

Education



Rocky Sheng is executive vice president and chief administrative officer of Bridgepoint Education. **Page 27**

Kudos/Giving



Candace Nelson of Sprinkles Cupcakes and the Padres' Orlando Hudson are raising money for the Catch Foundation. **Page 38**

Innovation: Online tool helps companies plan for health care changes. **Page 4**

The List: 20 Largest Employers **Page 24**

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CHARGERS PLAYING CATCH-UP

SPORTS BIZ: Hampered By the NFL Player Lockout, the Team Is Trying to Beef Up Ticket Sales

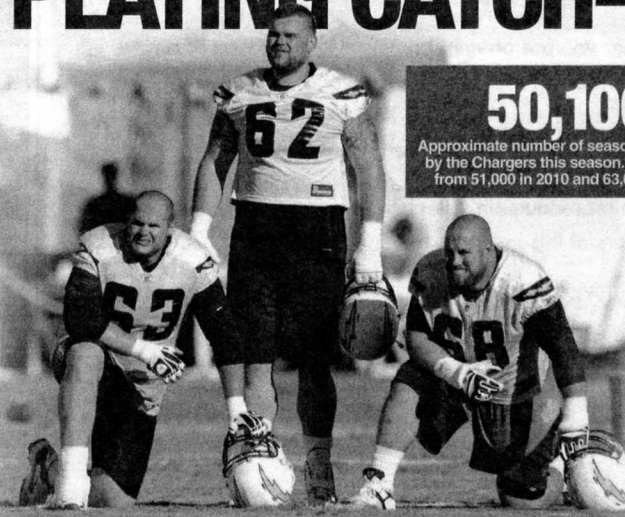
■ By MIKE ALLEN

It's somewhat telling of just how deep this recession is.

As of Sept. 7, the San Diego Chargers, one of the top teams in the National Football League with four division titles in the past six years, were still trying to sell out their Sept. 11 opening game at Qualcomm Stadium against the Minnesota Vikings to avoid a blackout (no local television broadcast) of the contest.

In the few weeks leading up to the franchise's 52nd season, the folks in charge of selling tickets said the number of season tickets sold will be around 50,100, below the 51,000 sold by the completion of the 2010 season.

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Scott Mruzckowski

Brandyn Dombrowski

Kris Dielman

Mike Nowak/
San Diego Chargers

50,100

Approximate number of season tickets sold by the Chargers this season. That's down from 51,000 in 2010 and 63,000 in 2007.

Hotel Dispute Makes Waves in Waikiki

HOSPITALITY: Courts to Sort Out Management Firm Switch, Bankruptcy Filing

■ By LOU HIRSH

The attorney representing the San Diego-based owners of a posh but struggling Hawaii hotel, locked in a high-profile battle with operator **Marriott International Inc.**, says his client's moves to change management and file for Chapter 11 bankruptcy protection — all in the last four days of August — were the most viable options left for his client.

"My client has a quarter-billion-dollar investment in this property and felt that this was the best alternative to safeguard that investment," said **William Brewer**, the attorney for **M Waikiki LLC**, the group that owns the former **Waikiki Edition** and is controlled by locally based **eRealty Fund LLC**.



William Brewer

The company bought the Honolulu hotel in 2006 for \$112 million and invested more than \$200 million into renovations. On Aug. 28, M Waikiki abruptly replaced Marriott as manager of the trendy hotel and installed **Aqua Hotels & Resorts**, also changing the name to **The Modern Honolulu**.

On the morning of Aug. 31, the New York judge in a May lawsuit, filed by M Waikiki against Marriott, ordered that Marriott be reinstated as operator. That afternoon, M Waikiki filed for bankruptcy in Hawaii, which Brewer said essentially freezes all other orders, keeping Aqua in place for now as manager.

Brewer said Marriott not only failed to improve the hotel's performance but continued to lose money, even as the overall Honolulu hotel market improved considerably in recent months. Owners contend the 353-room hotel has lost \$8.4 million since opening under

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Solar Company Gives Retail a Chance to Shine

ENERGY: Outlet a First Locally; Opening Near SDG&E Center

■ By KELLY QUIGLEY

Amid blazing competition among solar-panel dealers in San Diego, one is seeking to differentiate itself by changing the way that consumers and businesses shop for rooftop photovoltaic systems.

Carlsbad-based **Stellar Solar Inc.** has opened a 1,500-square-foot retail store in a Clairemont strip mall, strategically located next to **San Diego Gas & Electric Co.**'s brand new \$7.5 million Energy Innovation Center.

The solar "store" is the first of its kind

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Interest Soars in Temecula Firm's Hypobaric Chamber

TECHNOLOGY: Various Uses Explored; Company Pursuing Additional Patents

■ By BRAD GRAVES

A Temecula-made machine that simulates air pressure at high altitude, and rapidly adjusts that pressure up and down, has piqued the interest of medical researchers and fitness enthusiasts.

Dr. **Karen Herbst** of UC San Diego says she sees potential in the hypobaric chamber manufactured by

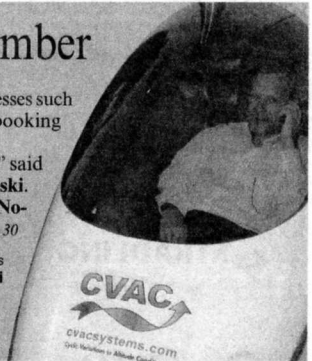
privately held **CVAC Systems Inc.** Meanwhile, businesses such as **Lunar Health & Wellness** of Costa Mesa are booking time in CVAC chambers.

"We're building units for them as fast as we can," said CVAC Systems President and CEO **Allen Ruszkowski**.

There's also a celebrity twist. Serbian tennis star No-

► CVAC page 30

..... Brad Graves
CVAC Systems' President and CEO Allen Ruszkowski sits in one of the company's pods, a chamber which simulates air pressure at a variety of altitudes in carefully programmed sequences.



Store:

from page 1

in the San Diego area and one of only a handful in the country, according to the company and local industry observers. **Michael Powers**, a founding partner and vice president of sales and marketing for privately-held Stellar Solar, said the goal is to boost brand visibility and ultimately break down misconceptions that might have led people to believe solar is too expensive or "only for the cutting edge."

Solar companies, including Stellar, mostly rely on direct sales that originate from referrals, the Internet or other forms of advertising. But that inherently leaves open a pool of consumers who end up excluded from the market — they would never call for a quote.

"There's still a huge amount of education needed before people understand that this is a viable way of getting electricity," Powers said.

Similar to a carpet or furniture store, the solar store in the Diane Village Shopping Center is essentially a showroom and office that invites customers to touch the product and talk with a salesperson. Salespeople can use **Google Earth** to pull up an image of a customer's house and gather enough information for a sales quote.

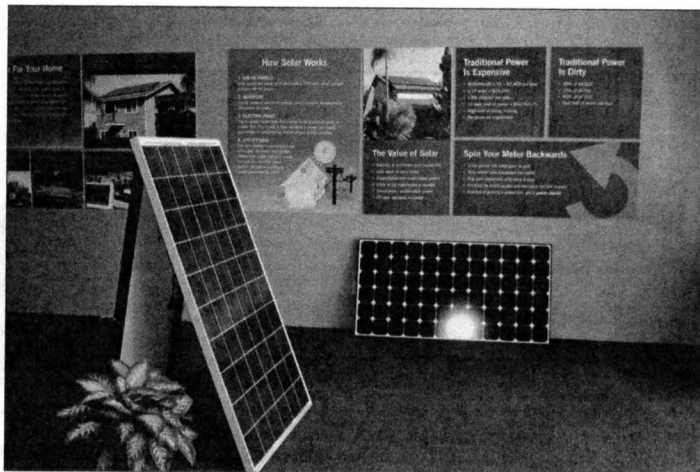
The store quietly opened in mid-August, with a grand opening planned for mid-October.

Powers declined to say how much money the company invested in the store, but said that rent in the former cash-checking spot is very reasonable and overhead is low. Already, three sales contracts have resulted from walk-in customers, Powers said, "just the way we were hoping it would work."

Stress in the Solar Market

Stellar's store opens at a time when there's much attention on the health of the U.S. solar industry. On Sept. 6, high-profile solar manufacturer **Solyndra LLC**, based in Fremont, filed for Chapter 11 bankruptcy protection citing "current business conditions" and foreign competition. The company was heavily funded by the government, with a \$527 million loan from the U.S. Department of Energy.

"What we are seeing in solar happens in



Stellar Solar opened a retail store in August to supplement its direct sales that originate from referrals, the Internet or other forms of advertising.

every industry that is maturing and growing more competitive," said **Rhone Resch**, CEO of the Washington, D.C.-based Solar Energy Industries Association, a nonprofit trade group. "You're going to see winners emerge who find innovative ways to offer consumers the most competitively priced products." He said that the last 12 months have seen one of the most dramatic price drops in the history of the solar market; already in 2011, the cost of solar panels has come down 30 percent.

Andrew McAllister, director of policy and strategy for the San Diego-based California Center for Sustainable Energy, a nonprofit organization, said that San Diego is arguably the strongest solar market in the state and the country. But even here there's been "trauma" in the market, he said. One example: Sequoia Solar Inc. of Solana Beach, which was one of the largest local dealers in 2010, went out of business earlier this year. The company had 53 employees.

"Competition is a good thing for everybody," Powers said. He noted that lower hardware prices and emerging financing options, such as zero-percent down and lease-to-own deals, have helped to make solar more affordable for a much larger

STELLAR SOLAR INC.

President and CEO: Kent Harle.

Financial data: Not disclosed.

No. of local employees: 27.

Headquarters: Carlsbad.

Year founded: 1998.

Company description: A residential and commercial solar photovoltaic design and installation company with more than 600 installations in San Diego County.

Key factors for success: The company focuses on consumer outreach through its new store, free dinner seminars at Sammy's Woodfired Pizza restaurants and a partnership with Enterprise Rent-A-Car to give away Nissan Leaf rentals.

segment of the market. "That has more than made up for the slightly tighter margins we have to live with to be more competitive," he said.

Will Other Companies Follow?

McAllister compared Stellar's retail concept to that of an **Apple Inc.** store — it's primarily for brand visibility and hands-on learning about products. However, competing dealers said it's not something they plan to pursue, at least not yet. "I don't



The 1,500-square-foot retail shop that Stellar Solar opened in Clairemont is strategically located next to San Diego Gas & Electric Co.'s new \$7.5 million Energy Innovation Center, shown above.

want to throw cold water on the idea, but it will be interesting to see how effective it is," said **Greg Joyner**, sales and marketing director for **Clean Power Resources Inc.** in San Diego. Word-of-mouth and online advertising are the two biggest drivers of business for Clean Power, and he doesn't expect that to change.

Robert Bessler, owner of San Diego-based **Silverwood Energy Inc.**, said he likes the store idea on the surface, but agreed that the Web still reigns for solar sales. "If you want solar, you go to the Internet and then the company comes to you," he said.

Powers said that Stellar probably wouldn't be taking the retail risk — especially in that particular location — if it weren't for SDG&E's adjacent 27,000-square-foot showroom and education space, which will be drawing an estimated 30,000 consumers and business owners per year to learn about alternative energy.

"We want everyone to see our sign from across the parking lot," Powers said. "We saw this as an opportunity to reach a wider residential and commercial audience than we could through traditional solar marketing."

The Energy Innovation Center at 4760 Clairemont Mesa Blvd. is designed to be one of San Diego's first Leadership in Energy and Environmental Design Platinum-rated buildings open to the public. It hosts seminars, commercial cooking demonstrations in an energy-efficient kitchen, and certification programs. Classes have already begun even though the center doesn't officially open until January.