

# SAN FERNANDO VALLEY BUSINESS JOURNAL

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**Broker Breaker: Jack Ryan** has a plan to automate home sales and lower commissions.



PHOTO BY DAVID SPRAGUE

# HOMED-IN TECH

Investor looks to open door to simpler real estate deals

By **KAREN E. KLEIN** Staff Reporter

**O**VER his career, **Jack Ryan** has held many titles, including **Goldman Sachs** investment banker, Catholic high school teacher, Chicago newspaper publisher and would-be politician.

Now, the 56-year-old is adding another line to his resume: tech entrepreneur.

Earlier this year in Westlake Village, Ryan launched **Rex**, an online real estate platform that aims to do nothing less than change the way people buy and sell homes. The service, which has been in

beta testing since April, went live earlier this month. So far, five homes have been sold on the platform and eight more are listed with the site, which enables homebuyers and sellers to carry out transactions online with the help of a concierge to smooth the process.

Ryan makes no bones about the company's sales pitch – “savings without the sacrifice” – or its determination to go around the traditional multiple-listing

*Please see INTERNET page 45*

# Car Crash May Yield Salon Smash

**GROOMING:** Christopher Styles intends rebuilding project to be a cut above.

By **CHAMPAIGN WILLIAMS** Staff Reporter

**Christopher Hird** was cutting a customer's hair when he heard the crash.

The owner of **Christopher Styles Barber Spa** had a mere second to jump out of the way before a Lexus smashed through the front wall, knocking the reception desk and barber chairs aside as it wedged into the middle of the 1,200-square-foot shop.

“I won't forget that day. It was about 5:30 in the

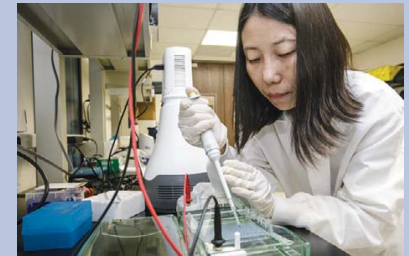


PHOTO BY THOMAS WASPER

**Trimmed: Christopher Hird at Valley Village shop.**

*Please see GROOMING page 46*

## SPECIAL REPORT HOSPITALS / HEALTH CARE



**FRESH CROP:** As mature biotech firms are acquired, startups are breathing new life into the Valley's 101 biotech corridor.  
**BEGINNING ON PAGE 7**

# Rocket Engine Lands Facility

**AEROSPACE:** New site's furnace could power up Mars mission.

By **MARK R. MADLER** Staff Reporter

Making a nozzle for the RS-25 rocket engine is no easy feat, but engineers at **Aerojet Rocketdyne Holdings Inc.** believe the component could help power a jet to take humans to Mars – and beyond.

At 10 feet tall and 7.5 feet in diameter at its widest point, the nozzle requires an even larger furnace to braze the stainless steel tube wall carrying the liquid hydrogen used to cool down the nozzle's inner surface. The aerospace company has tackled that problem with a new 20,000-square-foot building at its Chatsworth campus housing a 22-foot-high electric furnace capable of heating to 2,000 degrees.

*Please see AEROSPACE page 48*

# Investor Buys Into Chateau

By **KAREN E. KLEIN** Staff Reporter

**Zaya S. Younan** and his Woodland Hills real estate investment group, **Younan Properties Inc.**, already own a 4.5 million-square-foot portfolio that includes some of the sleekest and most modern office and retail properties in the country.

Now they also own a bona fide French relic – a 17th century castle called Chateau du Petit Chene. The property, a 20-room resort on an 18-hole golf course about three hours from Paris, is Younan's first European acquisition. It was purchased through a French holding company he established, **La Grande Maison Younan Collection SAS**.

*Please see REAL ESTATE page 47*



# What it takes to get ahead.

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# Grooming: Smashed Salon to Come Back in Style



PHOTO BY THOMAS WASPER

**Work in Progress: Construction technician talks with Christopher Hird about the renovations at his Valley Village barbershop.**

*Continued from page 1*

afternoon and it was kind of a slow day,” Hird, 37, recounted. “It sounded like there was an accident on the street, then the next thing I know I look up and see a Lexus backing right into the front of the shop. There was glass everywhere.”

The accident resulted in \$300,000 worth of damage to the Valley Village location and forced the small business to temporarily relocate to Sherman Oaks.

Still, Hird is making the most of the situation. With construction underway, he is giving the shop a facelift – focusing on modern décor, new workstations and launching a marketing campaign to highlight new services. The shop is expected to reopen around the middle of next month.

“It’s kind of strange to say it, but the accident was a blessing in disguise,” Hird said. “We’re capitalizing on the situation and I think it will be bigger and better than it was before.”

## Police report

The crash occurred Sept. 3 and was ruled an accident by police on the scene. No injuries were reported, though Hird, two staffers and two clients were on the premises. The driver of the silver Lexus, a woman in her late 50s or early 60s, lost control of her vehicle and drove headfirst into a **Gourmet Wine and Spirits** two stores down, then reversed into Hird’s shop, hitting four cars along the way.

Police officers tested the driver for alcohol, but found that she was not inebriated. Her information was collected and she was sent home.

While the liquor store was cleaned up and reopened within a matter of hours, insurers estimated the damage to the barbershop would take at least a month to repair.

“Initially it was said that we’d have to shut down completely for three months. When I heard that, I got my Realtor on the phone and said, ‘Let’s look for another place,’” Hird said. “But once the insurers and construction guys got here they estimated maybe three or four weeks to get this done.”

**Melissa Gonzalez**, owner of New York retail consultancy **Lion’esque Group**, said communication with customers is key for a



**Accident Report: Photo of Lexus inside store.**

small business facing a temporary closure.

“You don’t want a customer to be surprised or to have to do extra work to find out where you are. The shop’s sales person should hit the phones and communicate on their social media channels to let (clients) know that the shop moved but that they’re still valued as customers,” Gonzalez said. “It’s about keeping it easy for customers. If his clients are loyal or really value his service, they’ll probably be more inclined to use his services still.”

## Loss of business

Christopher Styles Barber Spa opened in 2012. Hird founded it with the backing of his very active business partner and mother **Shirley Carr**. The two invested \$120,000 of their personal savings to get it off the ground.

The upscale barbershop and spa offers services for both men and women, including haircuts and facial shaves for men, and blow-outs and hair coloring for women. Prices range from \$7 for a bang trim to \$105 for highlights.

Hird employs a staff of nine – five barbers

and stylists, three receptionists and a manager – each ethnically diverse and trained in how to cut and style any type of hair.

Hird said the shop averages 300 to 400 clients a month, 140 of which are new customers. But since construction began in September, the shop has seen a decrease in business by 60 percent – despite mass emails and posts on the company’s website and social media pages informing clients of its temporary change to a room rented at **Sola Salon Studios** in Sherman Oaks.

The rented space has only two stations, and stylists have been forced to cut their hours and share the chairs to accommodate one another’s schedules.

“You get caught in a bad situation and you just try to make the best out of it,” Hird said. “To be closed for a whole month, that just wouldn’t work. People need haircuts weekly or they’ll go somewhere else. At least we have somewhere we can kind of get those people serviced.”

Fortunately, the shop’s insurer, **Hartford Financial Services Group** in Hartford, Conn., is covering the company’s loss of business and supplementing staff income.

Damage to the property at 4815 Whitsett Ave. was extensive. The shop’s storefront windows were shattered, and there was structural damage done to the beams and walls. Equipment and chairs for the workstations will



PHOTO BY THOMAS WASPER

**Shop Talk: Hird plans to hold a grand reopening in December.**

have to be replaced, in addition to putting in a new reception desk, flooring and couches for the waiting areas.

“Insurance is paying me a certain amount for business loss, and out of business loss I am paying employees a salary based off what they made previously,” Hird explained. “Insurance is taking care of us, then my insurance will go after (the driver’s) insurance at a later date.”

The process is called subrogation, according to **Harris Hur**, product development manager at **Farmers Insurance Group** in Woodland Hills. An insurer that covers the initial costs of a business claim to get operations up and running again may then seek to recover the amount of loss from the insurer of the party at fault – assuming that they’re insured.

If the party responsible for the business damage is uninsured, Hur said insurers may attempt to recover the funds directly from said party’s assets.

“If the driver didn’t have insurance or if the driver didn’t have enough insurance and they have assets like houses, then the driver may have to cover the loss from their personal assets,” he said. “If he or she were not financially stable, then a lot of times the insurance company will not try to recover losses. It’s very case specific.”

## Marketing campaign

Once the shop reopens in December, it will once again have eight workstations, a U-shaped reception desk, four flat-screen televisions mounted on walls and shelves of hair products that retail for \$10 to \$25.

Plus, Hird plans to make a few adjustments.

In addition to updating the décor and making the shop brighter and more modern, he’s introducing services he hopes will bring both old clients back and appeal to new customers.

For example, he’s adding an aesthetician to do manicures, pedicures and facials, and is purchasing a pedicure chair specifically for that service. Also, the shop will increase its product offerings with new gels, shampoos and conditioners for sale in addition to the brands it previously carried including John Paul Mitchell and American Crew.

The relaunch marketing campaign will highlight the shop’s new services on Facebook and Instagram as well as use traditional advertising. The crash put the shop on the nightly news and Hird hopes to capitalize on that publicity.

“I’m just hoping and praying our clients understand and they all somewhat come back,” Hird said. “That’s why I want to do a lot of marketing and advertising. This could actually grow bigger than it was before because I’m trying to do some really cool stuff with radio stations, newspapers and news stations that want to come back out for the new grand opening.”

But Lion’esque’s Gonzalez warns that rebranding a business can have unintended consequences.

“You want to make sure you’re not alienating current customers or losing loyal people. If you think about a barbershop, most men are going for convenience and familiarity,” she said.

Those are the reasons **Yehuda Haziza** said he chose the shop. Haziza has been a regular at Christopher Styles since it opened three years ago and was one of the two customers at the shop during the crash. He has been to the temporary location in Sherman Oaks and believes the shop can recover its business once it reopens.

“I go there every two weeks and the quality I see there is favorable and consistently great,” Haziza said. “I think marketing is always important and critical for any business, and they need to continue that. The quality of the relationship they have with clients will bring many, if not all, of them back.”



# What We're Grateful For

By **STUART WALDMAN**

While the Valley Industry and Commerce Association spends most of the year asking for more from our political leaders – and deservedly so – decorum for Thanksgiving and the rest of the holiday season challenges everyone to recognize what they have and be grateful for our blessings and good fortune.

With that in mind, and the spirit of charity and kindness in our hearts, we write to thank our leaders at the local, state and federal level, as well

as our members and partners who have advocated alongside us, for a few of the highlights from the last 12 months.

First of all, the culmination of several years' worth of advocacy, coalition building and cooperation from myriad community groups resulted in the San Fernando Valley Council of Governments, an influential group of leaders from throughout Los Angeles County, agreeing with Valley on Track about the priorities for the future of the Valley's transportation needs. This is a major accomplishment by Valley on Track, which was organized by VICA and dedicated to making sure the Valley gets its fair share in any proposed sales tax ballot measure to address transportation needs. We are expecting such a ballot measure next November from Metro.

There are three simple goals: construct, convert and connect. The Valley needs to convert the Orange Line bus line to light rail to keep up with the growth and demand that has already pushed the bus service well past capacity. We also need to connect the East Valley with the Metro-approved East San Fernando Valley Transit Corridor along Van Nuys Boulevard as a light rail line; and we need to construct a tunnel that will



PHOTO BY DAVID SPRAGUE

**The Valley needs to convert the Orange Line bus line to light rail to keep up with the growth and demand that has already pushed the bus service well past capacity.**

allow for light rail through the Sepulveda Pass.

And speaking of the potential for transformative investment, we're also grateful Los Angeles and VICA will be involved in a whole-hearted, widely supported effort to bring the Olympics back home to L.A. in 2024. Angelenos have recognized the support, tradition and value that this event brings, and we're more than excited about the potential to host it again.

Potential for investment, potential for new projects and, perhaps most importantly, the potential for more job creation are continual concerns at VICA. Along those lines, VICA is also grateful for city leaders like L.A. City Council President Herb Wesson, who had the courage to look at where Los Angeles was facing perhaps one of its biggest challenges, job creation, and take ownership of the issue. He credited VICA's prodding during the announcement of his Ad Hoc Job Creation Plan Committee, and we're grateful when our leaders are willing to honestly look at an issue from all sides and work on a solution.

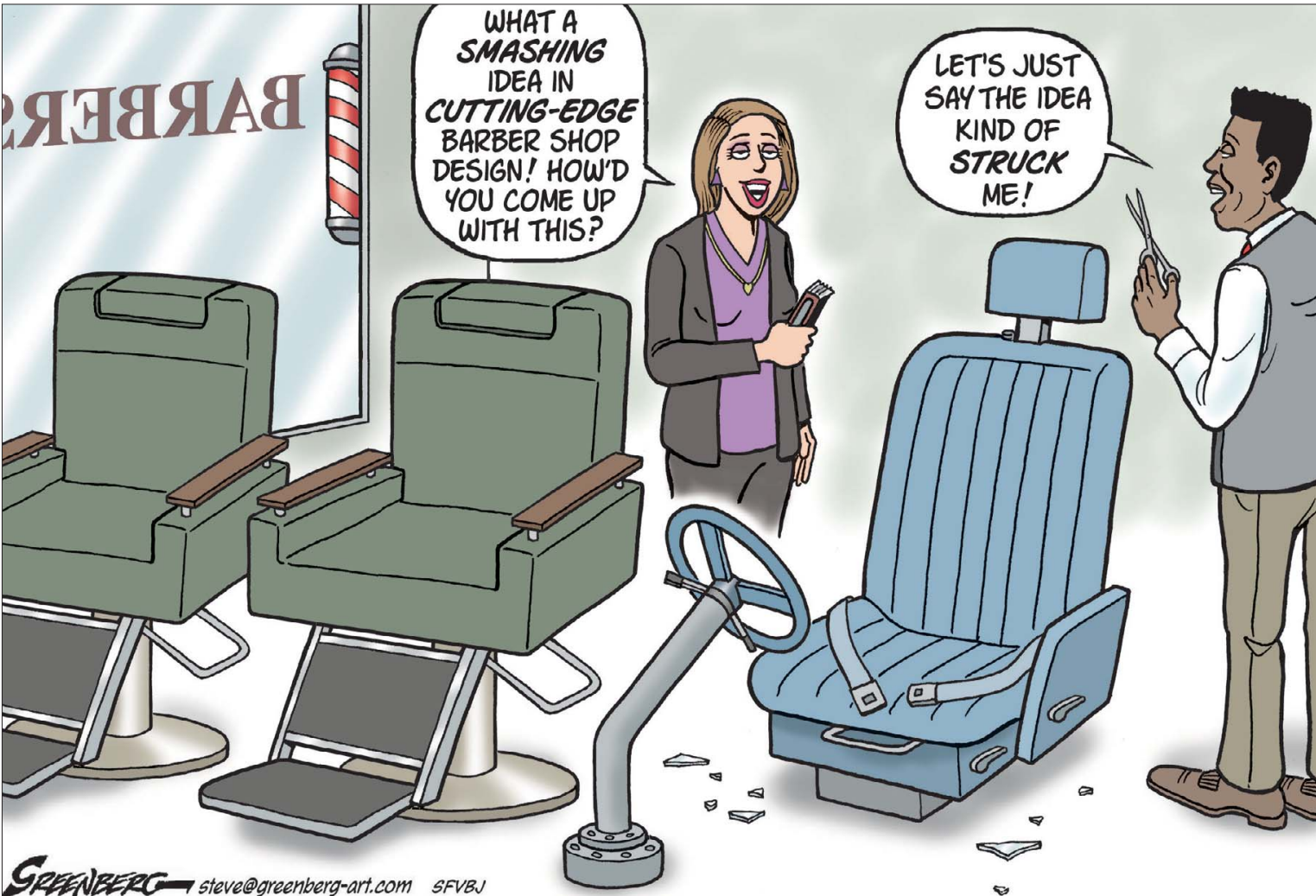
Not only did the job-creation issue prompt some honest conversation at City Hall, but it was followed by another thing we're grateful for, that Los Angeles County officials are developing resources and research to address small-business development. Mere days after Wesson's move, the county dedicated more than \$19 million over the next few years to look at creating a better business climate in Los Angeles County – something we can all be grateful for this holiday season.

So while we're sure that the cheers could soon be replaced by our usual cajoling, at this time we say thanks to our members, leaders and those who take the time to get involved. And a happy holidays to everyone else.

*Stuart Waldman is president of the Valley Industry and Commerce Association, a Sherman Oaks-based business advocacy organization that represents L.A. County employers at the local, state and federal levels of government.*

## TAKE TWO

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