blake and Associates



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Senator Harry Reid



"I rely on the *Nevada Business Journal* for its in-depth business profiles and for information on statewide business trends and issues."

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E. Edward Crispell
General Manager
Imperial Palace



"The *Nevada Business Journal* is a very comprehensive magazine—I thoroughly enjoy it!"

Mary Kincaid
Clark County Commissioner



"First Security Bank of Nevada has been doing business with the *Nevada Business Journal* for several years. They are very professional in their approach and objective in their reporting. The *NBJ* is certainly informative and is very beneficial in reaching our target audience of commercial business owners."

Russ Petersen
Senior Vice President
First Security Bank of Nevada

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Questions regarding regional economic performance elicited an exodus from the sunnier side of the street to a less optimistic view. In the Las Vegas area, respondents bracing for a more trying year total 22.1 percent, up from last year's 9.8 percent. That accompanies a drop of 16.7 percent in participants anticipating a regional economic surge, from 43.5 percent last year to 26.8 percent this year.

In Northern Nevada, the trend continues: those foreseeing worsening regional economic trends expanded from 12.2 percent to 26.5 percent, while respondents expecting stronger regional economic numbers dropped from 27.1 percent last year to 18 percent this year. Participants believing the Reno area's economy will perform at about the same level as last year dropped from 60.8 percent to 53.8 percent.

What is the outlook for Las Vegas/Reno business growth over the next three to five years?

	LAS VEGAS	RENO
Much better	4.7%	2.9%
Better	32.3	34.0
About same	42.6	40.6
Worse	19.5	18.0
Much worse	0.0	0.0
DND	1.1	4.8

Rather than expecting anemic long-term economic performance, Las Vegans seem to believe their economy's strength will stabilize. Those answering "about the same" rose to 42.6 percent, from last year's 26.8 percent. Those predicting stronger economic performance dropped from 56.2 percent last year to 37 percent this year. Business leaders readying for worse economic times rose only slightly, from 16.9 percent last year to 19.5 percent this year.

Las Vegas construction industry scion J.A. Tiberti perhaps sheds light on the philosophy shared by those expecting economic equilibrium, rather than economic disaster. "I think the economy will level off, and maybe even go down a little," stated Tiberti, who chairs the board of J.A. Tiberti Construction Co. "But it will eventually break. I've been here 57 years, and I've seen the economy go up and down over those years - it always comes back. The low points wake you up and make you hustle. Don't worry about Las Vegas. It will be good. Just hang in there."

In the Reno area, those abandoning the "much better" and "better" responses trended toward forecasting worsening long-term economic conditions. Last year, 52 percent of participants expected a stronger economy; this year, 36.9 percent do. Respondents concerned about weaker economic strength grew from 11 percent last year to 18 percent this year. Those expecting roughly the same economic conditions rose somewhat, from 37 percent last year to 40.6 percent this year.

How do you feel about the current political leadership in Las Vegas/Reno?

	LAS VEGAS	RENO
Much better	1.6%	3.8%
Better	17.5	23.6
About same	57.0	48.2
Worse	21.1	16.1
Much worse	3.1	5.7
DND	0.0	2.9

The recent city, county and state elections, which gave Nevadans the opportunity to either usher in new leadership or reaffirm their faith in incumbents, may be behind improvements in perception of political leadership. Southern Nevadans feel significantly better about city and county leadership this year: while 9.4 percent of 1998's participants noted a rising faith in political leaders, 19.1 percent did so this year. Last year's "worse" and "much worse" respondents dropped from 43 percent to 24.2 percent this year.

Hope for the potential accomplishments of new leadership is also evident in Northern Nevada, where 27.4 percent of respondents said they feel better about political leadership (compared to 18.1 percent last year). Last year, 26.4 percent of participants felt worse about leadership in the coming year, whereas 21.8 percent expressed such concerns this year.

Although participants seem mostly satisfied with the potential for quality leadership, Grant Sims, executive vice president of First American Title in Reno, asserts the business community must assume a more proactive role in determining regional direction. "Business leaders need to take an active role in convincing our political leaders to look at downtown as a prudent investment," he urged. "We need to continue to work to get strong business leaders elected to the city council."

Has Las Vegas/Reno improved its ability to retain business over the past year?

	LAS VEGAS	RENO
Yes	68.8%	46.3%
No	29.3	49.1
DND	2.1	4.8

Las Vegas appear to have lost some faith in the region's ability to retain business in the last 12 months. While a majority of 68.8 percent endorsed Southern Nevada's ability to keep business in the region, 76.6 percent did so last year.

The story is not the same in Northern Nevada, where slightly more people this year approve of the region's track record for preserving businesses integral to the area. This year's 46.3 percent response supporting business retention compares to last year's lower 45.8 percent response. However, the fact that fewer than half of Northern Nevada's participants answer "yes" on this question means concerns linger among business leaders in the area regarding the ability to attract and keep companies there.

For many Nevadans, simply retaining business isn't enough. Numerous survey participants commented on the importance of economic diversification, especially as Nevada's gaming industry faces increasing competition nationwide. "The two are so intertwined - the demise of gaming has a direct impact on diversification," stated Sims, of First American Title. "If the shortfall in gaming revenues continues, the effort to diversify will be terribly hindered because government will be forced to raise taxes, and the tax climate will not be nearly as attractive."

"We need to work much harder on economic diversification," added Bonner, of Kummer, Kaempfer, Bonner & Renshaw. "It is critical. In the past, regions that have been highly dependent on service and construction ran into problems - for example, Phoenix." Economic variety can partly be fomented via "building better graduate programs here to attract high-tech companies," Bonner prescribed.

NEXT MONTH

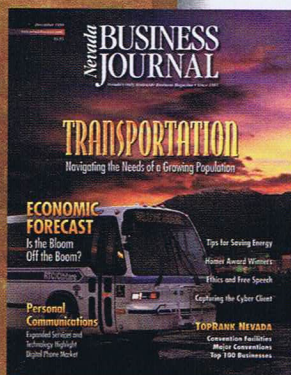
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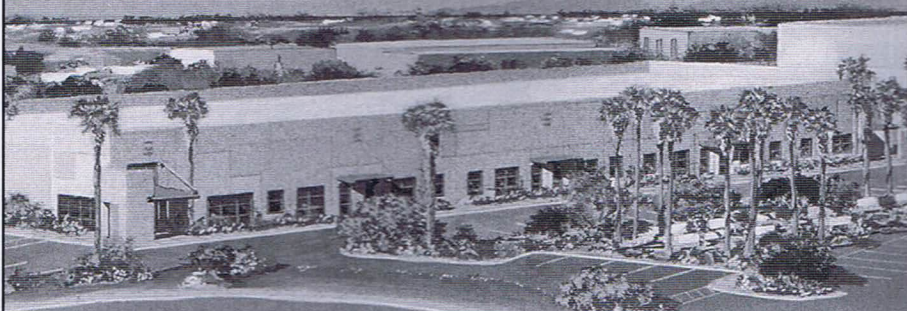
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Commercial Real Estate Forecast '99

by Tony Illia

In 1998, Nevada experienced a record-breaking year in commercial real estate transactions. The volume of new businesses and expansions has kept the construction industry frantic. Nevada remains a hot spot. Smart and receptive, its real estate market has come of age in the national spotlight. As a result, Nevada continues to attract the attention and interest of several prominent companies and entrepreneurs. Recently, we asked a number of industry pundits in the retail, industrial and office markets what 1999 held in store. Here is what they had to say.

PHOTO: OPULENCE STUDIOS, INC.

INDUSTRIAL

PERRY MUSCELLI
CB Richard Ellis, Las Vegas

“The local economy is slowing, and I’m concerned about a slow-down in the rate of construction. With the completion of several mega-resorts, many suppliers won’t see the same volume as in the past. As a result, the popular industrial market in southwest Las Vegas is going to be impacted. Expansion may stop. There is already some subleasing occurring, which indicates signs of concern.

“As further indication of potential problems ahead, the vacancy rate is growing. At present, the region has 4.5 million square feet of unoccupied space. Developers are becoming reluctant to build unless people want to expand. This isn’t necessarily problematic. Building doesn’t need to sustain its current hectic pace. Whether Southern Nevada can continue to absorb its space is the most important consideration.

“However, Henderson and North Las Vegas are different markets – they’re more driven by manufacturing. There will be little change in these areas. New industrial construction will continue in such places unless a recession emerges and the national economy falters.

“One factor that may sustain the Las Vegas market is price. If the price is low, businesses will be drawn to Las Vegas, and the city will benefit from a ‘herd’ mentality.

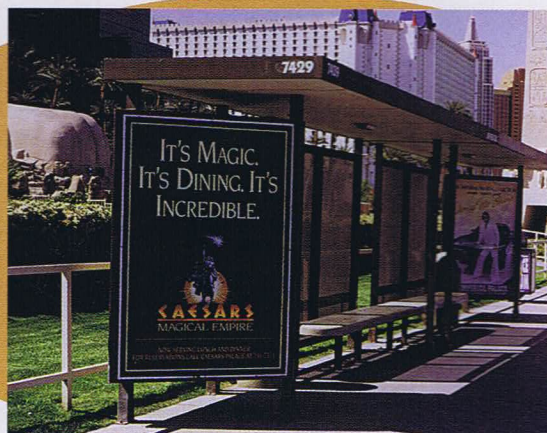
If more companies move here, more will follow. Nobody wants to be the first – the pioneers. Typically, companies want to go with a winner. Las Vegas is developing more and more of a reputation as a winner at attracting top companies.”

STEPHEN SPELMAN
Lee & Associates, Las Vegas

“I believe 1999 is going to be a strong year. We have quite a few projects planned. There has been talk of possible overbuilding, but those worries disappeared last year, when we experienced record absorption rates. Currently, 50 million square feet of industrial space is available in the Las Vegas Valley. The absorption rate has been 2 million square feet, which is almost equal to the new inventory coming online. We are absorbing what is being built. We will see the same in 1999, though we might see a little bit of a slow down overall.

“One of our most important market indicators is land prices, which have gone up consistently over the last few years. If prices go up, the end return has to rise. It’s very difficult to make speculative building work because it requires an end return. There is a breaking point where the Las Vegas Valley can become less desirable if rents rise. We may be due for a land price adjustment; we haven’t experienced any land pricing drops in recent history. That’s important, because the big box user requires a low rate.”

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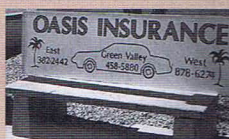
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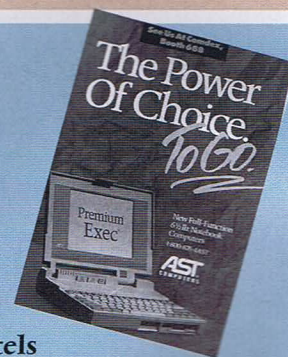
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DAVID SCHUSTER
Grubb & Ellis/Nevada
Commercial Group, Reno

"The Northern Nevada industrial market, including Reno, Sparks, Fernley and the new Tahoe-Reno Industrial Center, experienced its best year ever, with more than 5.4 million square feet of gross absorption. Net absorption more than doubled last year's numbers, at just over 4 million square feet. Fernley has more than 1.5 million square feet of space, with 750,000 square feet coming online in 1998.

"The region has 1.3 million square feet of new construction scheduled for 1999. Over the past three years, developers built 1.3 to 1.5 million square feet of industrial property each year. The large number of distribution companies looking to locate here is outstanding. We have been fairly steady and predictable."

PAUL PERKINS
CB Richard Ellis, Reno

"I think 1999 is going to be as busy as 1998 - but there might be less absorption. This will only occur because we saw record absorption in 1998. Through the third quarter of last year, gross absorption was 4.8 million square feet, an 85 percent increase over the previous year. Net absorption of 1.7 million square feet surpassed the total of all previous years except 1993. This is a great place to do business - it's becoming a mature market. Businesses are finally realizing that fact.

"The Fernley market has experienced some tremendous growth during the last two years, with 5,000 acres of development, including the 322,000-square-foot Stanley Tools center, the 410,000-square-foot Quebecor facility and the 256,000-square-foot UPS Logistics building. Low land prices, larger parcels and distribution capabilities contribute to Fernley's growth.

"Seven or eight years ago, people were worried about running out of industrial land. That's no longer the case. Reno/Sparks is now the site of 3,000 acres of land under development, and we're seeing continued interest from Fortune 500 companies such as Pfizer Drugs Inc., producers of Viagra, and Alcon, Inc., a vision care company. Although they haven't acquired land as of yet, both companies have committed to locate here."

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BRAD PETERSON
CB Richard Ellis, Las Vegas

“We set a record this year, with 1.5 million to 1.6 million square feet of net absorption, breaking last year's record, which was also a record year. I think vacancy will back up a little because of all the new development. I suspect we will keep pace, but perhaps not exceed, past net absorption.

“At present, more than one million square feet of new office space is either planned or coming online in 1999. Typically, Class A office buildings are the slowest to lease because of their high-end rents. Despite this, there are new Class A office developments to watch for in 1999, including the 150,000-square-foot Rainbow Corporate Center at U.S. 95 and Rainbow Boulevard.

“The Howard Hughes Center is also developing 161,000 square feet of Class A office space. They have created the only true office campus in Southern Nevada, which is a major attraction. Hughes Center has one million square-feet of Class A office space. The availability of Class A space notwithstanding, much of the total office space market-wide has been absorbed by back-office users, who don't want to pay the high rent.

“Even though it used to be rare, over the last two to three years, we've had a number of speculative office buildings go up. The capital market is strong enough to encourage speculative building.”

TOM STILLEY
Colliers International, Las Vegas

“Last year we saw 1.2 million net square feet of absorption, which is very positive. Plus, we've added 1.7 million square feet of newly completed space. The trend is moving from less Class A office space toward more flex back-office space with extra parking and lower lease rates. Many service-oriented companies, such as call centers with large numbers of employees, prefer back-office buildings.

“In 1998, back-office tenants were the

largest square foot users, and that will continue through next year. Developers are going to have to be cautious about what they build. The older areas in east Las Vegas will feel the impact the most. That area will have to reach a little harder to attract tenants by offering lower rents. Our overall vacancy rate was 13 percent, with 14.5 million square feet of total inventory, not including government buildings.

“Smaller neighborhood buildings remain popular. Community-sized offices, 20,000 to 25,000 square feet in size, will continue to fill demands.”

RETAIL

ROXANNE STEVENSON
Grubb & Ellis/Nevada
Commercial Group, Reno

“Economic expansion, steady residential growth, low unemployment rates and strong demographics continue to support a healthy retail market in the Reno/Sparks area. Retail centers reported high occupancy levels as stores expanded, repositioned and others came into the market for the first time. Interest from retailers has driven construction and activity throughout the market. Reno/Sparks retailers are benefiting from the rapidly expanding economy and growing population. Over 92,000 new residents are expected to locate within this area over the next 10 years.

“Although the Reno market will remain strong, construction and leasing activity will not exceed that of 1998. As additional inventory hits the market – due to the continued repositioning of retailers, consolidations, store closings and new construction – the overall vacancy rate may slide slightly in 1999. However, tenant driven locations and Class A grocery anchored centers will contribute to low vacancy rates for the next few years.”

KELLY BLAND
CB Richard Ellis, Reno

“We have seen a continual expansion of the retail market in Reno/Sparks area during the past four years. We have be-

come a regional destination for shopping. As a result, our overall vacancy rate has been very low. Most of the development has been build-to-suit with very little speculative building. In most instances, 75 percent of speculative building is pre-leased by the time construction is complete.

“The first quarter of 1999 should be more active than the first quarter of 1998. There are two Eagle hardware stores, 130,000 square feet each, due to come online. In addition, the Redfield Promenade, which is currently under construction, will come aboard with such tenants as The Good Guys, Bed, Bath and Beyond, Cost-Plus and Borders Books. A 134,000-square-foot Home Depot at Interstate 80 and McCarran Boulevard will also open in 1999. At the corner of Virginia Street and McCarran Boulevard, in the Meadowood Court Center, there's going to be a Best Buy, Borders Books, PetCo, On-the-Border restaurant and Macaroni Grill all opening soon.

“In Sparks, Hacienda Plaza, a strip center at Prater Way and Sparks Boulevard will feature a 44,000-square-foot Rite Aid and a Beacon Gas Station. These are some of the major projects we can expect in the first quarter of 1999.”

GREG PICO
Colliers International, Las Vegas

“I think we're going to see expanding growth in community grocery-anchored shopping centers. They have grown enormously in popularity. I anticipate more centers going up around master-planned communities such as Summerlin and Green Valley in order to minimize travel time and inconvenience for residents.

“At present, 400,000 square feet of retail space is under construction, with an additional 300,000 square feet planned for completion in 1999. The majority of this space is going to be a grocery-anchored shopping centers, typically ranging from 100,000 to 200,000 square feet in size. Shopping centers are becoming more important to developers, as well as tenants. There is a focus on creating architecturally pleasing structures. This will be the case in the future.”



Finding the Right Real Estate Agent

by Cindie Geddes

IT USED TO BE EASY

to find a real estate agent. College students working during summer break, secretaries who sold cottages on their weekends, unemployed writers who wanted to eat more than soup – anyone could do it. And they did. Back in that day, buying and selling real estate was relatively easy. But it was also a time when young couples expected to pay their mortgages off before their first born left for college. Times have changed. Laws are stricter, regulations harder to understand, and technology has made the whole process a lot more like an investment and a lot less like a dream. In a day and age when mortgages commonly outlive marriages, do you really want to put your hundred grand into the hands of your Uncle Bill's second cousin who sold that one house that time?

First, you should probably know what Uncle Bill's second cousin does. Is he a Realtor, a broker or a real estate agent? Does he represent both buyers and sellers? Is he accredited as a Certified Residential Broker, Certified Residential Specialist or any of the other designations the National Association of Realtors awards?

A real estate agent is licensed by the state to represent buyers and sellers. A broker is also licensed by the state, but takes a different test that includes more about financial responsibilities and ethics. Only a broker can open an office. A Realtor is licensed by the state, a member of the National Association of Realtors, a member of the state Association of Realtors and may be certified at different levels (like the certified residential specialist) depending on the course work he or she has completed. All of them are real estate

agents, but they are not all created equal. According to agents at Century 21 Consolidated in Las Vegas, an ideal agent is experienced, knowledgeable, professional, punctual, confident, shows a positive attitude, has good communication skills, carries specialty designations, has an affinity for the programs available to you and is a member of a well-recognized company with market share.

To find this wonder-agent, it's best to start the old-fashioned way – ask. News of good service is best spread word-of-mouth. Ask Uncle Bill if he's ever bought or sold a house with his second cousin. If he did, would he do it again? Ask your friends, your neighbors, your boss. You can also choose an agency with a good reputation; ask your banker, or drive around the neighborhood in which you want to live and check out the FOR SALE signs to

House hunting goes high tech

WHILE many still adhere to the traditional office visit or phone call when in the market for a Realtor or home, consumers are increasingly turning to the World Wide Web for a jump start on meeting their real estate needs. As with virtually any form of e-commerce, the range of Web sites and products is quite broad. Yet, they all have one thing in common: the objective of making house hunting more convenient for potential buyers.

"Buyers can look at houses in the comfort of their own home," noted Bob Morgan, a Realtor with Realty Executives in Las Vegas. "They can pull up a Web site, enter their size and price parameters and narrow down their options without all the legwork finding the right home traditionally involves."

It's not just consumers who benefit from Web-driven real estate searching; sales associates are also reaping the rewards of the Internet as a marketing tool. "It's an inexpensive way to get more information about my listed properties out to qualified buyers nationally and internationally," asserted Laura Worthington, a broker-salesman with Realty Executives. "One client contacted me from France, a retiring military family considering real estate in Las Vegas. That's a client who normally would not have called me."

Both Worthington and Morgan have noticed a recent upswing in the number of clients coming from the Web. Morgan, who, with partner Jackie Porter, began marketing on the Internet about two months ago, has garnered clients from San Francisco and Pennsylvania. Worthington has successfully listed and sold, via the Internet, homes ranging in price from \$145,000 to \$470,000. "Two years ago, I sold three homes in one year utilizing the Internet," Worthington recalled. "This year, I've sold 12."

But is this just one more fad, or, like other forms of e-commerce, is it here to stay and expand? Worthington, whose Web site at realtorlasvegas.com links to mortgage information and calculators, tips for buyers and sellers and articles about the buying process, expects real estate Web sites to grow in popularity. "People are becoming very used to having access to more information than ever," she stated.

"Consumers are now prequalifying for home loans over the Internet, in addition to searching for properties in multiple cities," said Morgan, whose Web site is at realtor.com. "People are using the Internet for all kinds of shopping – real estate has to be there, as well."

If you're interested in employing the Internet as part of your arsenal of real estate search tactics, Worthington proffers some advice: "You should know how to effectively use a search engine," she said. "After that, remember it's like any other advertisement – it's a great way to obtain some brief information, but you still need to investigate properties you may like. You'll need to make human contact; you still need an agent, a home inspector and others who can give you more specific information about a home."

It's not as simple as buying books at amazon.com, but finding real estate on the Internet is making life a lot less complicated for many consumers.

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see who specializes in that area. Then simply go to a few of the offices, sit down and talk with some agents. They won't charge you for the interview, and you might be surprised by the differences between agents. Darrell Plummer of Coldwell Banker Plummer and Associates, Inc. in Reno suggests you interview more than one, but probably no more than three to save yourself time and confusion.

One thing you want to know from the agent is how many houses he or she has helped clients buy or sell in the last year. Just because someone has been in the business for a long time or has nice, slick ads doesn't mean he or she is out regularly closing deals.

Don't be afraid to ask if the agent has another job. Do you want someone who is just doing this part-time to represent you? Also, some people want small firms because they feel it gives them more personalized service. Others want big firms with power and huge networks.

Ask what percentage of the agent's business is representing buyers and what percentage is representing sellers. A buyer's representative is paid to get the lowest price he or she can for a piece of property. A seller's agent is paid to get the highest price for a piece of property. You want an agent experienced in both, but you also want an agent who excels at meeting your needs.

Ask exactly what the agent will do for you. Know the agent's game plan and make sure you're comfortable with it. If you're selling, have the agent detail his or her marketing plan. If you are buying, discuss what kind of contract the agent wants you to sign. Ask if he or she works on weekends or after hours when you'll be able to look at property. Do they have live people answering the phones so you can make appointments, or will you end up missing out on your dream house because you were waiting for your agent to call you back?

Here are some red flags you can look for during your interview process: you plain don't feel comfortable with the person; an agent shows you only the listings represented by his or her company; the agent is not flexible with his or her time; an agent doesn't make sure you're pre-qualified; and an agent won't return your calls. Don't ask

an agent where the best schools are or where the nicest neighborhood is. In order to meet the law and avoid biases, it is illegal for them to tell you their opinions on such things. However, do feel free to ask for information on schools, housing prices and other concerns so you can form your own conclusions.

The most important thing you will learn from the interview process is how well you like and trust the agent. If you're not comfortable with him or her for whatever reason, go elsewhere. You will be spending a lot of time together, and it can be a great experience. Out of 38,000 to 40,000 sales made per year, Robert Sadler, CEO of the Reno/Sparks Association of Realtors, says there are only about 20 complaints. Desiree Leal of Century 21 Consolidated says some agents and clients become good friends. Sadler likens the relationship to a marriage.

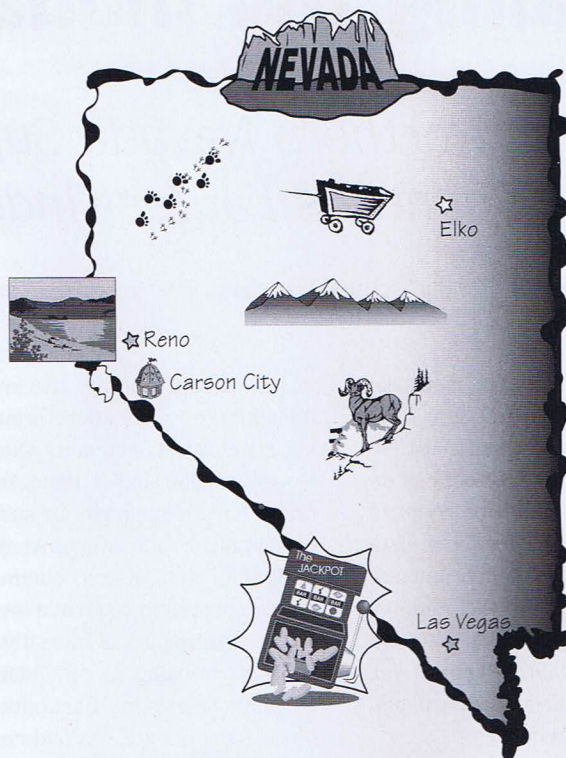
Remember, you're a team. Your agent is working for you. There is no need to pit one agent against another in hopes of getting a better deal. It doesn't work that way. All you'll end up doing is making two people work really hard, while only paying one – the one who closes the deal. It's unfair, it's rude and you wouldn't want someone to do it to you. You can look at other properties, Sadler stresses, but tell any agents involved that you have a representative and a contract. And do get a contract up front. It will make everyone's work easier to have all the obligations spelled out in the beginning.

But what if Uncle Bill's already talked you into using his second cousin to find your dream home? What if you've already signed the contract and then find out he's putting up more red flags than China? Divorce him. Sadler says you should send the agent a letter terminating the relationship and get a letter of agreement back. If two people go into the contract, two people need to dissolve it. Don't just go to another agent.

Now, how to deal with Uncle Bill isn't quite so easy. Avoid the subject at the family reunion, take two helpings of Aunt Jane's cobbler, don't forget his birthday, and buy him a nice Christmas present. Odds are he won't forget you divorced his cousin, but maybe he never really liked him anyway. 🍀

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Expanding the Industrial Horizon

Can Northern Nevada Support Two of the Country's Largest Industrial Parks?

by Jennifer Rachel Baumer

Expected to be the largest industrial park in the world in total acres, the proposed Tahoe-Reno Industrial Center completed closing transactions on 102,000 acres in Storey and Lyon counties in September. But with a completion date 20 to 30 years in the future, and the current largest industrial park in the country just 20 miles away in Fernley, can the Reno/Sparks area sustain a demand for this much acreage devoted to heavy industry and distribution/warehousing?

Fernley Lures Prominent Industrial Operations

The Reno/Sparks region has traditionally been seen as a good distribution and warehouse hub because rail servers are available and the area is crisscrossed with U.S. 395 and Interstate 80, thus providing easy access for two major modes of transportation.

So far, the area has proved advantageous for the Nevada Pacific Industrial Park, located in Fernley. The park, owned and operated by Wade Development, opened in 1996. Built on flat ground, the center is served with municipal systems, and the infrastructures are already in place. I-80 runs through the park, highways 50 and 95/395 are easily accessible, and there is direct access to Union Pacific Railroad, all of which make the Fernley park an ideal jump off point for Southern Nevada and California.

Nevada Pacific has already attracted several Fortune 500 companies. UPS Worldwide Logistics, Inc. located operations at the park, acquiring more than 200 acres to build a 256,000-square-foot facility.

Quebecor Printing, the world's second largest commercial printer, was up and running last September. Quebecor previously sought land in Reno, but couldn't find a large enough site or suitably quick development time frame. At the Fernley park, they were able to obtain necessary permits in less time and at a lower cost.

The Fernley park is currently expanding services, bringing in redundant fiber to compliment existing fiber-optics services for telecommunications and computerization. Wade Development is also working with Sierra Pacific Power Company on plans for a second 25 kilovolt substation expansion and redundant electrical service. Southwest Gas recently installed a high-pressure natural gas line. The sewer treatment plant has tripled in size, and a third I-80 interchange is in the works, all of which should make the park more attractive to new companies. Wade Development Company is also at work on a 400,000-square-foot spec building on a 20-acre site.

The ongoing 15-year project has thus far absorbed 450 acres of its 5000-acre total. Heavy-duty marketing globally continues to solicit new businesses, according to Wade, who states Wade Development is working with the Economic Development Authority of Western Nevada (EDAWN) and economic development agencies in Lyon County. The developer is also communicating directly with Fortune 500 companies and using brokers and references from companies already located in Fernley to reach new businesses.

But is there room in a region the size of the Reno/Sparks area to accommodate a second major industrial park?

"I'm not overly concerned [about the

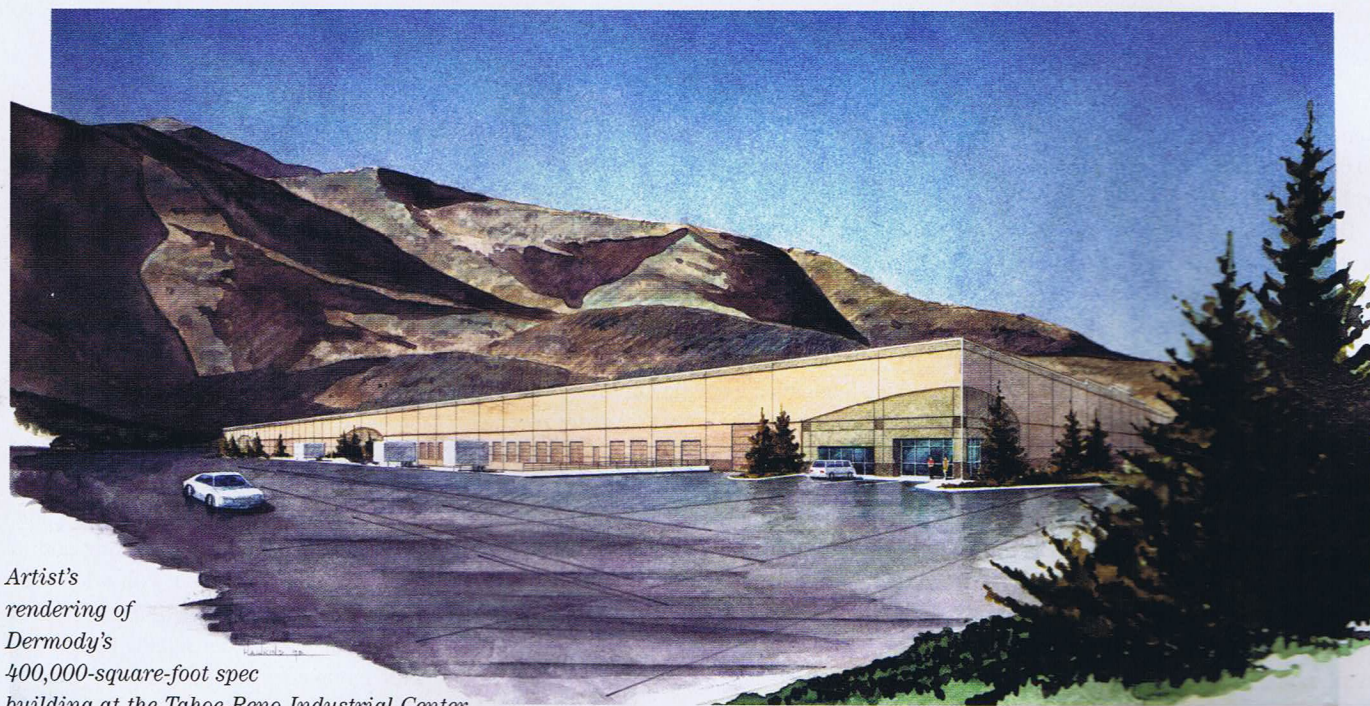
Tahoe-Reno Center] because from a competition stand point, their products are different from Fernley's and what Fernley will continue to market. The Fernley property has turned away some companies, and we've suggested Tahoe-Reno," Wade says, because the companies are more suited to the new industrial park. Wade adds that the Nevada Pacific park considered the Tahoe-Reno site, but found the cost off-putting because of the grading required in the hills.

Wade doesn't expect businesses will leave the Fernley park to move to Tahoe-Reno. "These companies have made multi-million dollar investments at Fernley and Tahoe-Reno doesn't fit their criteria," she explains. Wade believes the companies headed for the Tahoe-Reno Industrial Center will constitute strong industrial operations, while Fernley expects to retain more of an emphasis on distribution/warehousing. The area is big enough for both parks, she believes; Tahoe-Reno has challenges Fernley doesn't, with mountains between pockets of flat land, but Tahoe-Reno has the Tracy Power Plant and could complement Fernley well, accepting companies Fernley's codes, covenants and restrictions (CC&Rs) prohibit.

"It will help diversify the economy," Wade says. "I'm not looking at it as a negative; I see it as a positive."

Tahoe-Reno Center Heightens Regional Industrial Growth

Gulf Canada acquired Asamera Ranch, the site of the Tahoe-Reno Industrial Center, through a land exchange. It comprises 102,000 acres of land outside



Artist's rendering of Dermody's 400,000-square-foot spec building at the Tahoe-Reno Industrial Center.

ence between the Nevada Pacific and Tahoe-Reno parks. "They both offer large tracts of land for large businesses who need rail access. Both provide for similar needs and purposes." He does add, though, that UPS Worldwide Logistics would not have built in Fernley if Reno had land to meet its needs. "UPS was interested in a parcel in Stead, but city of Reno development requirements made Fernley better suited to satisfying initial requirements."

Perkins asserts there will be competition between the parks for the labor force, Fernley drawing from its own population base and Tahoe-Reno drawing from Reno and outlying areas. While companies attracted to the area aren't necessarily changing from industrial to high-tech, industry itself is becoming more high-tech. As Perkins explains, "Industry is more sophisticated. Higher-skill employees are needed. They make more money and they need to be computer literate."

Perkins doesn't see differentiation between the parks in the types of companies settling at each; he feels both parks will be providing for manufacturing, warehouse/distribution and heavy industry. He expects both parks to handle the same kind of companies. "They'll compete," he says, "and markets will come down."

Dave Schuster, SIOR, CCIM, an industrial specialist with Grubb & Ellis/Nevada Commercial Group, agrees. "There will absolutely be competition between the

parks. Both are railroad-served. One is 16 miles from Reno, but the Fernley park may end up with a higher profile."

In comparing the two, Schuster pointed out the Tahoe-Reno park is 16 minutes from the airport, compared to Fernley's 30 minute drive. In choosing one park over another, "It comes down to amenities such as labor pool, price of ground, where management wants to live. There's definitely room for two parks. Larger distribution companies are looking to our area and big manufacturers hope to push more distribution and manufacturing to Stead, Reno-Tahoe and Fernley. Then we can rehabilitate existing industrial parks in Reno/Sparks with higher use and more employee jobs for the actual Reno/Sparks area. In 1990 we were running out of land, especially railroad-served parcels. Tahoe-Reno, Stead, Fernley - all are served by Southern Pacific railroad. That's necessary for manufacturers bringing in bulk material. I think the area will be served with a good supply of industrial ground to attract distributors and manufacturers for the next 10 years. It's supply and demand, and there are three areas to choose from."

Planning Insures Against Over-Building


With two of the country's largest industrial parks located 20 miles apart, it seems there would be a chance of

over-building on spec, of having more industrial space than can be filled in the area.

Perkins doesn't express too much concern about that prospect. "Building in phases offsets the chance of failing - this is a savvy development community. They watch the national trends, and we're seeing 700,000-square-foot buildings pushed back because developers are taking a wait-and-see attitude. Industrial developers all know [they've got the same product]. The variable is the cost of the land."

Schuster doesn't believe there's much of a chance of the parks failing, as they're opting for 10-, 15- and 20-year absorption projects. "Expect competition in pricing," he says. "One park emerging over another with a higher profile will be the only thing to escalate prices." The existing park has great tenants, he states, "but all it takes is one big user for the others and they're off to the races, too."

"We have enough land and absorption for six to eight years," Nebesky says. "If we know we'll grow at a certain rate over 20 years, in order to have a healthy growth rate of population and need, we have to carefully determine how many acres a year to develop. Do we plan for 10,000 acres a year, or plan for 15,000, knowing 5,000 are in areas that can't or won't be developed? How much is enough?"

That's a question many in Northern Nevada's real estate community are asking these days. 

Southwest Engineering

Community contributions important to successful firm

by TONY ILLIA

When two former college buddies ran into each other at the now-defunct Wonder World Department Store, they decided to start a business. That was 13 years ago, and the end result of that encounter is Southwest Engineering, one of the premier engineering firms in Nevada.

“We were both tired of working for other people and were young enough to think we could do it better,” states executive vice president and partner Donald “Chip” Maxfield, P.E.

Indeed, in 1997, the company posted \$2 million in revenue, handling more than 50 projects. Constantly striving to improve and outperform themselves, the company’s partners expect to record \$2.6 million in revenue for 1999. With 24 employees, Southwest Engineering is currently expanding to a new state-of-the-art 81,020-square-foot facility in Las Vegas to accommodate the firm’s growth. This marks the fourth expansion since launching the business in 1984. However, things were not always so prosperous.

“We worked through wind and rain, day and night, doing everything ourselves,” says managing partner Mark Jones, P.E. “We took anything and everything that came our way.” Unfortunately, their first project declared bankruptcy, and they were unable to collect payment.

“It was a difficult time and our induction into the business world,” states Maxfield. Despite that initial disappointment, both partners persevered, working diligently to build up the company. Today, Southwest Engineering handles numerous high-profile projects, ranging from public works and parcel planning to private enterprise.

“We are gearing our business plan toward larger developments,” states Maxfield. As a testament to that, the firm recently broke ground on the \$120 million, 100,000-square-foot Santa Fe Galleria Hotel and Casino in Henderson. The facility will feature a hotel, spa, fitness center, award-winning

restaurants, casino, theme bars and meeting rooms. In addition, there will be an Olympic-sized skating rink and a 1,000-seat performing arts center. Completion of the Santa Fe Galleria is scheduled for May 1999.

The company also broke ground on a \$20 million development project for Real Homes, Inc. in June 1998. At present, there are four new developments, one of which is Azure Estates, a 40-acre residential subdivision consisting of 200 lots, each measuring 6,000 square feet. Located in North Las Vegas, these entry-level homes offer affordable housing



*Managing Partner Mark Jones (left) with
Executive Vice President/Partner Chip Maxfield*

Robert Sadler

Chief executive for the RSAR refuses to stand still for the status quo

by **DIANE GLAZMAN**

For the past five years, the CEO of the Reno/Sparks Association of Realtors (RSAR) has applied his formidable skills in the Washoe County area, opening new services and benefits to the organization's more than 1,400 members.

Robert Sadler likes to think outside the proverbial box. Last year, for instance, his ideas moved the RSAR out of its former 3,000-square-foot home into a brand new 15,000-square-foot building – complete with training facilities the organization can rent out to the public.

"[I like to] establish profit centers that assist the Realtors, and at the same time, create income for the association," Sadler says, adding that he is always looking for creative ways to make things happen. In his previous position as head of the Omaha Association of Realtors, Sadler established a print shop to serve the needs of the members, as well as other businesses. In three years, the print shop showed a profit of more than \$100,000, and helped reduce association fees for the RSAR membership.

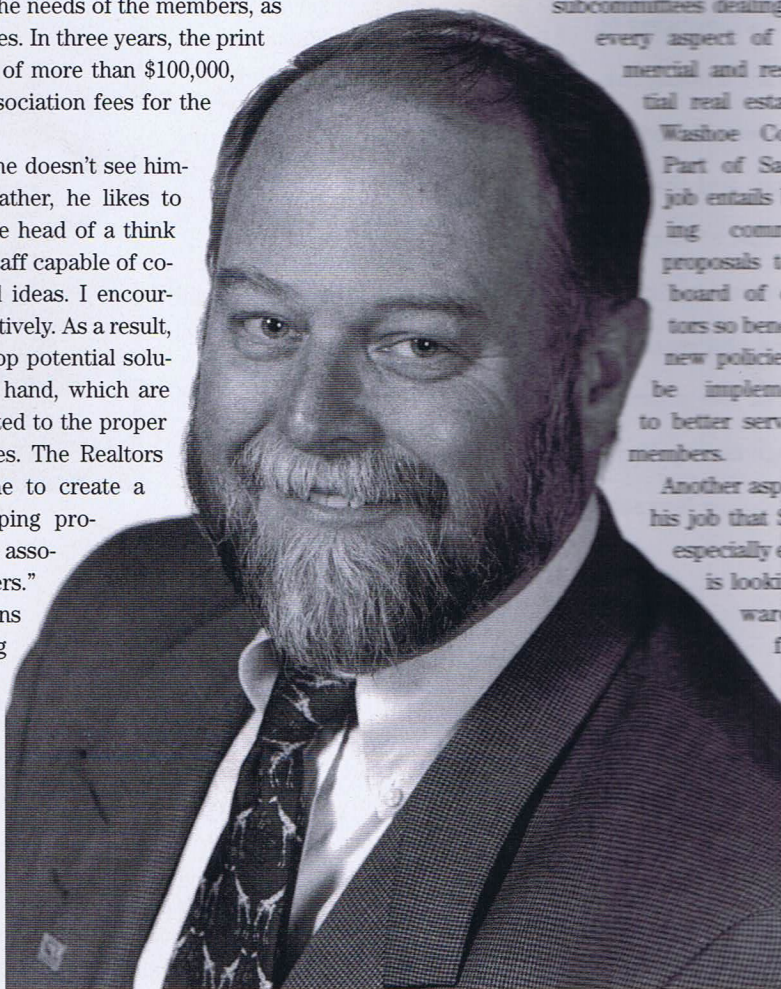
Sadler emphasizes he doesn't see himself as a manager. Rather, he likes to think of himself as the head of a think tank. "I have a great staff capable of coordinating many good ideas. I encourage them to think creatively. As a result, they repeatedly develop potential solutions to the issues at hand, which are discussed and submitted to the proper association committees. The Realtors and the staff combine to create a good team – developing programs that benefit the association and its members." He adds that he gains inspiration listening to the ideas and suggestions of member Realtors, and works to discover the best ways to meet their needs.

To that end, Sadler is involved in a number of RSAR activities. The asso-

ciation provides Realtors continuing education, as well as the assorted products required by the state of Nevada. In addition, the RSAR has a political action committee that keeps abreast of issues affecting property rights in local, state and federal governments. During election years, the association interviews politicians about their respective positions with regard to private property owners' rights and government intervention and bureaucracy. As CEO, Sadler is involved in all these areas, from public relations to officer installations to political affairs. The association has 22 committees and

subcommittees dealing with every aspect of commercial and residential real estate in Washoe County. Part of Sadler's job entails bringing committee proposals to the board of directors so beneficial new policies can be implemented to better serve the members.

Another aspect of his job that Sadler especially enjoys is looking toward the future



EXECUTIVE PROFILE

growth of Washoe County. He is involved with Team Sierra, a group of private companies, associations and government agencies that work together to bring businesses to the community. Sadler says he would like to see more Fortune 500 companies locate corporate and regional headquarters in Washoe County. "I'm not interested in warehouses; I'd like to see us grow in a different direction. Warehouses cover a lot of square footage, but they don't bring in much income for workers," he says, adding that he would like to see the region's average square footage per employee drop from the current level of 1,200 square feet to around 400 square feet.

Sadler says, although the city of Reno maintains a fairly high profile within the business community, locals perceive the area as lacking a vision for growth. He asserts that perception is not reality. Nor does he believe the gaming industry limits the area's appeal to companies interested in moving to the area. "We're a very viable community. Employers prefer to see a large pool of qualified workers when they consider a potential location, and people are concerned we don't have enough employees available. However, I've lived in big towns, I've lived in towns with high unemployment, low unemployment. It doesn't matter. If you give companies the right products and services, they'll find a way to get the employees."

Looking toward the future is always foremost on Sadler's mind. During his seven-year tenure with the Omaha Association of Realtors, he was instrumental in increasing the organization's annual income to more than \$2 million. When the Omaha association discontinued its proactive philosophy, Sadler looked to Reno – and the rest, as they say, is history.

Future RSAR programs on Sadler's drawing board include establishing a print shop – which he says is a priority this year – and gaining a larger presence on the Internet.

Declares Sadler, "It is rewarding and exhilarating to work within and contribute to a progressive organization such as the Reno/Sparks Association of Realtors." 🌿

CORPORATE PROFILE

Continued from page 55

to the expanding service industry. Expected build-out for Azure Estates is two years. "We're responsible for the planning, surveying and engineering of the homes," explains Jones.

Working with Richard Tam Enterprises, Southwest Engineering has been assisting in the development of the 115-acre master-planned North Mesa Plaza Commercial Center in North Las Vegas. Started in 1994, build-out of the center could occur by 2003. The firm is responsible for the planning, design and construction of a 55-acre retail center that houses such tenants as Wal-Mart, Vons and Rite-Aid. In addition, there will be a hotel and casino.

Impressed with the firm's timeliness and professionalism, Richard Tam Enterprises retained Southwest Engineering once again to develop the 240-acre master-planned Cobblestone Ridge neighborhood in North Las Vegas. Started in 1992, potential build-out of the community could occur as early as 2003. Southwest Engineering's work entails planning, design, staking, parks and storm drain facilities. Upon completion, there will be 700 houses, 400 apartment units and 40 acres of commercial development.

Though Southwest Engineering is capitalizing on Southern Nevada's current hectic building pace, the firm and its principals have anchors in the community that transcend the here and now. "We were here making a business before anyone had ever heard of a building 'boom,'" states Jones. The partners recently reaffirmed their local roots by accepting a challenge put forth by North Las Vegas Mayor Michael Montandon to breathe new life into the mature areas of the city. "Both Mark and I were raised here, and we're

Southwest Engineering will donate \$10 for every single-family home and \$3 for every apartment unit engineered by the firm throughout 1998 and 1999 to the North Las Vegas Neighborhood Housing Service, a non-profit organization dedicated to helping families become homeowners and revitalizing community neighborhoods.

very passionate about this town," states Maxfield. As a result, Southwest Engineering will donate \$10 for every single-family home and \$3 for every apartment unit the firm engineers throughout 1998 and 1999 to the North Las Vegas Neighborhood Housing Service (NHS), a non-profit organization dedicated to helping families become homeowners and revitalizing and improving neighborhoods throughout North Las Vegas. A pleased Montandon responded, "Southwest Engineering has demon-

strated its commitment to the community by reinvesting in our city."

Southwest Engineering is just as committed to its clientele. "We believe in building long-term relationships," states Jones. Clearly, the firm's philosophy works. Southwest Engineering's client list is exhaustive, covering the gamut from large to small, reading more like a "Who's Who" for business and development in Nevada than a record of customers. Clients include Ribeiro Development, Del Webb Corp., Central Telephone Company, Charter Health Care, Martin-Harris Construction, Nielsen-Dillingham Builders, the city of Las Vegas and U.S. Army Corps of Engineers, among others.

"By keeping commitments, we assist our clients in achieving their goals for success while simultaneously providing a tremendous source of referral business for our company," explains Maxfield.

Needless to say, extolling such virtues has contributed to their tremendous success. It comes as little surprise. Both Maxfield and Jones seemingly possess the experienced, problem-solving, work ethic and inherent integrity needed to engineer continued prosperity. 🌿

BUILDING NEWS in NEVADA BRIEF

Anthem brings new concepts to Henderson

With the recent opening of Del Webb's Anthem in Henderson, and the anticipated opening of the golf course at Anthem Country Club slated for next month, the master-plan developer is bringing some new ideas for its company to the region. Anthem represents the first multi-generational master-plan for the developer, with three different product lines geared toward various market segments. At build-out, the community will harbor 12,000 homes.

Those homes sit on nearly 5,000 acres of land. Upon annexation to the city of Henderson, the property added 25 percent in area to the Las Vegas suburb. However, according to Henderson officials, that's not all the master-plan will contribute. According to a study prepared by ESI Corp., the economic impact the community will visit on the area during Anthem's 13-year build-out is significant. Projected benefits include property tax generation of more than \$212 million, \$143.4 million in consumer sales tax receipts, a 20-acre school site and \$153.5 million in aggregate taxes and fees for the Clark County School District and more than 3,400 direct and indirect jobs. Officials in the Henderson area expect other, more intangible benefits as well: volunteerism from retirement-age residents, for example, is expected to compose an annual contribution worth nearly \$11 million.

Builders Association fetes award winners

The Builders Association of Northern Nevada recently held its second annual Banner Awards, with Steve Thomas of "This Old House" as special guest speaker. More than 100 participants entered contenders in this year's event, which high-



Grand opening festivities for Del Webb's Anthem Country Club luxury home development.

lighted 19 separate categories in such areas as new home designs, interior design and landscaping.

K&R Homes won best new home design, up to 1,500 square feet, for its Monet plan; the builder also captured best new home design in the 1,501- to 1,750-square-foot, under \$150,000 division for its Traveler floor plan. Ryder Homes of Nevada's Highridge neighborhood took two awards as well, for best new home design of 1,501 to 1,750 square feet, over \$150,000, and best new home design in the 1,751- to 2,150-square-foot, under \$200,000 range. Coleman Homes won best new home design in the 2,151- to 2,750-square-foot division for its Haddington plan. Double Diamond Homes' The Chardonnay received best new home design honors in the 2,751-square-foot and up category.

Other winners include: Homecrafters' The Mountainshyre, top custom home under \$1 million; the Mostadei residence, by Holmes Construction, best custom home over \$1 million; Highridge residence 5 by Ryder Homes of Nevada, best interior design model priced under \$200,000; Centex Homes' The Juniper, best interior design model priced over \$200,000; Heron's Landing by Taywood Dermody, best sales office; Ruby Schwerin of Ryder Homes and Diane Plummer of Double Diamond, outstanding salespeople; Wingfield Springs, best new planned community, Taywood

Dermody's Heron's Landing, best new home subdivision; Double Diamond's The Eureka, best landscaping-new home model; Jeff Codega Planning's Cauglin Cottages, best landscaping-new home community; and Dakota Crest by Clearacre Partners, best multi-family project.

Industry professionals from around the country were brought to Reno to judge for this year's awards, which were started in 1997 to help the Builders Association recognize excellence in new home building and residential master-planned developments. The Builders Association of Northern Nevada has more than 800 members.

HomeGate opens first Las Vegas hotel

The first Las Vegas HomeGate Studios & Suites property has opened at 1550 E. Flamingo Rd., representing the 34th national installment of the extended-stay chain. The new facility features fully equipped kitchens, residential furnishings and designs, as well as separate cooking, living and sleeping areas. The 126 units also include work areas with data port phones equipped with dual lines and direct-dial numbers. Guests can take advantage of a weekly maid service, full linen service, on-site laundry facilities, valet service, an exercise room, outdoor pool, game room and three meeting rooms.



Tate & Snyder Architects earns regional honors

For the first time ever, a Nevada architectural firm has won the Western Mountain Region's (WMR) firm of the year honors from the American Institute of Architects (AIA). Tate & Snyder Architects received the honor, and three design awards, during the AIA's recent banquet at Bally's in Las Vegas. One of Tate & Snyder's recent projects is the Community College of Southern Nevada's High Tech Center. The center, which opened last September, is a 33,000-square-foot facility located next to Palo Verde High School in Summerlin. The firm's design team created the main computer study area with an outdoor courtyard in mind, incorporating abundant natural light, high ceilings and large amounts of open space. Tate & Snyder has offices in Henderson and Reno.

M.C. Neuffer Co. breaks ground in South Meadows

M.C. Neuffer Co. recently broke ground on a new office building in Reno's South Meadows Industrial Park. The 22,000-square-foot, two-story office building is slated for completion in mid-April. The building, designed by Cathexes architects, features exposed structural steel framing, a glass curtain wall and clerestory, composite aluminum panels and exterior stone veneer. It is situated at 9650 Gateway Drive, and will be the Reno headquarters for MFT Consulting Engineers.

CB Richard Ellis notes high absorption in Vegas

The third quarter of 1998 brought substantial office and industrial space absorption to Las Vegas, according to market reports issued by CB Richard Ellis. In the office market, absorption levels soared to 1.2 million square feet at the third quarter's end, a 78 percent increase from the same time last year. More than 3.5 million square feet of industrial space have been absorbed, up from 2.2 million square feet at the end of last year's third quarter. However, 3.4 million square feet of new industrial

Triple Five opens custom home community

Triple Five Nevada Development Corp. opened its newest custom home community in Henderson. Roma Hills, modeled after Italian architecture, comprises a 65-acre guard-gated community with 144 home sites. Builders & Developers Corp. of North America developed the neighborhood, which is built into the Black Mountain region off Andora Drive near Horizon Ridge Drive. The community will feature a two-acre park and minimum home size requirements of 3,000 square feet.



Steve Green, vice president of Triple Five Development Corporation.

space coming online in the third quarter alone have pressured submarket vacancy rates from 7.5 percent to 10.1 percent.

Kmart plans first Las Vegas store in a decade

Kmart Corporation announced plans to build a new 120,000-square-foot department store at the southeast corner of Buffalo Drive and Washington Avenue. The building will constitute a one-story, 108,000-square-foot Kmart department store, with a 12,000-square-foot garden shop. The 25-year lease between developer Laurich Properties and



New Tower at Hughes Center under construction


The Howard Hughes Corp. commenced construction on another tower at its Hughes Center complex in Las Vegas. The eight-story tower (pictured above) is scheduled for completion in October 1999, and will include 170,868 square feet of Class A office space. It will also offer adjustable floorplates from 1,000 to 22,000 square feet. Some of the tower's other features include a parking ratio of 3.5 per 1,000 square feet, unobstructed views of the Las Vegas Strip, security station, building concierge and advanced fiber-optic communications links via a minimum of two providers.

Kmart is valued at approximately \$15 million. It will be the first Kmart built in Las Vegas in almost 10 years.

State's 2nd largest apartment transaction closes

Realty Management, Inc. recently announced its acquisition of four Las Vegas apartment properties, representing a total of 800 units. Valued at \$44 million, the deal becomes the second largest apartment transaction in Nevada. With the addition of the properties, Realty Management, Inc. increases its owned real estate portfolio by more than 23 percent.

Colliers International opens Koll Business Center

Colliers International agents Dan J. Doherty, Beth Mundo and Jennifer English announced the grand opening of Koll Business Center, an industrial park located at the northwest corner of Valley View Boulevard and Post Road in Las Vegas. Koll Business Center will ultimately include 600,000 square feet of space. Phase I, consists of approximately 150,000 square feet. 

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Commercial Real Estate Market Report

RETAIL MARKET SUMMARY

LAS VEGAS: Due to unforeseen third quarter reporting difficulties, Las Vegas retail market figures are not available for this time period. The next update for this commercial real estate sector should be reflected in the fourth quarter numbers for 1998.

RENO: Economic expansion, steady residential growth, low unemployment and strong demographics continue to support a healthy retail market. Retail centers report high occupancy levels and good activity.

Development is increasing its pace over the previous year. A total of 300,000 square feet is currently under construction with another 845,000 square feet approved. South Meadows Marketplace, anchored by WINCO, opens by early 1999.

Two lifestyle centers, Meadowood Court and Redfield Promenade, will open spring 1999 and include such tenants as Border's Books, Bed, Bath & Beyond, Cost Plus, Barnes & Noble, The Good Guys, Best Buy, PetCo, On the Border and Macaroni Grill.

Higher rents in new developments are driving average rents upward. Vacancy rates remain stable; however, year-end figures may indicate a small increase as additional inventory hits the market due to the continued repositioning of retailers, consolidations, store consolidations, store closings and new construction.

NEXT MONTH: Industrial Market Summary

OFFICE MARKET - 3RD Quarter 1998

TOTAL MARKET	LAS VEGAS	RENO
Number of Properties	457	174
Total Square Feet	17,346,724	4,059,253
Vacant Square Feet	1,961,478	434,183
Percent Vacant	11.31%	11.50%
New Construction	299,898	123,509
Net Absorption	407,826	71,620
Avg Lease SF/Mo (FSG - NNN)*	\$1.78	\$1.42
Under Construction	948,942	345,400
Planned Construction	1,885,519	165,700
CLASS 'A' OFFICE PROPERTIES		
Number of Properties	37	23
Total Square Feet	3,981,743	1,556,080
Vacant Square Feet	428,221	176,278
Percent Vacant	10.75%	12.00%
New Construction	96,000	69,500
Net Absorption	179,194	22,668
Avg Lease SF/Mo (FSG - NNN)*	\$2.07	\$1.65
Under Construction	306,298	145,800
Planned Construction	779,000	102,900
CLASS 'B' OFFICE PROPERTIES		
Number of Properties	272	61
Total Square Feet	10,014,388	1,504,423
Vacant Square Feet	1,196,491	150,920
Percent Vacant	11.95%	10.00%
New Construction	194,898	46,900
Net Absorption	219,452	34,800
Avg Lease SF/Mo (FSG - NNN)*	\$1.76	\$1.40
Under Construction	634,621	67,600
Planned Construction	1,081,063	35,878
CLASS 'C' OFFICE PROPERTIES		
Number of Properties	148	92
Total Square Feet	3,350,593	998,750
Vacant Square Feet	336,766	181,085
Percent Vacant	10.05%	19.00%
New Construction	9,000	17,500
Net Absorption	9,180	10,900
Avg Lease SF/Mo (FSG - NNN)*	\$1.49	\$1.10
Under Construction	8,023	18,800
Planned Construction	25,456	15,200

* Average Monthly Lease Rates for Las Vegas reported as Full-Service Gross and for Reno as Net Net Net.

** Third-quarter 1998 retail figures for Las Vegas not yet available - 2nd quarter figures are provided.

RETAIL MARKET - 3RD Quarter 1998**

TOTAL MARKET	LAS VEGAS	RENO
Number of Properties	201	76
Total Square Feet	24,101,257	8,632,059
Vacant Square Feet	988,398	409,500
Percent Vacant	4.10%	5.70%
New Construction	533,496	59,267
Net Absorption	485,952	—
Average Lease (NNN)	\$1.21	\$1.03
Under Construction	1,643,277	421,662
Planned Construction	4,535,222	485,000
POWER CENTERS -		
RETAIL CENTERS > 100,000 SF		
WITH MINIMAL OR NO IN-LINE SPACE		
Number of Properties	19	3
Total Square Feet (GLA)	5,689,615	1,080,400
Vacant Square Feet	356,459	6,300
Percent Vacant	6.27%	6.00%
New Construction	0	49,400
Net Absorption	8,885	43,100
Average Lease (NNN)	\$1.30	\$1.00
Under Construction	0	382,727
Planned Construction	65,100	100,000
COMMUNITY AND REGIONAL CENTERS -		
RETAIL CENTERS WITH ANCHOR(S)		
Number of Properties	110	44
Total Square Feet (GLA)	14,502,970	6,506,475
Vacant Square Feet	333,930	336,344
Percent Vacant	2.30%	5.70%
New Construction	266,679	8,867
Net Absorption	313,299	—
Average Lease (NNN)	\$1.27	\$1.05
Under Construction	1,556,047	281,000
Planned Construction	4,144,122	350,000
STRIP CENTERS - RETAIL CENTERS		
Number of Properties	72	27
Total Square Feet (GLA)	3,908,672	919,611
Vacant Square Feet	298,009	66,856
Percent Vacant	7.62%	7.27%
New Construction	266,817	0
Net Absorption	203,187	—
Average Lease (NNN)	\$1.06	\$0.96
Under Construction	0	140,662
Planned Construction	326,000	35,000

INDUSTRIAL MARKET - 3RD Quarter 1998

TOTAL MARKET	LAS VEGAS	RENO
Number of Properties	1,265	713
Total Square Feet	51,720,474	46,161,116
Vacant Square Feet	5,844,511	4,974,417
Percent Vacant	11.30%	10.80%
New Construction	1,966,082	3,016,645
Net Absorption	350,680	3,680,923
Under Construction	2,072,260	0
Planned Construction	3,237,378	1,039,000
DISTRIBUTION - LESS THAN 10% OFFICE		
Number of Properties	413	606
Total Square Feet	28,588,102	39,236,949
Vacant Square Feet	4,075,100	—
Percent Vacant	14.25%	—
New Construction	1,827,178	1,334,703
Net Absorption	577,721	—
Under Construction	1,717,040	—
Planned Construction	2,983,540	1,039,000
Avg Lease (NNN) < 10,000 SF	\$0.49	\$0.46
> 10,000 SF	\$0.40	\$0.29
MANUFACTURING - 10% - 20% OFFICE		
Number of Properties	752	100
Total Square Feet	17,506,631	6,462,556
Vacant Square Feet	1,155,049	—
Percent Vacant	6.60%	—
New Construction	0	410,000
Net Absorption	- 220,238	—
Under Construction	65,550	0
Planned Construction	253,838	48,000
Avg Lease (NNN) < 10,000 SF	\$0.49	\$0.48
> 10,000 SF	\$0.43	\$0.29
FLEX/MULTI USE- OVER 30% OFFICE		
Number of Properties	86	—
Total Square Feet	4,940,426	—
Vacant Square Feet	614,362	—
Percent Vacant	12.44%	—
New Construction	138,904	—
Net Absorption	- 6,803	—
Under Construction	289,670	—
Planned Construction	0	—
Avg Lease (NNN) < 10,000 SF	\$0.62	—
> 10,000 SF	\$0.60	—

Abbreviations

BTS: Build To Suit
FSG: Full-Service Gross
GLA: Gross Leasable Area

MG: Modified Gross
NNN: Net Net Net
SF: Square Foot
YTD: Year To Date

LAS VEGAS STATISTICS COMPILED BY LEE & ASSOCIATES COMMERCIAL REAL ESTATE SERVICES
RENO STATISTICS COMPILED BY GRUBB & ELLIS NEVADA COMMERCIAL GROUP



LIFESTYLES

Day Spa Salons

REVIEWED BY KATHLEEN FOLEY

Euphoria Day Spa

Las Vegas

702-233-8866 (west)

702-436-4247 (east)

According to its brochure, Euphoria Day Spa makes "tensions disappear as gifted hands work their charm applying natural, beneficial products to your body." If this sounds like heaven on earth, you might want to try an Anti-Stress Body Wrap, an Aromatherapy Facial, or 50 minutes of Swedish massage, "a truly serene experience for body and mind." Spa treatments can be used by all members of the family. The Gentleman's Facial includes a neck and shoulder massage as well as the anti-stress facial. Euphoria also features Couples Massage with oil, aromatherapy or reflexology for both of you in a private room with two therapists. Mother-daughter specials are a favorite around Mother's Day.

Euphoria combines its day spa with a full-service salon and offers make-up services with its exclusive cosmetics line, Euphoria Essentials. You can even choose to have your hair done in the spa, as well as manicures and pedicures that include skin treatment and hand massage.

Euphoria's west location, at 9410 West Sahara, is near The Lakes. A larger facility is located at the corner of Green Valley Parkway and Sunset. Both locations are open weekdays from 9 a.m. to 8 p.m. and weekends from 9 a.m. to 6 p.m. They offer monthly specials, and on Sundays, full-service spa treatments are 20 percent off.

Dolphin Court Salon and Day Spa

Las Vegas

702-432-9772

Alla Wartenberg, owner of Dolphin Court, has created two separate



The spirited crew of Dolphin Court Salon and Day Spa.

worlds in one establishment: a bustling salon and a tranquil, serene spa. The salon, with 35 hair stylists, 12 nail specialists and seven private VIP salon rooms, is a constant whirl of activity set to a lively musical tempo. It offers 37 different retail lines of makeup, hair care and skin care products, many exclusive to Dolphin Court.

The day spa, in contrast, is a peaceful haven of dim candlelight, splashing fountains and restful music. The spa offers all types of massage including Swedish, Shiatsu, reflexology and aromatherapy. Clients can choose either a half or full hour of massage, which can be accompanied by a facial or skin treatment. Clients can pamper their skin with everything from mud to milk and honey, then enjoy a refreshing Vichy shower. The spa also features a sauna and steam room. Many spa packages are available, including a six-hour state-of-the-art special with massage, pedicure and manicure, scalp treatment, facial, skin treatment, spa lunch and a gift.

The original Dolphin Salon and Day Spa is located in Summerlin at Lake Mead and Buffalo, and the salon's new location can be found at Spring Mountain and Durango. Call for hours of operation.

L'Essence Day Spa/Salon

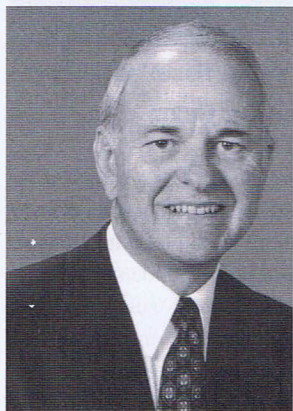
Reno

775-323-2040

L'Essence is located at 131 California Avenue in a converted house, which contributes to its friendly, relaxing ambiance. Owners Ja-Non Barber and Holly Hodgdon have operated L'Essence since 1990. Their salon uses aromatherapy in all its treatments and features Aveda Aromatherapy products and Goldwell hair colors. Each haircut includes a stress-relieving scalp treatment and a neck massage. The salon also offers make-up services.

At the spa you can soak in an individual Jacuzzi tub with oils or seaweed preparations, or take a seawater bath. Thallaso (seawater) therapy has been used at spas around the world to treat everything from arthritis to depression. The spa also offers a remineralizing skin treatment made with powdered, concentrated seaweed, which replaces the trace minerals lost through stress and poor diet. Clients can also get an herbal body scrub, a facial or other types of body treatments. Classic Swedish massage is used to relieve tension and relax tired, aching muscles. Day of Beauty packages can include a limousine ride to and from the spa as well as lunch. L'Essence is open Monday through Saturday from 9 a.m. to 7 p.m. and is closed Sundays.

What are some of the greatest challenges you foresee for Nevada's economy in the coming year, and how do we address those challenges?



BILL MARTIN
President/CEO
Pioneer Citizens Bank

The most identifiable economic challenge entails increasing tourism to meet the supply new gaming properties have created, thereby avoiding fallout. Doing the math on 20,000 new rooms equates to needing about 13 million new visitors annually. I would never underestimate the creativity and resourcefulness of the gaming industry and the Las Vegas Convention and Visitors Authority to measure up to the challenge of creating the necessary demand over time. However, the reduction of aircraft equipment servicing McCarran, combined with the near capacity usage of I-15, presents a major logistical hurdle for simply getting people here. The reduction in aircraft equipment servicing Las

Vegas is an economic decision the airlines make and only economics will reverse it. But we do know one thing about a free enterprise system – if there is an economic void, someone will fill it. As for the traffic plaguing our California tourists, the solution is to widen Interstate-15.



BOB SHRIVER
Executive Director
Nevada Commission on
Economic Development

One of the biggest issues, both immediate and long-term, encompasses workforce development and skills training. As we diversify our economy and grow existing businesses, these concerns play a critical role. We need business, government and educational institutions to make them priorities. Every time we talk to a company considering coming to Nevada,

those are their first questions – “What qualifications does your workforce offer? Is your labor pool adequately skilled and educated?”

Business has a responsibility to become involved with education. Business leaders reap benefits when they partner with community colleges, as well as private educators to develop training programs designed to teach employees the skills necessary with advancing technology. As workers learn new skills, their productivity increases. In the short term, we need to bring the skills of our work force up to par for the industries we want to attract. For the long term, we want to positively impact the generations to come.



ROBERT N. BARONE
Chairman/CEO
Comstock Bank

For Southern Nevada, the primary challenge

is filling the new hotel rooms coming online. For Northern Nevada, it's figuring out how to reinvent itself to attract an evermore diverse tourist population.

Leaders in the south have started addressing the region's most pressing concern, as several hotels join to establish an airline. The north is working to market Reno as a destination resort rather than just a gambling Mecca. The region has skiing in the winter, golf in the summer, special events and many non-gaming attractions. Those marketing the community are also working to bring more conventions to Reno.

JIM STUART
Managing Partner
Colliers International

Within the commercial real estate sector, we will need to carefully balance supply and demand as vacancies trend upward. Lenders should be more conservative in their approach to underwriting proposed projects while developers should go into new projects with a clear understanding on exit strategies.

The market momentum carried projects through lease up during the previous cycle. This advantage will dissipate as tenants are provided more options within the marketplace.



INSIDE
POLITICS

Several eye candidacy as Jones hints at leaving post

by MICHAEL SULLIVAN

Fingers are crossing and prayers being invoked. The news that Jan Jones is seeking a national appointment and not running for reelection has a couple of Las Vegas councilmen and a few local community leaders changing their plans for next spring.

Las Vegas Mayor Jan Jones, whom no one in their right mind would challenge were she to aim for re-election, is actively seeking the position of Democratic Party chairwoman. It's a position that would prevent her from running for her third term, and clear the way for a plethora of candidates to seek the coveted title as the city's most visible elected leader.

At the top of the heap are two current councilmen — Arnie Adamsen and Michael McDonald. While the former has made no official pronouncements as to his desire for the job, it's well-known that he's not content to be a councilman for the rest of his life.

McDonald has been a bit more bold, raising his public persona and going after the ceremonial position of mayor pro-tem (he would become mayor if Jones were to leave her post early). Neither will run against Jones, but both will strongly consider a candidacy should she vacate her post.

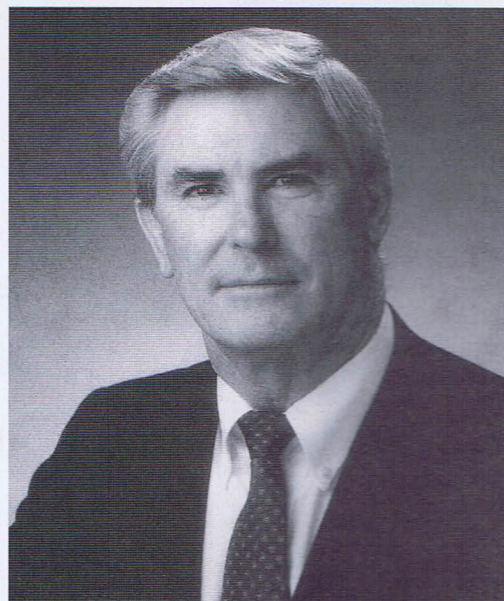
In a two-way race, the early edge would have to go to Adamsen because of his tremendous fund-raising abilities and wealth of knowledge on critical city issues. He's a savvy campaigner who knows how to win an election.

What McDonald lacks in campaign experience, however, he would make up for in enthusiasm. While he has said and done some things publicly that could hurt him, the Metro cop is loved within his own district, and could use that momentum to fuel his campaign.

It's not likely to be a two-person race, however. Again, the title mayor of Las Vegas is too attractive not to receive serious consideration by many prominent Las Vegans.

One name being tossed around by pundits and pols is John O'Reilly, local attorney and former Gaming Control Board chair. He would certainly be able to garner support from a variety of community leaders, and would offer formidable opposition. As a novice campaigner, however, it remains to be seen whether he could handle the rigors of what promises to be a spirited race.

Former councilman Matthew Callister has also



Stay tuned for some fiscal surgery courtesy Dr. Guinn


been mentioned as a contender, but appears to be content building his law practice. He's always been popular with voters, but not with the establishment, especially developers and home builders.

Many other names are sure to surface in the coming months — some credible, some extremely laughable. Once serious fund-raising begins, however, that list will be whittled down as business and community leaders cast their votes — with their checkbooks.

As this issue goes to print, local lawmakers are preparing to make their sojourn to Carson City for the bi-annual legislative session. This year's Legislature should prove extremely interesting in light of last year's passage of the 120-day time limit.

Many rules and regulations have been discussed and plotted to make sure legislators can finish their business by the June deadline. Nonetheless, there are sure to be plenty of bumps along the way.

One thing that should make the job easier, however, is the strong leadership in both houses. Speaker Joe Dini and Majority Leader Richard Perkins will keep things moving smoothly in the Assembly, and Senate Majority Leader Bill Raggio is a master at running the upper house.

Another factor that might keep things on an even keel is Governor-elect Kenny Guinn's pronouncement that the state will have to do some belt-tightening. That could mean less wrangling for new money while state departments and programs fight to keep their current budgets intact. 

Michael Sullivan is the president of Paladin Advertising, a Las Vegas government affairs consulting firm.

What Does it Take to Go Public In Nevada?

by DEAN HELLER, Nevada Secretary of State

Going public is never a sure thing, and the decision to do so does not represent a one-size-fits-all solution. Before setting out, some important issues must first be resolved: Is your company ready? Are you and your management ready? Are you willing to give up a portion of your profit to provide a return for investors?

Companies seeking to raise capital should carefully consider these and a variety of other factors influencing the structure of a company and its securities offering. First, is your company properly organized? The Nevada Secretary of State Commercial Filing Office is the place to start in Nevada. Your company can be organized as a corporation, limited partnership or limited liability company. Your corporate structure can play into what type of security to offer. Common stock is the security most often offered. It does not require you to make any promises or guarantees regarding return-on-investment and is usually the most appropriate choice for start-up ventures. If you decide to execute a debt offering, you must demonstrate your ability to repay the debt. Limited partnerships are typically used for certain tax advantages. Limited liability companies combine the limited liability features of corporations with the pass through taxation of partnerships.

Second, does your company have a well-defined business plan in place? A business plan will assist in the drafting of a disclosure document necessary to satisfying regulatory requirements when issuing securities. In determining which fund-raising method is appropriate, a company should balance factors such as the amount of capital required, the company's development stage, tax considerations, the necessity for liquidity, costs, timing and the differing requirements of federal and state law. Throughout the entire process it is always

advisable to obtain the services of an experienced securities attorney.

Once you decide to go public and have determined what type of offering is best for you and your investors, you will need to consider whether you will be exempt from federal registration. Then you must still consider Nevada securities statutes and the applicable blue sky laws in each state where you wish to offer your stock for sale to investors.

Once the disclosure document is complete and the application submitted to the Nevada Securities Division, the approval process by which the offering becomes effective depends upon the complexity of the offering and the integrity of the supporting information. When all problems and questions are resolved, the Nevada Securities Division issues a written letter placing the offering in effect and the sale of your securities can begin.

To facilitate stock sales outside Nevada, the Silver State has joined 35 other states in the Coordinated Equity Review (CER) program. This program is available to issuers seeking to sell equity securities in offerings that range from \$5 million to \$20 million. It provides a uniform state registration procedure designed to coordinate the blue sky registration process in any or all of the 43 states in which the issuer seeks to sell. The CER program is designed to target stock offerings going public on the NASDAQ Small Cap, over-the-counter, and other small exchanges. The offering must also be registered with the SEC.

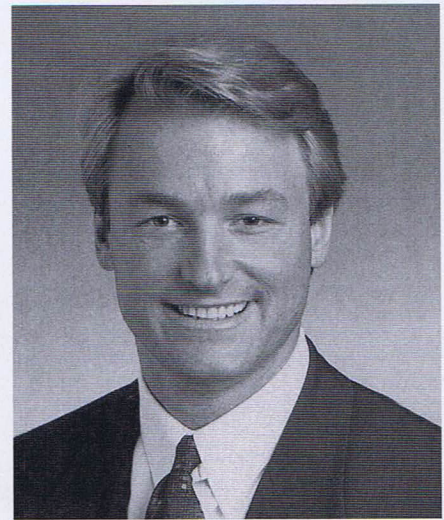
In 1997, the Nevada Securities Division adopted several initiatives designed to accomplish the objectives of providing ways of fund raising to small issuers and still protect the investing public. An issuer can raise funds through a public offering under the SCOR program (Small Corporate Offerings Registration on Form U-7). Fourteen states have adopted this simpli-

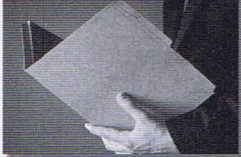
fied registration form. The question and answer format permits a businessman to fill in the blanks, file it with the state and use it as the disclosure document. The minimum offering price per share is \$1.00. And like the CER program, one lead state works with the issuer to resolve any concerns with states where the offering will be sold.

Small businesses may encounter several problems when attempting to raise capital, including the costs associated with instituting an offering and the uncertainty of public interest. Consequently, the Securities Division adopt a rule similar to the SEC "Testing the Waters" provision. This rule allows Nevada small businesses to advertise on a limited scale prior to registering their securities. The purpose is to allow these companies to determine whether there is sufficient interest in their offering to justify the cost of registration and sale. Certain restrictions govern the timing of the offering which must be preceded by a "quiet period" during which no sales may be made.

Nevada has also incorporated the Module Accredited Investor Exemption. With the adoption of this rule, the Department of Business & Industry established a Nevada site as a ACE-Net operator. ACE-Net offers a simplified means for companies to make their stock offerings available to investors in certain states over the Internet. ACE-Net, which stands for Angel Capital Electronic Network, is a nationwide Internet-based listing service that provides information to "angel" investors on growing businesses seeking up to \$1 million dollars in equity financing.

Before initiating a public offering, contact the Nevada Securities Division at 1-800-758-6440 and ask for a package that includes the Nevada Revised Statutes, a summary of the SCOR packet and information on the CER program.





by TONY ILLIA



"The natural gas industry is unique because it is not a necessity, unlike water and electricity, but rather an option, a choice. As a result, we try harder."

— WARREN RUSTAD
SOUTHWEST GAS CORP.

Warren Rustad

Southwest Gas exec finds much to love about work and community

A warm, genial smile and extended hand welcome visitors into Warren Rustad's office. He is the Southern Nevada vice president of the Southwest Gas Corporation, a company that services 1.2 million customers in three states, and recorded nearly \$2 million in sales last year. Rustad appears pleasant, attentive, at ease.

"I believe you can make every day whatever you choose to make it," he explains. Perhaps that statement describes Warren Rustad best: he has an infectious optimism that makes people happy to be around him. Sincere, honest and forthright — he's the type of person you'd want as a neighbor.

Those traits have been of vital importance in Rustad's industry, which is driven more by consumer choice than need. "The natural gas industry is unique because it is not a necessity, unlike water and electricity, but rather an option, a choice," says Rustad. "As a result, we try harder." Indeed, Rustad's unique managerial style pulls employees together, uniting them in their effort to better market their product.

To a certain extent, much of that work entails informing the public about natural gas. It is the fastest growing type of utility in the nation. Its proponents assert natural gas is an optimum fuel source for cooking, heating and drying clothes. It burns cleaner and more efficiently than other fuels. And since gas is not a vital utility, the company strives harder to deliver superior service.

That is not an easy task. Southwest Gas has 2,250 employees. They manage 21,166 miles of gas pipeline. In addition, they answer each call in person, a rarity when automated phone systems are com-

mon practice. Plus, the company is developing a division-by-division Web site that enables customers to access their account or other information 24 hours a day. "We recognize the Internet is the wave of the future," states Rustad. "It is yet another venue to improve customer convenience." Always active in the community, Southwest Gas sponsors innumerable charitable events and projects. "Doing good things is contagious," he explains. "Nevada is filled with people who have big hearts.

"I take a lot of pride in taking care of things myself," beams Rustad. This comes as little surprise. During his 42 years in the gas utility industry, he has held a myriad of positions, from corrosion control to surveyor to estimator. He began as junior draftsman for the Arizona Public Service Company in 1956. "In those days you did a variety of things," says Rustad. Working and learning, he was promoted five times during his tenure with the company. "There was never a job at which I didn't want to be the best," he reflects. However, things changed significantly in November 1984 when Southwest Gas Corporation bought out the gas utility division of Arizona Public Service.

The end result of the acquisition was a new position for Rustad and double the clients for Southwest Gas. The company jumped from servicing 300,000 to 600,000 customers, and Rustad was appointed construction manager. "It is extremely important to focus on the job at hand and not look too far into the future," says Rustad. Apparently, it has worked. Continually advancing, he has held six different positions with Southwest Gas. *continued page 68*



AT THE TOP

Dermody Properties

Building for the long term



Dermody Business Center is located in Las Vegas.

by DIANE GLAZMAN

"We have a substantial alignment of interests with our customers. We own our buildings. That's important, because [we plan to serve] our clients for many years on an active property management basis."

— MICHAEL DERMODY
DERMODY PROPERTIES

For Dermody Properties, creating long-term relationships is not something that ends with the client. It is a core philosophy that also extends to its employees and the communities in which the company develops its industrial complexes. According to president and CEO Michael Dermody, this focus has been the guiding force for providing a high level of customer service, maintaining employee loyalty, creating operating partnerships, and forming the Dermody Properties Foundation, which supports nonprofit organizations throughout the country.

As one of the largest industrial developers in the country, Dermody's formula seems to work very well. The Reno-based company has 12 million square feet of development projects in Indiana, Georgia, Arizona and Pennsylvania, as well as throughout Nevada. Its holdings include manufacturing, distribution, office, research and development, as well as service/commercial locations. In addition, the company continues to be privately held, a fact Michael Dermody points to with pride, stating that it allows the firm to be more

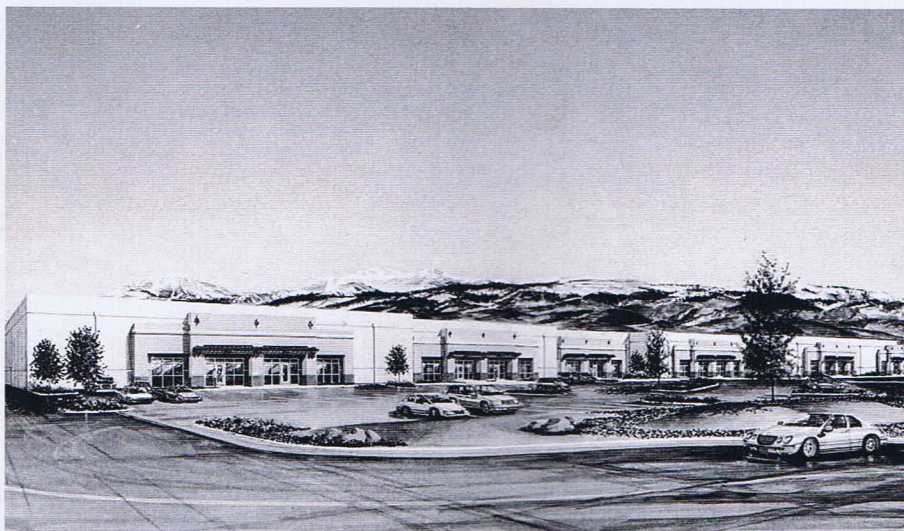
responsive to the needs of its customers.

"Employees and customers are what make a business. You don't need management if you don't have employees, and you don't need management if you don't have customers," says Dermody, adding that its employees represent the developer's most important asset. With an average staff tenure of almost 10 years, Dermody Properties provides continuity of service for its clients, who often work with the same people from a project's beginning to its end, allowing for what Dermody calls a "very consistent, detailed level of service."

"The most important aspect to our way of doing business is that we also have a substantial alignment of interests with our customers. We own our buildings. We don't handle third-party property management for other people. That's important, because if you lease a building not owned by the people showing it to you, there is a different emphasis. We're going to live with our clients for many years and serve them on an active property management basis," Dermody says, emphasizing his

DERMODY PROPERTIES

continued from previous page



Dermod Business Park in Reno spans 200 acres. Current residents include the Bureau of Land Management, Social Security, Reno Air, Leviton and Nevada Bell.

company has a vested interest in meeting customers' needs.

Providing for those needs led Dermody to offer "cradle to grave" service and to bring as much of the development and management of the properties in-house as possible. "We provide customer service from the very first moment we meet with [the client] to the delivery of the final product. We don't outsource our services because we want to maintain the consistency and depth of those services to our client," Dermody explained.

With an eye toward the long-term relationship, Dermody Properties begins the building process with an assessment of its clients' needs. The leasing team sits down with the client to review construction needs, and sometimes even the client's business plan, to ensure Dermody's offerings meet the client's needs. After the assessment phase, the terms of the lease are worked out with the company's in-house real estate people, and construction begins on the site. Once the client moves into the new facility, Dermody handles the property management. If a client wants to buy the property, either outright or through a lease-to-buy option, Dermody also provides financing support. By taking advantage of such complete service, the customer deals with the same company from day one.

Looking toward providing this high level of service has also led Dermody Properties

to establish operating partnerships with the California Public Employees Retirement System (CalPERS) and Atlas Industrial Corporation, an entity of Lazard Frères Real Estate Investors, LLC. Both partnerships give Dermody Properties increased flexibility to provide its customers with greater financial resources for expansion into new markets. In addition, the partnership with Lazard Frères allows Dermody to locate land for future development. "Raw land is like inventory," says Dermody. "Our partnerships allow us to keep our shelves well stocked."

Another partnership of which Dermody is proud is the Dermody Properties Foundation. "When you do business in a community, it's important to be a part of the community," he notes. The Foundation was created to support non-profit organizations through donations and endowments for services to seniors, the arts, education, and families and children. Dermody says it speaks to the heart of the firm's emphasis on long-term relationships, going back to its focus on customers and employees as the company's most important assets. He talks with pride about the client who turned over a \$10,000 check for the foundation at the grand opening of his new facility.

Dermody believes, "Customers are so special, once you've created a relationship it's your job to provide the good service to nurture and grow that relationship." 🌿

WARREN RUSTAD

continued from page 66

In 1990, Rustad was asked to move to Las Vegas. Although born in New York City, Phoenix served as Rustad's home for most of his adult life. "The move to Las Vegas was exciting," he says. "Both my wife and I visited the city frequently; it's an exciting, on-the-move place, abounding with possibilities." The Las Vegas move proved lucrative for both Rustad and the company. He was now in his first corporate position as manager of the construction staff. Before long, Rustad became well known among employees and peers as a positive-thinking problem-solver.

In April 1996, the firm acquired Northern Pipeline Company, enabling the utility to expand again. The scope of Rustad's duties also broadened. In February 1997, he was named vice president of the Southern Nevada division. "The position offers many challenges and great potential, as well as the opportunity to make a difference," says Rustad. His responsibilities include the day-to-day operations of the company.

Ultimately, it has been the broad variety of work experiences that has made Rustad the effective manager he is today. "I have worked in just about every aspect of this industry, and have loved every job. After 42 years in the industry, I had better know this business," he stated. Meanwhile, Southwest Gas continues to flourish and thrive under his direction.

Rustad has found Southern Nevada the ideal environment for flourishing and thriving personally, as well. "One of the nicest things about living in Las Vegas is you are never without family or friends visiting," he observes. Rustad has been married to his wife Joan for 23 years. They have six children and eight grandchildren. Both Rustad and his wife love to travel; they went to Liverpool, England last year to see his daughter, Sherri, off to veterinarian school. They seldom visit the same place twice, having traveled to 39 of the 50 states. "I like to explore new things – it's the thrill of seeing what is going to come over the next hill," he says.

In Warren Rustad's case, the next hill undoubtedly holds continued success and new achievements. 🌿

1. Net profit (or loss)		78,750.00
2. Cost of goods sold		
3. Gross profit		
4. Deductions (Schedule C)		
5. Interest		
6. Gross receipts		
7. Gross expenses		
8. Capital gain or loss from Form 4797, Part II, line 28		
9. Net gain or loss from operations - attach Schedule D		
10. Other income (see instructions - attach Schedule E)		
11. Total income. Add lines 3 through 10		
12. Compensation of officers (Schedule L, line A)		
13. Total wages		

MONEY MATTERS

Can you afford to sell your business?

Perhaps you're ready to retire, or maybe you're looking to raise capital for a new venture, or you may have gotten word that someone is interested in buying your enterprise. Whatever the reason, you're probably wondering whether you can afford to sell your business. The answer depends on a number of key factors, including how much you need and how the transaction is structured.

Once you've decided you are ready to begin planning an exit strategy, a good place to start is by asking yourself what you expect to take away from the sale. By first defining, and then prioritizing, your needs, you can focus on the most important aspects of the sale.

Coming up with a price

The valuation of a business is a highly customized task, and putting a price tag on your company is likely to be the most difficult step in the selling process. There is no simple formula or rule-of-thumb for computing the value of a business. In fact, no matter how good you are at running your operation, when it comes to attaching a dollar value, it's a good idea to call in your CPA or other financial advisor who has expertise in business valuations. An accurate valuation puts you in an excellent position to negotiate the sale of your business on the most advantageous terms.

Complicating the process of attaching value to your business is the fact that, to a great extent, value is in the mind of the beholder. A buyer who has a strong strategic reason for acquiring your company may be willing to pay a premium over what the average buyer might offer. Another buyer



who is simply looking for certain assets to augment his or her own firm may be less willing to pay full value.

In terms of price, is there a minimum dollar value you need to reach in order to make the sale a reality? Are you looking for a lump sum of cash, or a steady stream of income, or some combination of the two? Are you in a position to finance part of the sales price? Generally speaking, if you need to get the entire purchase price at closing, you may have to compromise on price. On the other hand, if you can offer the prospective buyer an attractive financing deal, you may be able to command a premium.


Terms drive price

Quite often, the question of whether you can afford to sell your business depends not only on price but on the terms of the sale. Here again, it's important you think seriously about what it is you want from the sale. Are you planning to sever all ties with your business, or would you agree to consult on the day-to-day

operation of the business for a specified time period should the new owner make it a contingency? Would you be willing to sign a non-compete agreement?

Timing also plays an important role. Is now the best time to sell or would you be better off waiting? In any case, be sure to allow time to attend to any housekeeping details that will help reflect your company in its best light. Such details can range from sprucing up your facilities to addressing outstanding legal or credit issues that may raise a question in a buyer's mind. And, to avoid being pressured into accepting less than what you had anticipated, allow plenty of time for the sale to proceed.

Once you've determined your goals and needs concerning price and terms, you will be in a better position to identify and qualify prospective buyers. Among potential bidders might be competitors, suppliers, customers and employees. An experienced CPA, perhaps a CPA/ABV (who has been accredited specifically in business valuations), or business broker can help you understand the advantages and disadvantages of selling to specific buyers.

Turning your business into cash is a complex endeavor. While you may see your business as a living monument to years of hard work and sweat equity, CPAs say you must be realistic in determining the price and terms of the sale. And, you should be willing to make some compromises. Rarely does the seller or the buyer achieve all of his or her objectives. 

Prepared by the Nevada Society of CPAs.


Accounting, Cellular Firms Grow, Mixed News in Home Health

Expansion news is largely positive for the industries represented in this month's lists. Most accounting firms have either grown or sustained last year's staff numbers, an indication of an expanding business community in need of the services such professionals furnish.

Also in demand are cellular and paging services, a demand reflected in the growth in number of workers these firms employ. In the second half of 1998, two key telecommunications players – ALLTEL and Sprint PCS – entered Nevada, supplementing a telecommunications market already renowned for its progressiveness. The future looks bright for the cellular/paging industry, as savvy business consumers seek to avail themselves of constantly evolving technologies.

Office supplies and furniture dealers exhibited overall, though not dramatic, growth since last year's list, an expected result in a state attracting many new businesses annually.

Home healthcare companies reveal mixed news this year, with many either reducing staff numbers or maintaining last year's employee levels. Any continuation of that trend may prove problematic, as Nevada contends with an already scarce supply of medical professionals and a steady influx of new residents.

This month also sees the addition of two new lists – TV and radio stations. As the state's major metropolitan areas continue to grow, offerings in the realm of the broadcast medium will diversify, ensuring radio formats and TV programs to accommodate virtually any preference. 

Featured Lists

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RADIO AND TV STATIONS	77

Upcoming Lists

BUSINESS PHONE SYSTEMS DEALERS
COMMERCIAL REAL ESTATE BROKERS
ENGINEERING FIRMS
RESIDENTIAL REAL ESTATE BROKERS
TEMPORARY EMPLOYMENT AGENCIES

Accounting Firms

Ranked by Total Nevada Staff

RANK	ACCOUNTING FIRM ADDRESS	PHONE	NV STAFF	CPAs	NV OFCS	INDUSTRIES SERVED	ACCOUNTING SERVICES	SENIOR NV EXECUTIVE Year Established in NV
1	Deloitte & Touche LLP 3773 Howard Hughes Pkwy., Ste. 490N Las Vegas 89109	702-893-3100	106	41	2	Gaming, Manufacturing, Real Estate, Public Sector	Audit, Tax Mgmt., Consulting, SEC Filings	William R. Hartman 1968
2	Arthur Andersen LLP 3773 Howard Hughes Pkwy., Ste. 500S Las Vegas 89109	702-836-8600	105	25	1	Gaming/Hospitality, Retail, Const., Non-profit, Employee Benefit Plans	Assurance/Bus. Advisory, Bus. Consult., Tax/Bus. Advisory, Bus. Process Risk Consult., Internal Audit Outsrc., Compliance/Operational Audits	Stephen C. Comer 1985
3	KPMG Peat Marwick LLP 2300 W. Sahara Ave., Ste. 300 Las Vegas 89102	702-221-8200	53	17	1	Real Estate, Gaming, Const., Govt., Manufacturing, Telecommunications	Audit, Tax, Consulting	Dale Alfonso 1946
4	PricewaterhouseCoopers 3800 Howard Hughes Pkwy., Ste. 550 Las Vegas 89109	702-691-5400	35	15	1	Gaming, Educational	Auditing, Corp. Taxes	Randy Wallen 1993
5	Fair, Anderson & Langerman 3811 W. Charleston Blvd., Ste. 110 Las Vegas 89102	702-870-7999	30	8	1	Const., Medical, Gaming, Retail/Wholesale, Non-profit, Real Estate Dev.	Audits/Reviews/Compilations, Tax Planning/Prep., Bookkeeping, Set-up of Internal Actgng. Controls, Recruit Actgng. Personnel	Curtis Anderson Jill Langerman 1988
6	Freeman & Williams, LLP 3470 GS Richards Blvd. Carson City 89703	775-882-3201	27	13	2	Waste Mgmt., Manufacturing, Const., Gaming, Golf Course Privatization, Local Govt.	Trad./Complex Tax, Mgmt. Consulting, Estate Planning, Forecasts/Projection, Auditing	Roger Williams, CPA 1958
7	Solari & Sturmer LLC 164 Hubbard Way, Ste. C Reno 89502	775-827-3550	19	6	1	Healthcare, Const., Development, Professional, Small Bus.	Auditing, Compilation, Review, Tax, Software Consulting, Actgng. Sys. Implementation	DND 1979
8	Barnard, Vogler & Co. 350 S. Center St., Ste. 500 Reno 89501	775-786-6141	17	9	1	Credit Unions, Manufacturing, Auto Dealerships, Local Govt., Health Svcs., Franchise Restaurants	Auditing, Tax Prep./Planning, Financial Statements, Trust/Estate Svcs., Bookkeeping, Peer Reviews	J. Richard Barnard 1969
8	McMullen, McPhee & Co., LLC 429 Court St., Ste. 2 Elko 89801	775-738-7157	17	6	2	Local Govt., Agriculture, Restaurants, Wholesale/Retail	Auditing, Tax Prep./Planning, Estate, Small Bus., Payroll Svcs., Mgmt. Advisory Svcs.	Mark Paris 1993
10	Pangborn & Co., Ltd. 333 N. Rancho Dr., Ste. 888 Las Vegas 89106	702-646-0888	16	9	2	Food/Beverage, Prof. Svcs., Retail, Const., Homeowners Assns., Non-profit	Auditing, Compilation, Review, Consulting Svcs., Forensic Actgng.	Sharon J. McNair 1992
11	L.L. Bradford & Co. CPAs 3441 S. Eastern Ave. Las Vegas 89109	702-735-5030	15	4	1	Medical, Const., Prof. Svcs., Non-profit	Auditing, Tax Prep., Bus. Valuation, Bookkeeping, Fin. Statement Prep., Estate Planning	Lance Bradford, CPA 1983
12	Beadle McBride & Reeves 2285-E Renaissance Dr. Las Vegas 89119	702-597-0010	14	7	1	Const., Retail, Professionals, Real Estate, Mortgage Banking	Financial, Tax, Consulting	Marianne Reeves DND

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Las Vegas

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LAS VEGAS SUN

SHOWBIZ

LAS VEGAS

Today in the SUN:

'Iron Mike' ready to shake off rust: He jumped through the hoop. And, as a result, the Nevada State Athletic Commission figured Mike Tyson deserved a reward. So it relicensed the wayward former heavyweight boxing champion Monday ... [Click for our complete coverage.](#)

Other Sun headlines:

- ▶ [Radio star Bell lets questions linger about resignation](#)
- ▶ [Lawyer Binion wanted girlfriend out of will](#)
- ▶ [Check out our complete coverage of Bellagio](#)

What to do:

Wednesday: Open Mike Poetry
Admit it: There just isn't enough poetry in your life. As usual, we can help you. Just pop on your beret and head down to The Word (Open Mike Poetry) at the Enigma Garden Cafe, 918 S. 4th St. Readings begin at 7 p.m., and admission is free. Call 702-386-0999 for more information.

TV T.V. Tonight
Provocative Images, 8 p.m., VH1, Channel 33. Part of VH1's Fashion Week, this one-hour show will be overflowing with style. Expect a well-tailored peek at top photographers like Marco Galviano, Francesco Scavullo and Lillian Bassman, an 80-year-old woman who creates art from her fashion photos of the 1940s. [Click here](#) for complete TV grid.

Movies
Still playing: **"A Soldier's Daughter Never Cries."** The latest Merchant-Ivory film is an adaptation of Kaylie Jones' autobiographical account of life as the daughter of novelist James Jones. [Click here](#) for show times.

Wednesday night:

- ▶ **Pop:** Greg Kihn, 10 p.m., \$10, Luxor (3900 Las Vegas Blvd. S., 702-891-1111)
- ▶ **Lectures:** Learn about efficient irrigation systems, 7 p.m., Free, Desert Demonstration Gardens (3701 W. Alta, 702-258-7183)
- ▶ **Comedy:** George Carlin, 9 p.m., \$35.20, Bally's Celebrity Room (3645 Las Vegas Blvd. S., 702-739-4567)

Ongoing:

- ▶ **Haunted Houses:** Check out Las Vegas Weekly's complete guide. [Click here.](#)
- ▶ **Variety:** 1998 Street of Dreams at Seven Hills, 11 a.m.-7:30 p.m., \$7.50, Terracina at Seven Hills (1151 Villa Rica, 702-263-2023)

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Featured:

Now appearing on a screen near you: The Rat Pack, in all their swanky glory. Download this great screen saver and you'll be the envy of all, baby. [Click here for free download](#)

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Accounting Firms (Continued)

Ranked by Total Nevada Staff

RANK	ACCOUNTING FIRM ADDRESS	PHONE	NV STAFF	CPAs	NV OFCS	INDUSTRIES SERVED	ACCOUNTING SERVICES	SENIOR NV EXECUTIVE YEAR ESTABLISHED IN NV
13	Layton Layton & Tobler LLP CPAs 606 S. 9th St. Las Vegas 89101	702-384-1995	13	4	1	Const., Not-for-profit, Employee Benefit Plans, Credit Unions, Homeowners Assns., Retail/Wholesale	Audits, Reviews, Compilations, Bookkeeping/Payroll, Fraud Investigation, Peer Rev. Svcs.	Richard Layton 1971
14	Robert Ashworth, CPAs 1850 E. Flamingo Rd., Ste. 205 Las Vegas 89119	702-734-0084	12	3	1	Govt., Gaming, Retail/Wholesale, Non-profit, Restaurant/Bar, Prof. Svcs.	Tax Prep./Planning, Estate/Fin. Planning, Bus. Consulting, Auditing, Bookkeeping	Robert Ashworth, CPA, CFP 1988
15	Joseph F. Zerga, Ltd. 2950 E. Flamingo Rd., Ste. L Las Vegas 89121	702-732-2775	11	3	1	Gaming, Retail, Manufacturing, Prof. Svcs.	Audit, Review, Compilation, Bookkeeping	Joseph F. Zerga 1995
15	O'Bannon Wallace Langlands & Neuman LLP 624 S. 10th St., Las Vegas 89101	702-382-9500	11	8	1	Real Estate, Const., Medical, Legal, Manufacturing	Tax Return Prep./Planning, Fin. Statements, Software Consulting, Real Estate Consulting	Kerry O'Bannon 1997
15	Sanchez, Sellers & Co., PC 2755 E. Desert Inn Rd., Ste. 180 Las Vegas 89121	702-696-9200	11	4	1	Various	Estate Planning, Bus. Profitability, Consulting, Tax Prep., Actgng. Sys.	Brett Sellers 1987
18	Farmer & Tompkins CPAs, Ltd. 3834 Silvestri Ln., Ste. A Las Vegas 89120	702-458-4272	10	3	2	Const., Non-profit, Homeowners Assns., Retail	Actgng., Auditing, Reviews, Compilations, Tax Return Prep.	Dana L. Tompkins, CPA, CVA 1987
18	Ovist & Howard, CPAs 7 Commerce Center, Ste. A Henderson 89014	702-456-1300	10	3	1	Small Bus., Const., Homeowners Assns., Prof. Orgs.	Corp./Indiv. Tax Prep., Bookkeeping Svcs., Auditing, Fin. Statement Prep.	Francis Howard, CPA 1982
20	Bullis, Crossley & Heimark, CPAs 206 S. Division St. Carson City 89703	775-882-4459	9	4	1	Family Bus., Closely Held Corp., Non-Profit, Manufacturers, Prof. Practices	Tax Prep./Planning, Gift/Est. Planning, Forensic Actgng., Personal Fin. Planning, Auditing/Actgng., Problem Solving	John R. Bullis, CPA-PFS 1955
20	Garrett, Ebel & Associates 1785 E. Sahara Ave., Ste. 490 Las Vegas 89104	702-796-0052	9	2	2	Const., Retail, Mortgage, Medical, Homeowners Assns., Other	Tax Prep., Audit, Bookkeeping, Consulting, Fin. Statement Prep., Tax/Fin. Planning	Russell S. Garrett Lori A. Ebel 1995
20	Strong McPherson & Co. 5865 Tyrone Rd., Ste. 102 Reno 89502	775-826-9400	9	5	2	Small Bus., General Public	Tax Prep., Bus. Structure Design, Financial Statements, Mgmt. Advisory Svcs., Auditing	Danny R. Strong 1987
23	Chavez & Koch, CPAs, Ltd. 2920 N. Green Valley Pkwy., Ste. 721 Henderson 89014	702-433-7075	8	3	1	Const., Gaming, Homeowners Assns., Svc. Ind., Retail, Manufacturing	Auditing/Reviews/Compilations, Tax Prep./Planning, Bus. Consult./Plan., Actgng. Sys. Setups/Implementation, Small Bus. Startups, Bookkeeping	David Chavez 1995
23	Patton & Petersen, CPAs, Chtd. 2001 S. Jones Blvd., Ste. H Las Vegas 89146	702-367-1375	8	4	1	Legal, Real Estate Dev., Const., Healthcare, Retail	Fin. Reporting, Actgng./Bookkeeping, Profitability Analysis, Software Install./Integration, Control Sys. Assessment	Bruce L. Patton 1986
25	Bartig, Basler & Ray, CPAs, Inc. 1325 Airmotive Way, Ste. 125 Reno 89502	775-323-7122	6	2	1	Govt./Municipalities, Manufacturing, Agribus., Medical, Software/Computers, Financial	Audit, Review, Compilation, Tax/Estate Planning, Mgmt. Advisory Svcs.	Curtis A. Orgill 1995
25	Rogers & Haldeman, Ltd., CPAs 1100 E. Sahara Ave., Ste. 106 Las Vegas 89104	702-732-4302	6	2	1	Medical, Legal, Dental, Veterinarians, Retail, Small Bus.	Tax Prep., Actgng., Payroll Svc., Bookkeeping	Paul S. Rogers 1977
25	Weiner, Duranso & Co. 221 N. Buffalo Dr., Ste. B Las Vegas 89128	702-242-3444	6	4	1	Small Bus., Real Estate, Individuals, Svc. Ind., Manufacturers, Retail/Wholesale Merchants	Tax Prep., Fin. Statement Prep., Actgng./Auditing Svcs., Est./Tax Planning, Mgmt. Consulting	Stanley Weiner, CPA 1995
28	Curtis E. Ohlhauser, CPA 1325 Airmotive Way, Ste. 276 Reno 89502	775-786-2555	5	1	1	Const., Property Mgmt.	Computerized Bookkeeping, Tax Return Prep., Quickbooks Advisor, Financial Statements, IRS Audit Rep., Startup Co. Consultation	DND 1991
28	Gough & Carry, APC 601 W. Moana Ln., Ste. 8 Reno 89509	775-827-8889	5	2	1	DND	Tax Planning, Bus. Structuring, Monthly Write-up/Payroll	DND 1992
28	Houldsworth, Russo & Co. 1909 N. Green Valley Pkwy., Ste. B Henderson 89014	702-269-9992	5	3	1	Mortgage Cos., Wholesale, Manufacturing, Not-for-profit, Real Estate Dev., Prof.	Audit, Tax, Bookkeeping, Profitability Consultant	Bonnie Houldsworth 1996
28	Murphy, Bennington & Co. 6887 W. Charleston Blvd. Las Vegas 89117	702-869-4263	5	2	1	Const., Real Estate	Audits/Reviews/Compilations, Tax Return Prep., Audit Rep., Software Consulting, Bookkeeping	Mark Murphy 1995
32	Coffey & Rader, CPAs 6625 W. Sahara Ave., Ste. 6 Las Vegas 89146	702-876-8900	4	2	1	Real Estate, Healthcare, Const., Landscaping, Finance, Automotive	Write-up, Bookkeeping, Off-site Controller, Payroll	Steven M. Coffey 1996
32	John C. Cowee, CPA 13 Affonso Dr., Ste. D Carson City 89706	775-246-3215	4	2	1	DND	DND	John C. Cowee 1980
32	Lentz & Lentz, CPAs 375 Vassar Reno 89502	775-323-1990	4	3	2	Small Bus., Real Estate	Tax Prep./Planning, Audit/Financial Statement, Fee-based Asset Mgmt., Registered Investment Advisors	Michael/Gwen Lentz 1980
32	Lynn Broyles Detomasi & Co. Ltd. 260 S. Maine St. Fallon 89406	775-423-6514	4	1	1	Individuals, Small Bus., Farms/Ranching, Dairy/Ag. Bus., Non-profit	Bookkeeping, Payroll, Audited/Compiled/Reviewed F/S, Computer Sys. Setup	Lynn Broyles Detomasi, CPA 1989
36	Kemp, Burdick, Hinton & Hall NV LLC 590 W. Mesquite Blvd., Ste. 201 Mesquite 89027	702-346-3462	3	1	1	Gaming, Const., Real Estate, Healthcare Professionals, Local Govt.	Income Tax, Auditing, Compilations, Review, Internal Audit Replacement, Bookkeeping/Payroll	Mark E. Tichenor, CPA 1996
37	A Tax Service+ 3655 S. Durango Dr., Ste. 9 Las Vegas 89147	702-242-1500	2	DND	1	Funeral Homes, All Other	Bookkeeping, Corp./Indiv. Taxes, Partnerships, Fed./St. Compliance	Barry Schechter 1995
37	Richard C. Hanseen, CPA 6155 W. Sahara Ave., Ste. 3 Las Vegas 89146	702-362-3123	2	1	1	Const., Real Estate, Graphics/Reprod., Retail, Printers, Auto/Tire Repair Shops	Taxes/Compliance, Fin. Planning, Bus. Application Processing, Fin. Statements, Estate Tax Planning, Bookkeeping	Richard C. Hanseen 1994
39	Laurie A. Lee, CPA 5446 Birchbrook Ct. Las Vegas 89120	702-456-2162	1	1	1	Const., Retail Trade, Svc., Prof., Real Estate	Monthly Actgng., Compiled Fin. Statements, Reviews/Audits, Quickbooks Advisor	Laurie A. Lee DND
N/A	Kafoury, Armstrong & Co. 375 W. Williams Ave. Fallon 89407	775-423-6505	DND	DND	DND	Gaming, Healthcare, Mining, Local Govt., Not-for-profit, Homeowners	Audit, Tax Prep., Estate/Financial, Litigation Support, Medical Billing, Performance Measurement	Jim Johnson 1957

DND = Did not disclose

Home Healthcare Providers

Ranked by Total Nevada Employees

RANK	HOME HEALTHCARE PROVIDER ADDRESS(ES)	PHONE(S)	No. OF EMPLOYEES	OWNERSHIP	RN	HOME HEALTH AIDE	REGISTERED NURSE	DIETITIAN	HOME MEDICAL EQUIPMENT	INFUSION THERAPY	CERTIFIED NURSE'S AIDE	LPN	HOMESMAKER	PHYSICAL THERAPY	OCCUPATIONAL THERAPY	SPEECH THERAPY	MEDICAL SOCIAL WORK	OTHER	SENIOR NV EXECUTIVE YEAR EST. IN NEVADA
1	Home Health Services of Nevada 1810 Pinion Rd., Elko 89801	775-738-7178	200	Non-profit, Private	•	•	•	•	•	•	•	•	•	•	•	•	•		Roberta Skelton, RN 1961
1	Network Alliance 39 Glencarran Cir., Sparks 89431	775-828-1010	200	Profit, Private	•	•	•	•	•	•	•	•	•	•	•	•	•		Joni Moss 1996
3	Option Care 3900 W. Charleston Blvd., Ste. G, LV 89102	702-258-0011	150	Profit	•	•	•	•	•	•	•	•	•	•	•	•	•	Respiratory Therapists, Option Care Kids Pediatric Program	Ronald A. Memo, RPh 1986
4	Southern Nevada Home Care 6885 W. Charleston Blvd., LV 89117	702-228-0282	150	Profit	•	•	•	•	•	•	•	•	•	•	•	•	•		DND 1992
5	Home Care Plus 1698 Meadow Wood Ln., Ste. 200, Reno 89502 3208 Goni Rd., Ste. 182, Carson City 89706 2110 E. Flamingo Rd., Ste. 325, LV 89119	775-828-1000 775-687-1530 702-894-9220	120	Profit	•	•	•	•	•	•	•	•	•	•	•	•	•		DND 1990
6	Lend-A-Hand, Senior Services 50 Washington St., Ste. 101, Reno 89503	775-322-8414	85	Private	•	•	•	•	•	•	•	•	•	•	•	•	•		DND 1992
7	St. Rose Dominican Hospital Home Health 102 E. Lake Mead Dr., Henderson 89015	702-564-4663	80	Non-profit	•	•	•	•	•	•	•	•	•	•	•	•	•		Karen Thornton 1994
8	Home Medical of America 3321 Sunrise Ave., Ste. 103, LV 89101	702-438-2273	75	Profit, Private	•	•	•	•	•	•	•	•	•	•	•	•	•		Gary J. Gilman, MBA 1989
8	Interim Healthcare of Las Vegas, Inc. 4055 S. Spencer, Ste. 116, LV 89119	702-369-5533	75	Profit	•	•	•	•	•	•	•	•	•	•	•	•	•		Sylvia Ringling 1992
8	Nursefinders 3505 E. Flamingo Rd., Ste. 1, LV 89121	702-458-1137	75	DND	•	•	•	•	•	•	•	•	•	•	•	•	•		Michele M. Brett 1988
11	In House Home Health 2225 E. Flamingo Rd., Ste. 310, LV 89119	702-894-9449	60	Profit, Private	•	•	•	•	•	•	•	•	•	•	•	•	•		Jim Sides 1989
11	Professional Healthcare Staffing 5300 W. Sahara Ave., Ste. 202, LV 89146	702-362-0711	60	Profit	•	•	•	•	•	•	•	•	•	•	•	•	•		George McKee 1994
13	THC of Nevada 5231 S. Cameron St., LV 89118	702-796-1016	55	Public, Profit	•	•	•	•	•	•	•	•	•	•	•	•	•	Mail-order Diabetic Prog., Specialty Rehab. Products	Kelly LeGrow 1997
14	Love N Care 2880 E. Flamingo Rd., Ste. A, LV 89121	702-310-5000	53	Profit, Private	•	•	•	•	•	•	•	•	•	•	•	•	•		Ophelia Simmons 1995
15	Coram Healthcare 101 N. Pecos Rd., Ste. 101-107, LV 89101	702-453-4546	42	Public, Profit	•	•	•	•	•	•	•	•	•	•	•	•	•		Gayle Burton 1982
16	Barton Home Health/Hospice of the Valley 1107 Hwy. 395, Gardnerville 89410	775-782-1510	35	Non-profit	•	•	•	•	•	•	•	•	•	•	•	•	•		Gerald R. Conley 1994
16	Five Star Home Health Care, Inc. 3227 Meade Ave., Ste. 5-B, LV 89102	702-248-4130	35	Non-profit	•	•	•	•	•	•	•	•	•	•	•	•	•		Marlon B. Delavega, RN 1996
16	VitalCare 39 Glencarran Cir., Sparks 89431	775-829-2224	35	Public, Profit	•	•	•	•	•	•	•	•	•	•	•	•	•	Oxygen/Respiratory Therapy	Joni Moss 1988
19	All Care Home Health 2475 S. Jones Blvd., Ste. 7, LV 89102	702-222-0605	28	Private	•	•	•	•	•	•	•	•	•	•	•	•	•		Patrick Reznak 1995
20	CTH Alternative Home Health/CTH Home Care 1001 N. Mountain, Ste. 1H, Carson City 89703	775-883-5757	25	Non-profit, Public	•	•	•	•	•	•	•	•	•	•	•	•	•	Lifeline-Emergency Response System	DND 1989
20	Hospice of Integrated Health Services-Las Vegas 2920 S. Rainbow Blvd., Ste. 140, LV 89146	702-361-1801	25	Public, Profit	•	•	•	•	•	•	•	•	•	•	•	•	•	Chaplain, Volunteer	Karin Maxfield 1992
22	Fallon Caregivers, Inc. 1035 S. Taylor, Fallon 89406	775-423-5560	20	Profit	•	•	•	•	•	•	•	•	•	•	•	•	•		Elizabeth "Betsy" Wollett 1995
23	PharmaCare of Nevada 1380 Greg St., Ste. 217, Sparks 89431	775-359-2400	10	Private	•	•	•	•	•	•	•	•	•	•	•	•	•		Scott Henry 1985
24	Gerber Chiropractic Mobile Health Services DND	702-658-1420	2	Private	•	•	•	•	•	•	•	•	•	•	•	•	•	Natural care thru chiropractic adjmts/therapeutic modalities	DND 1995
N/A	Colonial Home Care 2755 E. Desert Inn Rd., Ste. 250, LV 89121	702-733-8533	DND	Profit, Private	•	•	•	•	•	•	•	•	•	•	•	•	•		DND 1996
N/A	Virgin Valley Home Care 114 Sandhill Rd., Ste. E, Mesquite 89027	702-346-7565	DND	DND	•	•	•	•	•	•	•	•	•	•	•	•	•		Nancy Nieva 1994

DND = Did not disclose

BOOK OF LISTS 01-99

Note: The above information was supplied by representatives of the listed companies in response to faxed survey forms. Companies not appearing did not respond. To the best of our knowledge, the information is accurate as of press time. While every effort is made to ensure accuracy and thoroughness, errors and omissions do occur. Send corrections or additions on company letterhead to TopRank Nevada Statewide Book of Lists, Research Dept., 2127 Paradise Rd., LV, NV 89104.

Cellular & Paging Companies

Ranked by Total Nevada Employees

RANK	CELLULAR COMPANY ADDRESS	PHONE	TOTAL NEVADA EMPLOYEES	INDEPENDENT NEVADA AGENTS	COMPANY OWNED OUTLETS	YEAR EST. IN NEVADA	PARENT COMPANY	HEADQUARTERS	SENIOR NV EXEC(S)
1	ALLTEL 840 Grier Dr., Las Vegas 89119	702-270-5581	390+	20	16	1998	ALLTEL	Little Rock, AR	Mitch Johnson
2	AT&T Wireless Services 3763 Howard Hughes Pkwy., Ste. 200, LV 89109 230 S. Rock Blvd., Reno 89502	702-734-1010 775-858-5000	140	51	10	1986	AT&T	Basking Ridge, NJ	Neal VanCitters Robert Kemple
3	Sprint PCS 3960 Howard Hughes Pkwy., Ste. 350, LV 89109	702-897-3600	100	80	8	1998	Sprint	Kansas City, MO	John H. Bischoff
4	Nextel Communications 899 Marietta Way, Sparks 89431 3610 S. Highland Dr., Las Vegas 89103	775-331-0899 702-873-5000	65	15	3	1995	Nextel Communications	McLean, VA	Wayne Alexander Robert Meams
5	Pacific Cellular 3256 S. Maryland Pkwy., Las Vegas 89109	702-732-2355	57	11	7	1991	USTEL	Seattle, WA	Richard W. Young
6	CellularOne 150 S. Hwy. 160, Ste. C4A, Pahrump 89048	775-751-2100	40	4	5	1995	Western Wireless	Issaquah, WA	Darin Wiley
7	Sierra Electronics 690 E. Glendale Ave., Ste. 9B, Sparks 89431	775-332-0367	35	0	2	1964	Berry Enterprises, Inc.	Sparks	Eddie Warren
8	PageNet 3800 Howard Hughes Pkwy., Ste. 110, LV 89109	702-732-1177	25	50	2	1992	Paging Network Inc.	Plano, TX	Paul L. Huether
9	Bear Com Wireless World Wide 3871 S. Valley View Blvd., Ste. 14, LV 89103	702-252-7555	20	1	40+	DND	Bear Com Wireless World Wide	Dallas, TX	Mike Hayford
10	Aircomm Cellular & Paging, Inc. 4755 W. Flamingo Rd., Ste. H, Las Vegas 89103	702-364-1700	12	12	1	1994	Aircomm	Las Vegas	Rickian Sabadin
10	Nevada Wireless 593 Overmyer Rd., Sparks 89431	775-353-3600	12	2	2	1982	Nevada Wireless	Sparks	Jim Boyer
12	Integrated Business Communications, Inc. 2670 E. Chandler Ave., Ste. 3, Las Vegas 89120	702-547-3400	9	0	1	1997	None	DND	Brick Thompson
13	Lambda Communications 663 Anderson St., Winnemucca 89445	775-623-0202	6	1	1	1991	None	Winnemucca	Tom Bunch Sheila Bunch
13	Will Call Communications 2214 S. Rainbow Blvd., Las Vegas 89124	702-379-2900	6	0	6	1991	USTEL	Los Angeles, CA	Deborah Martinez
15	Southwest Cellular 4555 E. Charleston Blvd., Las Vegas 89104	702-431-4000	4	2	2	1979	Southwest Electronics, Inc.	Las Vegas	Ron Unger
16	Fast Page, Inc. 57 Cheney St., Reno 89510	775-358-1100	3	DND	1	1985	Fast Page, Inc.	Reno	Kent Steglich
17	Night Beat Communications 4545 E. Tropicana Ave., Ste. 1, Las Vegas 89121	702-435-3000	2	1	2	1997	Night Beat Communications	Chatsworth, CA	Robert Grubbs
17	The Cellular Guys 8465 W. Sahara Ave., Ste. 110, Las Vegas 89117	702-838-3777	2	1	1	1997	The Cellular Guys	Las Vegas	Scott Kensler
19	C&T Communication 3254 Civic Center Dr., Ste. A, N. Las Vegas 89030	702-657-0400	1	0	1	1995	None	N. Las Vegas	Samuel Moore
19	Page Plus Cellular Communications, Inc. 1870-5 Vassar St., Reno 89502	775-333-5222	1	1	1	1992	Page Plus Cellular Comm., Inc.	Reno	Diane Madole
19	Procell 4865 E. Charleston Blvd., Las Vegas 89104	702-457-8111	1	1	3	1991	Procell	Las Vegas	Sean Murphy

DND = Did not disclose

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Office Supply & Furniture Dealers

Ranked by Total Nevada Employees

RANK	OFFICE SUPPLY & FURNITURE DEALER ADDRESS	PHONE	NEVADA EMPLOYEES TOTAL EMPLOYEES	PRODUCTS/SERVICES										COMPANY TYPE YEAR ESTABLISHED	SENIOR NV EXEC HEADQUARTERS
				FURNITURE	RENTALS	RECYCLED PRODUCTS	FILE EQUIPMENT	CATALOG DELIVERY	SOFTWARE	BUSINESS	OFFICE MACHINES	PANEL SUPPLIES	JANITORIAL SUPPLIES		
1	IKON Office Solutions 680 Pilot Rd., LV 89119	702-798-3366	350 30,000											Retail/Distributor 1978	Peter Cherubino Valley Forge, PA
2	Office Depot 4701 Cameron St., Ste. H, LV 89103	702-739-0005	225 20,000	•	•	•	•	•	•	•	•	•	•	Contract 1984	Dale Redden Delray Beach, FL
3	Faciltec of Nevada, Inc. 3475 W. Russell Rd., LV 89118	702-795-8833	85 109	•	•	•					•			Contract 1987	Brian Collignon Tempe, AZ
4	Skipco, Inc. 6029 W. Charleston Blvd., LV 89146	702-878-9771	70 79								•	•		Retail 1982	Gary Harouff Las Vegas
5	Corporate Express 1375 Gary St., Ste. 103, Sparks 89451 711 Pilot Rd., Ste. D, LV 89119	775-331-0304 702-932-8002	60 27,000	•	•	•	•				•	•	•	Contract 1983	Keith Bauman Broomfield, CO
5	Machabee Office Environments 7110 Placid St., LV 89119	702-263-8800	60 60	•	•	•	•	•			•			Contract 1940	Gary Machabee Reno
7	Custom Office Supply, Inc. 350 E. Glendale Ave., Sparks 89431 1851 N. Carson St., Carson City 89701	775-359-7755 775-883-7755	37 37	•		•	•	•	•	•	•	•	•	Contract/Retail 1973	Gene Dickinson Sparks
8	Goodmans Inc. 5530 S. Valley View Blvd., LV 89118	702-795-0506	33 275	•	•	•						•		Contract/Distrib. 1983	James G. Eckes Phoenix, AZ
9	Custom Office Furniture 301 S. Martin Luther King Blvd., LV 89106	702-384-6996	31 31	•	•	•								Retail 1985	Mike Kreamer Las Vegas
10	Boise Cascade Office Products 3950 W. Diablo, Ste. B-2, LV 89118	702-740-8200	30 20,000	•	•	•					•	•		Distributor 1988	Joe Schmitt Itasca, IL
10	Jeff's Office Supply 178 S. Maine St., Fallon 89406	775-423-6078	30 DND	•		•			•	•				Retail 1975	Jeff Christiansen Fallon
12	Las Vegas Office Furniture Liquidators 3300 S. Highland Dr., LV 89109	702-369-9401	29 29	•	•	•	•					•		Contract/Retail 1989	William B. Conn Las Vegas
13	A. Carlisle & Co. 975 Terminal Way, Reno 89502	775-323-4195	22 62	•	•	•	•		•	•		•		Contract/Retail 1917	Patrick D. Pettinari Reno
14	Nevada Business Systems 4041 S. Industrial Rd., LV 89103	702-733-2679	20 DND						•					Retail 1992	Gary Martin Las Vegas
14	Oakmans 634 Ryland St., Reno 89502	775-786-4466	20 DND	•		•	•		•	•				Retail 1957	Rowland Oakes Reno
16	TAC Inc. 2605 E. Flamingo Rd., LV 89121	702-737-1949	16 16	•	•	•			•	•	•	•		Retail 1971	Lee Purdy Las Vegas
17	Aaron Rents & Sells Office Furniture 4345 S. Industrial Rd., Ste. 2, LV 89103	702-798-6134	15 +1,500	•	•									Retail 1986	Mike McCoy Atlanta, GA
18	Pitney Bowes 4560 S. Eastern Ave., LV 89119	702-796-7979	14 +4,000					DND						Distributor DND	Keith Hutner Trumbull, CT
19	Hogue LLC 4077 S. Industrial Rd., LV 89103	702-737-1005	12 47	•	•	•	•					•		Contract 1997	Scott Wlasky Las Vegas
20	Brook Furniture Rental 4850 W. Flamingo Rd., Ste. 45, LV 89103	702-871-3844	10 500	•								•		DND DND	Angel DiBella Chicago, IL
20	Sarret Office Supply Co. 555 S. Casino Center Blvd., LV 89101	702-384-6175	10 10	•		•	•			•	•	•		Contract/Retail 1948	Jan M. Richardson Las Vegas
22	Advance Marketing Corp. 3261 S. Highland Dr., Ste. 603, LV 89109	702-735-0213	8 35	•		•	•			•	•	•		Contr./Rtl./Distrib. 1985	Lisa Burchard San Clemente, CA
22	Carl's Used Office Furniture 2675 Mill St., Reno 89502	775-324-2228	8 8	•	•	•	•			•				Retail 1990	Carl J. Gufurta Reno
22	High Sierra Copiers 1907 N. Carson St., Carson City 89701	775-883-6379	8 8							•	•			Retail 1986	Bill Dunning Carson City
22	Lundberg's Downtown 369 5th St., Elko 89801	775-738-8449	8 8	•		•	•			•	•	•		Retail 1942	Richard H. James Elko
22	Office Pavilion/Dundas Office Interiors 770 Smithridge Dr., Ste. 700, Reno 89502	775-827-1331	8 50	•		•								Contract 1994	Tom Hegge Boise, ID
27	Executive Office Installation Inc. 1982 N. Rainbow Blvd., Ste. 136, LV 89108	702-648-7683	7 DND								•			DND 1995	Dwain Bishop Las Vegas
28	Superior Business Communications 410 California Ave., Ste. A, Reno 89509	775-323-5161	6 6						•					Retail 1978	Don Whittaker Reno
29	Reno Industrial Products-Discount Desks Etc. 955 S. McCarran Blvd., Ste. 101, Sparks 89431	775-359-4440	5 5	•	•	•					•			Cntr./Rtl./Whl./Dstr. 1979	Rip Lonergan Reno
30	National Laser Express 4200 W. Desert Inn Rd., LV 89102	702-251-9581	4 4		•				•	•				Retail 1993	James Cardwell Las Vegas
31	Indoff 6646 W. Washington, LV 89107	702-838-5818	3 326	•	•	•	•		•	•	•	•		Contract 1978	DND St. Louis, MO
32	M&M Office Supplies, Inc. 2325 Western Ave., Ste. 3, LV 89102	702-386-1046	1 1	•		•					•	•	•	Retail 1994	Mary J. McDowell Las Vegas
32	The Salix Group 1810 E. Sahara Ave., Ste. 103, LV 89104	702-650-3335	1 35	•		•					•			Contract 1997	Lue Smith Toronto, Canada
N/A	Lincoln Office Solutions 5430 W. Sahara Ave., LV 89146	702-252-7000	DND DND	•	•	•			•	•	•			Retail 1998	Perry Brown New York, NY
N/A	Ideal Office Equipment 1200 S. 3rd St., LV 89104	702-384-3814	DND DND	•		•				•	•			Contract/Retail 1947	Ivan Eisenberg Las Vegas

DND = Did not disclose

Radio & Television Stations

Listed Alphabetically

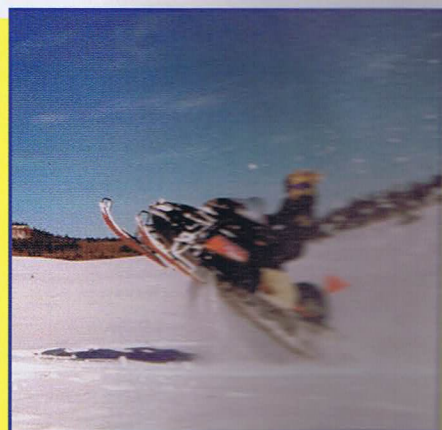
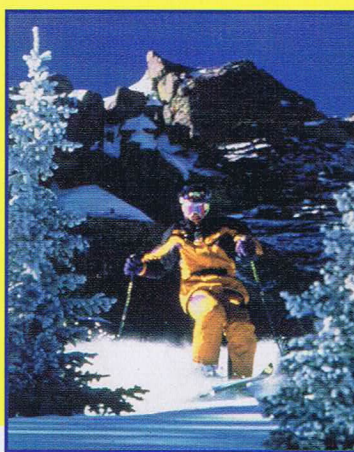
STATION ADDRESS	PHONE	NO. EMPLOYEES NETWORK AFFILIATE	AUDIENCE AGE GROUP	RADIO: FORMAT TELEVISION: HIGHEST RATED PROGRAMS	PARENT COMPANY GENERAL MANAGER
RADIO					
KBUL 98 FM 595 E. Plumb Ln., Reno 89502	775-789-6700	75 DND	Female 25-54	Country/Western	Citadel Communications Leonard Smart
KDOT 2900 Sutro, Reno 89512	775-329-9261	50+ Westwood One	Male/Female 18-49	Active Rock	Lotus Communications, Inc. Steve Groesbeck
KDWN 1 Main St., Las Vegas 89101	702-385-7212	DND Associated Press	Male/Female 35+	News/Talk	DND Claire Reis
KELK-AM 1800 Idaho St., Elko 89801	775-738-1240	20 ABC	Female 25-54	Adult Contemporary	Elko Broadcasting Co. Paul Gardner
KFMS 1130 E. Desert Inn Rd., Las Vegas 89109	702-732-7753	100 DND	Male/Female 25-54	Country	Jacor Communications, Inc. Mike Ginsburg
KHIT 2900 Sutro, Reno 89512	775-329-9261	50+ Westwood One	Male 25+	News/Talk	Lotus Communications, Inc. Steve Groesbeck
KHWG Radio 65 Regency Way, Reno 89508	775-322-9292	25 United Press	Male/Female 35-54	Western/Country Hits & Classics	Boyd Broadcasting Co., LLC J. Robert Boyd
KHWY 101 Convention Center Dr., Las Vegas 89109	702-737-9899	20 ABC	Male/Female 30+	Adult Contemporary	KHWY Inc. Tim Anderson
KKVV Radio 3185 S. Highland Dr., Ste. 13, LV 89109	702-731-5588	12 Salem Radio Net.	Male/Female 21+	Christian	Las Vegas Broadcasters, Inc. Bill Ball
KLAV-1230 AM 1810 Weldon Pl., Las Vegas 89104	702-796-1230	12 BNN	Male/Female 35+	Talk/Information/Ethnic	Gore-Overgaard Broadcasting Lisa Lupo
KLKO-FM 1800 Idaho St., Elko 89801	775-738-1240	20 ABC	Male 18-49	AOR	Elko Broadcasting Co. Paul Gardner
KLSQ 6767 W. Tropicana Ave., Ste. 650, LV 89103	702-284-6400	20 DND	Male/Female 18-49	Spanish	Hettel Broadcasting Corp. Jose Valle
KLUC-FM 6655 W. Sahara Ave., Las Vegas 89146	702-253-9800	40 DND	Female 18-34	Top 40	CBS Radio Tom Humm
KMXB-FM 6655 W. Sahara Ave., Las Vegas 89146	702-889-5100	35 DND	Female 18-34	Modern Adult Contemporary	CBS Radio Cindy Schloss
KMZQ-FM 6655 W. Sahara Ave., Las Vegas 89146	702-889-5100	35 DND	Female 25-54	Adult Contemporary	CBS Radio Cindy Schloss
KNEWS Radio 2001 E. Flamingo Rd., Ste. 101, LV 89119	702-735-8644	15 CBS, Westwood One	Male/Female 35+	News/Talk/Financial	Nevada Media Group Ron Cohen
KOZZ 2900 Sutro, Reno 89512	775-329-9261	50+ Westwood One	Male/Female 25-54	Classic Rock	Lotus Communications, Inc. Steve Groesbeck
KPTT 2900 Sutro, Reno 89512	775-329-9261	50+ Westwood One	Male 18+	Sports	Lotus Communications, Inc. Steve Groesbeck
KQLO 600 N. Center St., Reno 89501	775-322-0847	10 CNN	DND	Spanish, Regional Mexican	DND Liriano Chavez
KQOL 1130 E. Desert Inn Rd., Las Vegas 89109	702-732-7753	100 DND	Male/Female 35-64	Oldies	Jacor Communications, Inc. Mike Ginsburg
KSFN-AM 6655 W. Sahara Ave., Las Vegas 89146	702-364-8400	30 DND	Male	Sports	CBS Radio Tom Humm
KSNE 1130 E. Desert Inn Rd., Las Vegas 89109	702-732-7753	100 DND	Male/Female 25-54	Soft Adult Contemporary	Jacor Communications, Inc. Mike Ginsburg
KSRN Radio 65 Regency Way, Reno 89508	775-322-9292	25 United Press	Male/Female 45+	Music of America, Nostalgia	Boyd Broadcasting Co., LLC J. Robert Boyd
KVBC 105.1 FM 1500 Foremaster Ln., Las Vegas 89101	702-657-3105	20 N/A	Male/Female 18-34	Alternative Talk	Sunbelt Communications Dane Wilt
KWNR 1130 E. Desert Inn Rd., Las Vegas 89109	702-732-7753	100 DND	Male/Female 25-54	Country	Jacor Communications, Inc. Mike Ginsburg
KXNT-AM 6655 W. Sahara Ave., Las Vegas 89146	702-364-8900	30 DND	Adult 35+	News/Talk	CBS Radio Tom Humm
KXTE-FM 6655 W. Sahara Ave., Las Vegas 89146	702-889-7500	30 DND	Male 18-34	Alternative	CBS Radio Alen Gray
Star 102.9 FM 1460 Idaho St., Carson City 89701	775-884-8000	9 DND	Female 25-54	Adult Contemporary	MB Broadcasting Paula Schofield
TELEVISION					
KAME TV 4920 Brookside Ct., Reno 89502	775-861-1102	50 UPN	Adults 18-49	Mills Lane, Home Improvement, Star Trek Voyager, Love Boat, Stargate, San Francisco Giants	Cox Enterprises Marty Ozer
KCNQ UPN 25 3840 S. Jones Blvd., Las Vegas 89103	702-642-8847	12 UPN	All	Star Trek: Voyager, 7 Days, Love Boat: The Next Wave, Moesha, TJ Hooker, Rockford Files	King-Kong Broadcasting Larry Hunt
KEEN TV 17 PO Box 28760, Las Vegas 89126	702-798-6646	3 America One TV	Male/Female 45+	Gold Fever, Wrestling, Hop-A-Long Cassidy, Western Theater, Adventure Theater, Hunting & Fishing	Innovative Technologies, Inc. Carol Mulanax
KGNQ Channel 47 3840 S. Jones Blvd., Las Vegas 89103	702-642-8847	12 Home Shop. Net.	Adults 18+	N/A	King-Kong Broadcasting Larry Hunt
KINC TV 15 500 Pilot Rd., Las Vegas 89119	702-434-0015	20 Univision	Spanish Speaking	Vivo Por Elena, Mi, Quequena Traviesa, Desencuentro, Cristina, Primer Impacto, Sabao Gigante	Entravision Communications Gabriel Quiroz
KLAS TV 8 3228 Channel 8 Dr., Las Vegas	702-792-8888	DND CBS	DND	DND	Landmark Communications Dick Fram
KLVS TV 10 4210 Channel 10 Dr., Las Vegas 89119	702-799-1010	DND PBS	Adults 35+	Antiques Roadshow, Nova, Baking with Julia, Keeping Up Appearances, Are You Being Served?, Teletubbies	Clark Co. School District Tom Axtell
KNPB Channel 5 1670 N. Virginia St., Reno 89503	775-784-4555	30 PBS	DND	DND	Community-owned Rick Schneider
KOLO TV PO Box 10000, Reno 89510	775-858-8888	90 ABC	Female 25-54	Jeopardy!, Wheel of Fortune, Local News, Oprah	Stephens Group Inc. Bill Hall
KREN Channel 27 940 Matley Ln., Ste. 15, Reno 89502	775-333-2727	35 WB	Adults 18-49	7th Heaven, Frasier, Buffy the Vampire Slayer, Charmed, Dawson's Creek, Felicity	Pappas Telecasting Don Brown
KRNV Channel 4 1790 Vassar St., Reno 89502	775-322-4444	120 NBC	Female 25-54	ER, Dateline NBC, Frasier, Friends, Mad About You, Just Shoot Me	Sunbelt Communications Ralph Todde
KRXI TV 4920 Brookside Ct., Reno 89502	775-861-1100	50 Fox	Male/Female 18-54	X-Files, San Francisco 49ers, Ally McBeal, Simpsons, King of the Hill, Seinfeld	Cox Enterprises Marty Ozer
KTNV TV 13 3355 S. Valley View Blvd., Las Vegas 89102	702-876-1313	145 ABC	Male/Female 25-54	NYPD Blue, Drew Carey, 20/20, Spin City, Dharma & Greg	Journal Broadcast Group Pete Bannister
KTV-Cable 62/TV 63 2675 E. Flamingo Rd., Ste. 6, LV 89121	702-431-6363	15 Kaleidoscope	Adults	Ron Futrell's Locker Room, Cop Talk, Nevada Issues	Media Broadcast Network Darwin Paustian
KTVN Channel 2 4925 Energy Way, Reno 89502	775-858-2222	75 CBS	Adults 25-54	Touched by an Angel, 60 Minutes, KTVN News, Everybody Loves Raymond, NFL Football, Hollywood Squares	Sarkes Tarzian, Inc. Lawson Fox
KVBC TV 3 1500 Foremaster Ln., Las Vegas 89101	702-642-3333	200 NBC	Male/Female 25-54	Friends, ER, Jeopardy, Wheel of Fortune, Frasier, News 3 at 6 p.m.	Sunbelt Communications Rolla Cleaver
KVVU TV 5 25 TV 5 Dr., Henderson 89014	702-435-5555	82 Fox	Male/Female 18-49	X-Files, The Simpsons, That '70s Show, World's Funniest Videos, America's Most Wanted, Beverly Hills 90210	Meredith Corporation Rusty Durante
KVWB 3830 South Jones Blvd., Las Vegas 89103	702-382-2121	60 WB	Male/Female 18-49	Frasier, Buffy the Vampire Slayer, Seinfeld, Seventh Heaven, Charmed	Sinclair Communications Mark Higgins

DND = Did not disclose

BOOK OF LISTS 01-99

Note: The above information was supplied by representatives of the listed companies in response to faxed survey forms. Companies not appearing did not respond. To the best of our knowledge, the information is accurate as of press time. While every effort is made to ensure accuracy and thoroughness, errors and omissions do occur. Send corrections or additions on company letterhead to TopRank Nevada Statewide Book of Lists, Research Dept., 2127 Paradise Rd., LV, NV 89104.

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NEVADA BRIEFS

ALLTEL to provide Internet services

ALLTEL has introduced an array of Internet services throughout Southern Nevada, including Web site design, development, hosting for businesses and basic Internet access for consumers. ALLTEL's Internet service features direct-link connections to the Internet for faster downloading, as well as modem capacity that minimizes busy signals. Customers also have access to seven-day toll-free technical support.

Comstock Bancorp announces third quarter profits

Reno-based Comstock Bancorp reported its third quarter profits rose 81 percent to

\$886,000. Earnings totaled \$488,000 in the same quarter a year ago. The bank attributed the increase to strong mortgage loan demand. Third quarter assets increased 27 percent to \$227 million, deposits grew 27 percent to \$201 million and loan originations grew 48 percent over levels reported a year ago.

UCCSN Board of Regents receives national acclaim

The University and Community College System of Nevada (UCCSN) Board of Regents was one of seven higher education boards recently recognized by a national association for its work toward increasing the number of Nevada high school students attending college after graduation. The UCCSN board was featured as one of the country's "Boards that Make a Difference" for its Nevada Collaborative for Academic Success. The program allows

high school juniors and seniors to take college-level courses for credit.

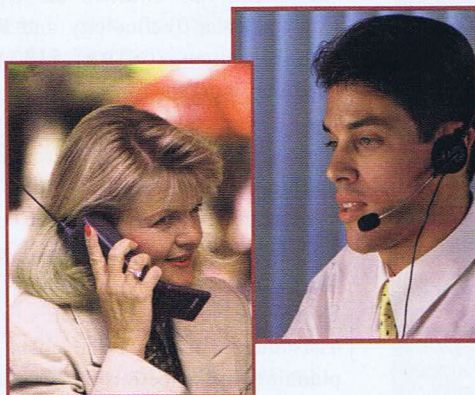
Sierra Health Services purchases Mutual of Omaha business

Sierra Health Services signed a definitive agreement to purchase the Nevada health-care business of several Mutual of Omaha subsidiaries, including Exclusive Healthcare, Inc., United of Omaha Life Insurance Company and United World Life Insurance Company. The transaction was completed December 31, and will translate into approximately 34,000 new customers for Sierra Health Services.

Brokers National Mortgage opens Reno location

Brokers National Mortgage opened a new office to serve the Reno area. The office, situated at 4600 Kietzke Avenue, Building H, Suite 188, supplements the company's

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other Northern Nevada locations in Fallon and Gardnerville. The office offers bilingual service in Spanish, and furnishes a variety of home loans and commercial financing alternatives.

U.S. Bank opens Spanish Springs branch

U.S. Bank opened its newest branch inside a Reno Albertson's grocery store. Located at 9750 Pyramid Lake Highway, the bank provides products and services seven days a week, and also offers 24-hour ATM service. It becomes the only bank within the Spanish Springs area.

Walk-in center name change offers better description of care

Saint Mary's Health Network in Reno changed the name of its outpatient care facility from HealthCare Plus to Family Walk-In Health Center. The clinic is still situated at 6580 South Virginia Street in the Home Depot shopping center. It has expanded hours, and is now open 7:30 a.m. to 6:00 p.m. Monday through Friday and 8:00 a.m. to 4:00 p.m. Saturday and Sunday. The walk-in center provides basic family care for earaches, sore throats,

sprains, strains, minor fractures and other simple treatment procedures.

Barrick Goldstrike breaks ground

Barrick Goldstrike Mines recently broke ground on a \$330 million roaster project on the Goldstrike property in northeastern Nevada. Scheduled for full operation by mid-2000, the facility will increase processing flexibility and reduce overall processing costs by 10 percent. Technology incorporated in the project's design includes \$37.5 million in environmental protection equipment. It will employ a staff of 145, and is expected to raise Goldstrike's total capacity by 12,000 tons daily.

Las Vegas prices rise in October

The local overall cost of living in Las Vegas rose for a fourth consecutive month in October, according to the First Security Las Vegas area Cost of Living Report. The overall cost of living went up 0.7 percent, compared to a 0.2 percent rise in the national cost of living. The only category to fall in Las Vegas during October was transportation. Six of the nine measured spending categories rose, including clothing, groceries and healthcare. Education,

communication and recreation expenses remained stable.

Call center comes to Summerlin

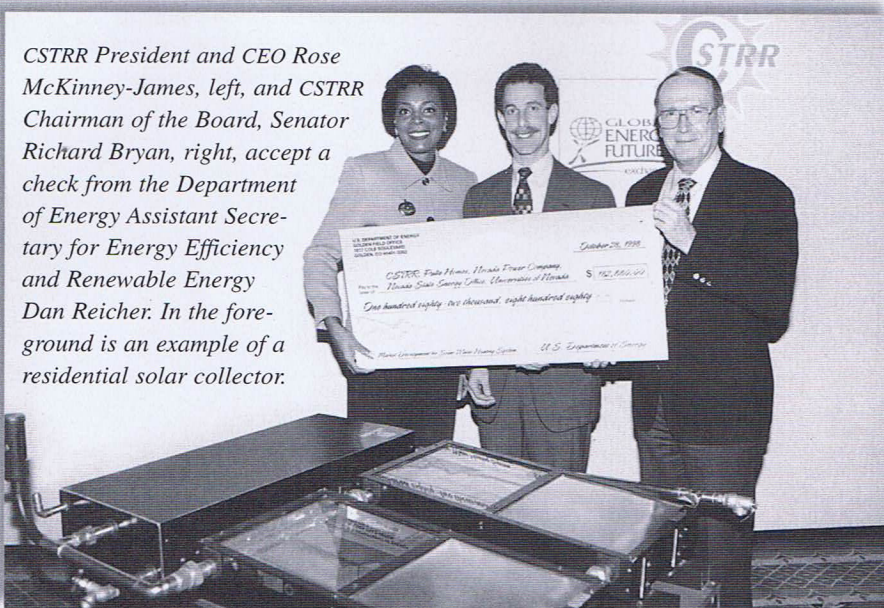
A national call center designed to combat student loan defaults is slated to open in Summerlin this month. The center will initially employ 65 people, though employment is projected to grow to 500 over the next five years. Operated by Indianapolis-based USA Group, the nation's largest student loan guarantor and administrator, the center is moving into a newly constructed 71,600-square-foot office building at Charleston Boulevard and Town Center Drive.

AT&T Wireless earns honors

AT&T Wireless Services' Las Vegas district garnered the highest rankings among the city's wireless users, according to the J.D. Power and Associates 1998 Residential Wireless Customer Satisfaction Study. The study indicated the factors respondents deemed most important. They include call quality, pricing options, corporate capability, customer service, credibility/customer communication, roaming and coverage, billing and cost of roaming.

DOE awards grant to Nevada Test Site solar project

CSTRR President and CEO Rose McKinney-James, left, and CSTRR Chairman of the Board, Senator Richard Bryan, right, accept a check from the Department of Energy Assistant Secretary for Energy Efficiency and Renewable Energy Dan Reicher. In the foreground is an example of a residential solar collector.



The U.S. Department of Energy (DOE) has awarded the Corporation for Solar Technology and Renewable Resources (CSTRR) \$182,880 to establish markets for solar water heating in the construction industry. The project will involve a cooperative effort undertaken by CSTRR, Pulte Home Corporation, Nevada Power Company, The Nevada State Energy Office and the University and Community College System of Nevada. The DOE's financial assistance will offset the costs of the planning and selection process, as well as development of advertising and marketing materials. Beginning this month, homebuyers at Pulte's Crown Ridge community in Summerlin can take advantage of the program by opting for an all-electric home with a solar water heating system.

BUSINESS INDICATORS

ANALYSIS

Economic activity picked up during the late summer months. Nevada's taxable sales increased 6.83 percent in August over year-ago levels. Growth in Clark County was 8.45 percent, and taxable sales grew 6.32 percent in Washoe County. In comparison, U.S. retail sales were up 5.72 percent for October over year-ago levels. All in all, both in Nevada and the U.S., consumer spending and confidence have kept the economy expanding.

Overall economic conditions remain favorable. The U.S., Nevada and Nevada metropolitan areas report unemployment rates below 5 percent. Relatively tight labor markets, a situation ripe for wage escalation, has not set off inflation. Price increases measured at the consumer level increased nationally at 1.49 percent, measured year over year. As a result, consumers' real purchasing power continues to grow.

Nevada's gaming economy, having posted essentially flat revenue collections through most of 1998, saw gaming growth for September much improved with increases of 5.60 percent statewide, 4.85 percent in Clark County and 5.72 percent in Washoe County. Visitor-volume growth remains slow – both for Las Vegas and Reno. The number of airline passengers grew at a tepid rate. The opening of new properties in Las Vegas before year 2000 is a source of optimism for those believing the new properties will kindle increased tourism, and a source of pessimism for those concerned about overbuilding. Thus, opinion is divided about the future of this important component of Nevada's economy.

R. Keith Schwer

*UNLV Center for Business
and Economic Research*

	DATE	LATEST PERIOD	PREVIOUS PERIOD	YEAR AGO	YEARLY % CHG
UNEMPLOYMENT					
Nevada	09/98	3.9	4.3	4.1	-4.88
Las Vegas MSA	09/98	3.9	4.3	4.3	-9.30
Reno MSA	09/98	3.2	3.4	3.2	0.00
U.S. (SEASONALLY ADJUSTED)	10/98	4.6	4.6	4.8	-4.17
RETAIL ACTIVITY					
Nevada Taxable Sales (\$ 000)	08/98	2,196,219	2,179,351	2,055,883	6.83
Clark County	08/98	1,510,267	1,488,822	1,392,574	8.45
Washoe County	08/98	385,237	382,952	362,342	6.32
U.S. Retail Sales (\$ MILLION)	10/98	227,145	224,882	214,861	5.72
GROSS GAMING REVENUE					
Nevada (\$ 000)	09/98	665,509,545	685,165,061	630,202,825	5.60
Clark County	09/98	506,476,102	519,546,420	483,025,565	4.85
Washoe County	09/98	93,858,086	94,993,571	88,780,870	5.72
CONSTRUCTION ACTIVITY					
Las Vegas Area Permits					
New Residences	3Q98	5,077	5,879	5,514	-7.93
New Commercial	3Q98	279	296	297	-6.06
Reno Area Permits					
New Residences	3Q98	876	953	919	-4.68
New Commercial*	—	—	—	—	—
U.S.					
Housing Starts (000)	10/98	1,695	1,579	1,529	10.86
Total Construction (\$ BILLION)	09/98	660.6	657.8	623.3	5.98
HOUSING SALES					
Las Vegas Area					
Average Sales Price ⁽¹⁾	1Q98	138,196	141,263	138,851	-0.47
Average Cost \$/Sq. Ft.	1Q98	76.68	77.87	75.20	1.97
Average Mortgage Rate ⁽²⁾	1Q98	7.42	7.60	7.90	-6.08
Washoe County*	—	—	—	—	—
U.S. Home Sales (000)	09/98	822	830	809	1.61
TRANSPORTATION					
Total Passengers ⁽³⁾					
McCarran Int. Airport, LV	2Q98	7,649,117	7,367,606	7,633,379	0.21
Reno/Tahoe Int. Airport	3Q98	1,702,192	1,840,608	1,874,595	-9.20
State Taxable Gasoline Sales (\$ 000)	08/98	80,020,386	81,583,771	77,532,753	3.21
POPULATION ESTIMATES					
Nevada	7/98	1,852,650		1,779,850	4.09
Clark County	7/98	1,255,200		1,192,200	5.28
Washoe County	7/98	311,350		308,700	0.86
NATIONAL ECONOMY					
Consumer Price Index ⁽⁴⁾	10/98	164.0	163.6	161.6	1.49
Money Supply—M1 (\$ BILLION)	10/98	1,078.5	1,072.2	1,061.9	1.56
Prime Rate	10/98	8.12	8.49	8.50	-4.47
Three-Month U.S. T-Bill	10/98	4.08	4.74	4.95	-17.58
Gross Domestic Product (\$ BILLION)	3Q98	8,526.5	8,440.6	8,170.8	4.35

NOTES: (1) houses, condos, townhouses; (2) 30 yr. FHA fixed; (3) enplaned/deplaned passengers; (4) all urban consumers

SOURCES: Nevada Dept. of Taxation; Nevada Employment Security Department.; UNLV, Center for Business and Economic Research; UNR, Bureau of Business and Economic Research; US Dept. of Commerce; US Federal Reserve.

COMPILED BY: UNLV, Center for Business and Economic Research

*Figures not available.



by Joe Mullich

An e-mail, by any other name, still smells like a lawsuit

For years, I've listened to nerds exclaim how electronic mail is going to revolutionize the business world. No more telephone tag. You just type out a few sentences, click a computer screen, and your message is sent anywhere on the globe.

Even though I'm not officially a nerd, I look like one, so I'm qualified to comment on this idiocy. I'm inundated, on average, with 100 e-mails a day. Half advertise Internet sex sites (decide for yourself whether I'm complaining or bragging). Most of the rest are from people forwarding unfunny jokes. Several of my largest clients now do this on a weekly basis. Processing all this information chews up my work week – after all, I'm obliged to respond with equally lame rejoinders.

Electronic mail, in my view, is hardly the productivity tool it's cracked up to be.

That's why I was delighted to hear the king of the nerds, Bill Gates, is having such problems with e-mail. As I'm sure you know, Gates is up to his glasses in litigation with the U.S. government. In essence, the feds contend Microsoft's business practices are to the technology industry what Sherman

was to Atlanta. You know, a scorched earth policy.

Much of the government's case is based on a bunch of old e-mails from Microsoft's files. Now, many corporations are rethinking the value of keeping old mail. One major firm even offered employees a bonus for purging their old electronic correspondence. The company said this was merely a spring cleaning move. But most people feel the company wanted the messages erased for the same reason Clinton wishes Monica had used a dry cleaner – to get rid of the evidence.

The irony is that electronic mail was originally pushed as an easy way to keep in touch with others. Now, however, people are seizing on the pitfalls created by the casual nature of e-mail. An e-mail dashed off in 30 seconds could become the basis for a lawsuit.

Lawrence Lessig, a Harvard law professor, says certain people refuse to send him e-mail now for just this reason. "E-mail is perhaps the most contextually sensitive piece of writing we have, and culturally, we're going through this stage where we don't understand how to read it," he says.

One database management firm found 10 percent of its employees had from 5,000 to 10,000 electronic messages saved on their hard drives.

Okay, maybe people aren't writing Lessig because he uses phrases like "contextually sensitive piece of writing."

There's no question, though, e-mail subscribes to the basic psychology that assigns strength and credibility to the written word. If something appears in print, most people ascribe a high level of reliability to it. A study found that people who questioned prices at a store easily relented when the clerk displayed a typed price list under a piece of glass.

It didn't matter that the list could have been typed that morning, and changed that evening. Because it was in writing, people believed it to be chiseled in stone, just as if Charlton Heston had carried it down from some mountain top.

Judges and juries regard e-mail transmissions as legal

documents, vetted by lawyers and checked by proof readers, broadcasting the true feelings of the person who wrote them. In reality, most e-mail is as casual as a quick exchange in front of the water cooler.

The legality issue of electronic correspondence, "which in many instances is susceptible to being incomplete, cryptic and misunderstood, has led a lot of people to shun the use of e-mail," says Sally Katzem, who used to head the U.S. office of information and regulatory affairs. Other executives sanitize their e-mail, creating communiques as boring and useless as the typical office memo.

But everyone is becoming concerned – and perhaps a little paranoid. Polk Company, a direct marketing and database management firm, found 10 percent of its employees had between 5,000 and 10,000 electronic messages saved on their computer hard drives. Regarding all those missives as ticking subpoena time bombs, Polk ordered – as the Associated Press put it – "a delete-fest."

Never mind that, if those e-mails are anything like mine, 9,999 of them were just bad jokes. 🍄

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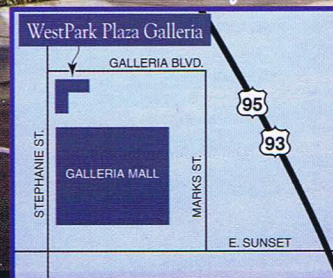
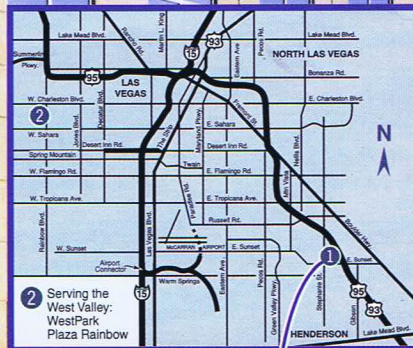
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