Economist Advocates Water Markets

PROFILE: Matthew Fienup focuses on environmental policy.

By HELEN FLOERSH Staff Reporter

The new executive director at California Lutheran University’s Center for Economic Research and Forecasting loves water and rocks.

Matthew Fienup started a rock-climbing school before earning his economics degree. Now he works at Fox Canyon Groundwater Management Agency. He takes a market-based angle on policy questions. “In regions with a market system of allocating water, there’s an economic return to conservation,” he told the Business Journal. “So rather than assuming there’s tension between business and the environment, I actually think we have a lot to gain by using market incentives.”

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Forecasters

Retailers Hire Niche Agency

ADVERTISING: Boutique contracts with Smart & Final, 99 Cents.

By STEPHANIE HENKEL Staff Reporter

As the new year approaches, advertising agencies are planning the 2017 budgets for their clients – and Bloom Ads Inc. is working with bigger names than ever before.

That’s because the Woodland Hills media buying and planning agency procured three major contracts during the past year, including its most recent win with Smart & Final Inc. of Commerce. Earlier, it landed deals with 99 Cents Only Stores Inc., also of Commerce, and Hollywood Park Casino in Inglewood.

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Cherokee Tries Buy-Sell Style

APPAREL: After acquisition, company plans to divest assets.

By HELEN FLOERSH Staff Reporter

Cherokee Inc. has acquired a European footwear company, only to turn around and sell all the hard assets in the deal.

For consumers, Cherokee’s name is more synonymous with classic American sportswear than with sneakers and boots. But late last month the Sherman Oaks firm announced a $96 million deal to acquire Dutch shoemaker Hi-Tec Sports International Holdings B.V., taking the company back to its roots in the footwear business.

“The acquisition of (Hi-Tec) … aligns with our company plans to divest assets.”

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spend less time shuttling kids between games, practices, events, and doctors’ appointments.

“Sports is a very fragmented market,” Faulkner said. “I see integrated services as an opportunity to create value for people.”

**Practice space**

Operating in a former warehouse for Thousand Oaks biotech firm, Amgen Inc., Sports Academy’s 96,000 square feet may be big enough to house and deliver Faulkner’s vision. It took 10 months and $10 million of his own money to outfit the facility.

That funding came from founding and succeeding with several businesses, the entrepreneur said. He co-founded a company buying and leasing seats in sports stadiums, a health care services business and Curo Financial Technologies Corp., a short-term loan provider based in Wichita, Kan. that has 400 stores across the U.S., Canada and the United Kingdom, according to its website.

The gymnasium area contains four indoor basketball courts, two sand volleyball courts, a short running track, a pitching mound and a short track.

The gymnasium is the main event for Faulkner, who directs the beach volleyball program, has competed in the Olympics. Faulkner’s director of football is a former National Football League player agent. Other directors include a former Ladies Professional Golf Association tour player, a World Cup team player, and coaches from nearby schools including Oaks Christian School in Thousand Oaks, well-known for grooming star athletes and professional sports players.

Tim Ward, head women’s soccer coach at Pepperdine University in Malibu and collegiate coach for 20-plus years, said Faulkner’s top-notch coaching staff will provide parents and college-bound students with knowledge and experience of the college-level recruiting process.

“All this is a lot of misinformation and myths about what it takes to be recruited by schools,” Ward said. “Someone who’s worked at that level can open parents’ eyes to seeing the reality of recruiting athletic scholarships. It’s much more difficult to receive them than parents realize.”

There’s also a market now for the specialized and focused training that Sports Academy provides, Ward said, because it can help boost students’ chances of getting accepted into top colleges. Coaches are under increasing pressure to win games within the time limits of their contracts, so they are recruiting student athletes already developed in a specific sport who can immediately help win games. All things being equal, coaches prefer prepared athletes – those who have worked with experts in their sport.

“Coaches are looking for kids who are refined, and parents, understanding that, are pushing the envelope for kids, and for more specialized training in their athletic development,” Ward said. “It’s athletic capital – the free market in athletics – if parents want their sons and daughters to receive athletic scholarships, the kids have to be the best of the best.”

To tackle the mental side of sports training, Sports Academy provides psychologists who use high-tech tools that test and train for mental endurance, visual prioritization and spatial recognition.

Lastly, Sports Academy will help students create a brand for themselves and promote it. That includes shooting and producing highlight reels that the athletes can send to colleges, and educating students on what to post – and what to avoid – on social media so they don’t hurt their chances of acceptance, Faulkner said.

“Coaches are 100 percent looking for all the info they can because they’re trying to understand the character of a person they’re going to spend the next four to five years with,” Faulkner said. “This goes beyond athletics.”

**Prime market**

Sports Academy’s high personal wealth coupled with parents’ intense focus on education and drive to get their children into top universities have created a market for private schools such as Oaks Christian with its $53,000 annual tuition. It’s the same market that could spell success for Sports Academy, experts say.

“It’s a smart place to put a business,” Ward said. “I do believe that a lot of people there come from areas where they’ve excelled – in terms of schooling. There are some really bright minds.”

Sports Academy doesn’t charge like traditional gyms with memberships; for the most part, its services are itemized. For example, a one-on-one, half-hour session with a sports trainer costs $65; one-hour sessions cost $100. There are also longer sessions, semi-private sessions, small group sessions and team sessions. A 50-minute appointment with the sports psychologist costs $120; 30 minutes with the nutritionist costs $100. A private work-out or performance session with a trainer costs $50 per half-hour. There is tutoring, personal defense skills training and massage with varying costs. Also, parents can also drop off younger children for three-hour day camps for $30.

**Rehab**

Sports medicine room workout.

“Many parents hope to leverage sports achievement for college access, and these types of business opportunities arise to meet this demand,” Carter said.

That has been a growing trend over the past 10 or so years. Opportunities within the industry are increasing for businesses because the money flowing into and out of sports has sharply increased, he added, “and there is no reason to believe this growth will slow any time soon.”

Sports Academy is not profitable yet, Faulkner said, but he’s finding new ideas to expand it. The facility now hosts a regional fencing tournament – a sport he didn’t include in his original plan for the business.

“There is far more opportunity than in what I originally envisioned,” he said.

**Campus: Sports Academy’s 96,000-square-foot facility in Thousand Oaks features four basketball courts, two sand volleyball courts, a pitching mound and a short track.**