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Up Front



Finally! You can quickly switch your heels' height and color. **PAGE 3**

News & Analysis



Why this man terrifies execs at NBC, CBS and Disney. **PAGE 6**

Exec Style



How one woman mixes statement pieces, such as this Hermes bracelet, into her rocker-chic look. **PAGE 57**

MAIL TO:

Owner Has Naked Ambition for Nude Photos

COLLECTING: Marilyn Monroe shots could sell for millions.

By **SANDRO MONETTI** Staff Reporter

When a little-known and out-of-work Marilyn Monroe needed cash, she agreed to a then-scandalous nude photo shoot and was paid a paltry \$50.

Now, the photos – which threatened to derail Monroe's career early on but instead made her an icon and launched the Playboy publishing empire – are up for sale and could fetch upwards of \$4 million.

Vintage poster and art retailer **Limited Runs** in Hollywood is handling the sale of the original star-making shot and other images from what came to be known as the "Red Velvet" photo session.

"There's huge interest in these historical artifacts, largely because Marilyn is still Hollywood's most popular actress, alive or dead," said company owner **Pierre Vudrag**, an entertainment lawyer-turned-memorabilia dealer.

Indeed, Monroe's estate, which is not involved with



Monroe

this sale, made \$27 million last year in licensing deals and other earnings, ranking the blond bombshell third on the Forbes list of top-earning dead celebrities, behind only Michael Jackson and Elvis Presley.

The pictures, which will be exhibited at **Strauss Studio** in Hollywood starting July 29 before going on a nationwide two-month tour of galleries while Vudrag seeks a buyer, have a fascinating history.

When a 22-year-old Monroe showed up at photographer Tom Kelley's Hollywood studio on May 27, 1949, to pose for the "Golden Dreams" calendar, she

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Blazing Trail: Daniella Hernandez at West L.A. pot dispensary Robertson Caregivers.

RINGO H.W. CHIU/LABJ

LABOR BUDS

Pot shop staffers build buzz for union's local

By **MARNI USHEROFF** Staff Reporter

WHEN **Daniella Hernandez** and her co-workers at marijuana dispensary **Robertson Caregivers** joined a union in March, she got sick days, a raise and the courage to finally tell her traditional family what she does for a living.

"I don't like to tell people I work for a dispensary because they'll think I'm a bad mother," said Hernandez, 25, who has a toddler and a first-grader. "Knowing we're in the union made it OK to tell my parents."

Robertson in West Los Angeles is one of more than 70 L.A. dispensaries that have signed neutrality agreements with Local 770 of the

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Stores Look to Take Back Streets

REGULATION: Owners hope to limit legalization of rival vendors.

By **HOWARD FINE** Staff Reporter

Hundreds of owners of brick-and-mortar restaurants and stores, along with several local business leaders, are urging L.A. city officials not to legalize street vendors, squaring off against street-vending advocates who have been making headway at City Hall.

Though some business owners say vendors boost business, others argue such vendors take away sales, block access to stores and leave trash on sidewalks. And that's with street vending now illegal. Making it broadly legal would make these problems much worse, store owners fear, which is why they want legal street

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Moved In: Downtown L.A. street vendor.

RINGO H.W. CHIU/LABJ

Hospital Owner In Recovery Mode Is Drawing Suitors

By **MARNI USHEROFF** Staff Reporter

After a long, contentious sale process, the clouds could be lifting for the **Daughters of Charity Health System**. Not only has the group bolstered its finances, but it might be closing in on a deal for its beleaguered hospitals. A sale could be announced in the coming days.

St. Vincent Medical Center in downtown Los Angeles and St. Francis in Lynwood are two of the six California hospitals the Catholic system has been working to sell for more than a year as it hemorrhaged about \$10 million a month.

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Labor: Pot Shop Employees High on Unionizing

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United Food and Commercial Workers, vowing not to interfere if employees choose to organize. Like the West L.A. collective, more than two dozen pot shops have gone on to sign contracts. Many that haven't are waiting until they have enough workers to make it feasible because UFCW prefers to work with employers that have at least 10 employees.

What's more, it wasn't a fight to unionize.

"The dispensaries came to us," said

Rigoberto Valdez, the local's director of organizing, a result of a 2011 tussle with the Los Angeles City Council that temporarily banned medical marijuana in 2012. "A group of workers were afraid the city would ban cannabis and asked if they could unionize."

Though organized labor and medical marijuana workers might seem strange bedfellows, it's largely proved a successful marriage of convenience. The union adds an air of badly needed legitimacy to the industry and the collectives offer a lifeline, albeit small, to a union facing dwindling numbers nationwide.

"When private-sector union density has fallen below 7 percent, unions are looking to almost any place they can build up their membership base," said **Chris Tilly**, director of UCLA's Institute for Research on Labor and Employment. "Medical marijuana workers might be a little more on the fringe, but on the other hand, workers have been organizing pharmacists for a long time and certain health care and retail workers."

Friend in need

UFCW's local chapter actually has bucked that trend of falling membership in recent years. Though it did face a period of losing workers to nonunion stores such as Wal-Mart, Local 770 stanchied the bleeding by adding 1,500 members to its ranks between 2012 and 2014, according to annual reports filed with



Budding Sector: Organizing Director Rigoberto Valdez at the Koreatown office of United Food and Commercial Workers Local 770.

the Labor Department. It had more than 31,000 members last year, of which more than 200 were medical marijuana workers. That was partly because it devoted a quarter of its budget to a growth initiative.

It also helped that the union's growth efforts coincided with a 2012 temporary dispensary ban that imperiled the local medical

cannabis industry.

Valdez explained that when workers approached UFCW that year, the union talked to some responsible employers and put together a large group and stopped the ban.

"When they approached me in 2011, I'd been operating for five years, and I had hired a lobbyist and tried to talk to the City Council

with him on my own and got nowhere," said **Matthew Dunn**, owner of downtown L.A. dispensary **Kushmart**, which had a neutrality agreement in place since 2011 and unionized in March. "When the union approached, it sounded like they could help us."

Indeed, it did. The coalition worked with the city and eventually reached a compromise in 2013 on Proposition D. The ordinance forbids new pot shops from opening, but allows 134 that were registered under the 2007 interim control ordinance to stay open with limited immunity from prosecution, so long as they meet certain criteria. It also raised city tax on medical marijuana from \$50 to \$60 for every \$1,000 sold.

"We wouldn't have had that success without their resources, contacts and experience," Dunn said of the union.

Future fights

Kushmart took a few years to sign its first union contract because it had to move several times while dealing with competition from illegal dispensaries and trying to find a compliant location. It finally settled in a new downtown space in spring 2014.

"The union was very patient with us," Dunn said. "We were barely staying afloat; we had to move so many times."

Upholding Proposition D also works in the union's favor because when rogue shops shut down, more business is funneled to union collectives, buoying them and enabling them to hire more workers.

Though contracts can vary, unionized dispensaries must start their workers at about \$12 an hour; give their employees paychecks, not cash; offer sick and vacation days, health insurance; and follow grievance processes before firing workers. There are collectives that even offer full health care benefits.

"Some aren't there yet and can't afford to be," Valdez said. "But we don't want to put dispensaries out of business."

Health Care: Prognosis for Hospital Sale Unclear

Continued from page 1

The bleeding seems to have slowed after Daughters of Charity received \$54 million in delayed funds in February from a state program for hospitals treating a significant number of Medicaid patients. A turnaround plan announced in April, including layoffs and service reductions, also helped.

But finally securing a buyer in the wake of state Attorney General **Kamala Harris'** conditions that ended up squelching an \$843 million March bid from Ontario-based **Prime Healthcare Services** would be a huge win for the health system.

Daughters of Charity spokeswoman **Elizabeth Nikels** said the organization has been working with top-tier buyers interested in acquiring the entire health system. Those include some previous contenders as well as new ones. She wouldn't divulge who was involved, but added that the system hoped to announce a buyer by the middle of this month.

Those bidding to acquire the health system include New York private equity firm **Blue Wolf Capital Partners**, New York private investment firm **BlueMountain Capital Management** and an unnamed South Korean firm, according to **Bill Rouse**, executive assistant to the officers at **United Nurses Associations of California/Union of Health Care Professionals**. Rouse has been involved in negotiations on behalf of the union's nurses at St. Francis.

Nikels said the system has not narrowed the search to three bidders and would not comment further.



On Block: Daughters of Charity's St. Vincent Medical Center in Lynwood.

Representatives of both BlueMountain and Blue Wolf, which are unrelated, declined to comment.

Contenders?

BlueMountain manages \$21 billion in assets, according to its website. Among other vehicles, it invests in distressed opportunities including turnarounds and recapitalizations. It was not identified as an interested party in last year's sale process.

Blue Wolf, on the other hand, made it to the final round of bidding last fall. Daughters of Charity ultimately selected Prime, despite UNAC/UHCP and **Service Employees International Union-United Healthcare Workers West's** claims that the Ontario health

provider prized profits above all else.

Those unions strongly backed Blue Wolf, which has made no secret of its continued interest in the system.

After Prime withdrew its bid in the face of stringent conditions imposed by Harris, the New York private equity firm reiterated its position.

"Blue Wolf Capital has followed developments at the Daughters of Charity Health System closely," the firm said in a statement at the time. "We remain strongly interested in playing any constructive role that utilizes our investment capital and health care and restructuring expertise to resolve the challenges facing the System and create a stable health care provider for the communities and workers who

rely on these vital safety net institutions."

The firm, which managed about \$450 million in assets as of December, according to regulatory filings, invests in distressed companies and has restructured health care organizations. **Blue Wolf** and Managing Partner **Adam Blumenthal** are known for having close relationships with labor unions.

"They have a long history of working with companies that are unionized and have fallen on hard economic times," Rouse said.

Blue Wolf's bid last year essentially proposed entering into a management agreement with Daughters of Charity for \$24 million a year with an option to acquire the assets later, according to the health system board's documents. The private equity firm wanted to bring in experienced health care executives, including Dr. **Richard Becker**, who turned around the Brooklyn Hospital Center in New York.

Rouse said Blue Wolf has restructured its bid to add more capital, a local partner and by offering to buy all the hospitals.

If a deal is reached with Blue Wolf or another bidder, it's unclear whether Harris, a Democrat who's been seen as pro union in the past, would invoke the same strict sale conditions she imposed on Prime. That lengthy list of conditions included running St. Francis as an acute-care hospital and offering emergency services for 10 years.

Harris later told the San Jose Mercury News that "the offer we made to Prime was unique and tailored to Prime."

That prompted Prime's general counsel to warn Harris that any new buyer should have to abide by the same rules she sought to impose on Prime.