

# Inside Business

The Hampton Roads Business Journal • Insidebiz.com

Volume 15 • Number 10

March 9 - 15, 2009 • \$1.00



Banking & Finance  
Special-Report  
Page 4

THIS WEEK



**All that glitters**  
Art of Glass makes a comeback  
Page 3

**Petrovich returns**  
CFO now at HR Bankshares  
Page 5



**Betsy speaks**  
Fed hears her ideas on reinvestment  
Page 10

**Festevents waits**  
Authority delays action on grant  
Page 10

**Global flair**  
NSU goes international  
Page 11



**Mettle for metal**  
Small company shows lots of iron  
Page 12

## Sun sets on wild west of lending

### Banks say they're lending despite what the public thinks



BY MICHAEL SCHWARTZ  
michael.schwartz@insidebiz.com

The lending bonanza of a few years ago that one banker described as the "wild west" is no more.

Borrowers looking for a mortgage now have to prove they can actually pay it back. That's a big difference from the boom days.

Small businesses looking for a loan can't just have a pie-in-the-sky idea or proof that they made money in the past. They actually have to provide concrete evidence that their business model is conducive to generating revenue, even during a recession.

Because of this new conservative frontier, there exists, some argue, public sentiment that no one can get a loan these days - that the lending

pipelines, despite capital infusions from the government, are dried up from a recession-induced clog.

But despite the negative public response about the effectiveness of government capital infusions through the Treasury's TARP program and the idea from many in lending that the media has perpetuated the belief that banks aren't lending, figures show that banks by and large have continued to lend, even as the recession has tightened its grip on the GDP machine.

The local numbers show that the loan levels have increased and that banks have continued to lend since the recession gained momentum in the third quarter. Demand has slowed and will likely continue to

See LENDING, Page 16

## Firms aim to fix property woes

BY PHILIP NEWSWANGER  
philip.newswanger@insidebiz.com

Foreclosures on commercial properties haven't reached the epidemic proportions of the residential market. But commercial property owners are trying to reposition themselves in an economy that seems to worsen every day.

That could mean selling a portfolio of properties, renegotiating loan terms or actively and aggressively chasing leases to generate an income stream.

LoopNet, an Internet prop-

erty search portal, estimates that \$515 billion of commercial properties are for sale in the U.S.

Industry experts expect that loan defaults and foreclosures on commercial properties will escalate this year as debt comes due and refinancing is tight.

Mall owners, beset by falling consumer sales, are facing massive debt restructuring.

Case in point: General Growth Properties, the owner of Lynnhaven Mall, is overdue

See FIRMS, Page 8

## NRHA in court for lots near ODU

BY PHILIP NEWSWANGER  
philip.newswanger@insidebiz.com

Norfolk Redevelopment and Housing Authority is back in court again after a hiatus of almost three years.

This time, the housing authority is pitted against two property owners whose properties abut the sprawling research park developed by Old Dominion University's Real Estate Foundation.

The properties stand in the way of the expansion of University Village, a conglomeration of offices,

student dormitories and restaurants, and a proposed shopping center with a grocery store and shops, which has been discussed for several years.

The owners are firefighter Ronnie Boone Jr., the son of real estate developers Ronnie and Judy Boone, and Tommy and Krista Arney, restaurant owners.

The last time Norfolk's housing authority attempted to condemn property, the case went to the Virginia

See NRHA, Page 13

# S U C C E S S

Requires Teamwork

Make Inside Business a part of your team.

Contact one of our Sales & Marketing professionals today and become a part of something

# BIG!

Call 222.5353 or visit [www.OutsideBiz.com](http://www.OutsideBiz.com)



## BREAKING NEWS!

Check our Web site at

[www.OutsideBiz.com](http://www.OutsideBiz.com)

Receive RSS feeds for the latest news.

Registration is FREE!

\*\*\*\*\*CAR-RT LOT\*\*C045

164450 P-2 P245 ###

SEAN BRICKELL

BRICKELL & PARTNERS

484 VIKING DR STE 151

VIRGINIA BEACH VA 23452-7395

## THE LISTS

Banks and Savings & Loans

Pages 26 and 27

News

# NSU program targets global exchange

BY **WOODIE WALKER**  
Correspondent

Students from Norfolk State University are learning firsthand the business of international relations. Their efforts could lead to careers in education, technology or the intelligence community. It's all part of a cultural exchange program that is already touching lives far from Hampton Roads.

Dozens of NSU and high school students from Portsmouth gathered recently at the L. Douglas Wilder Center to learn how they can be part of the changing face of business and diplomacy. Sponsored by NSU's Intelligence Community Center for Academic Excellence, the program featured keynote speaker Dr. William Y. Chang, first director of the U. S. National Science Foundation's Beijing office. NSU students traveled to China in 2008, a visit Chang highlighted during his presentation.

Describing the efforts of his office, Chang said increased collaboration between U.S. and Chinese scientists will further America's own science and technology interests. While the U.S. leads the world in funding for research and development,



Arlene Maclin (left) is director of NSU's Intelligence Community Center for Academic Excellence. Scholars in the program include Shamica Green (center), a sophomore studying electrical engineering, and Carolyn Reynolds, a sophomore majoring in optical engineering.

China is second, with increased focus on energy information, health and resources, and advanced technologies. He described in detail Chinese efforts in nuclear power generation, atomic super-colliders, paleo-research, and soil and water conservation.

"The Chinese Academy of Sciences

is focusing on research and increasing its budget at a fast pace," he said. "We work together with their scientists in many of these fields and should continue doing so."

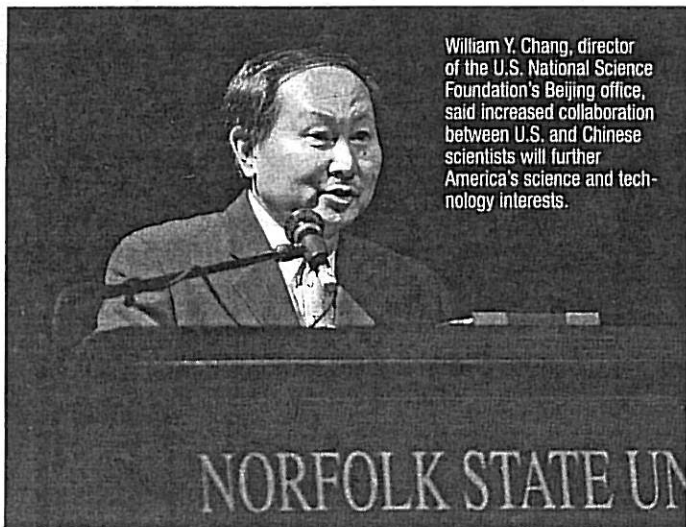
China is not the only country NSU students are studying through the Intelligence Community Center for Academic Excellence, or IC-CAE.

## Program targets global markets

Norfolk State University offers an undergraduate National Security Certificate through its Internationally Diverse Education and Area Studies (IDEAS) Program. Focusing on strategic languages and cultures, the program prepares students for careers in business and specialized work in the intelligence field. Arabic, Chinese, Japanese and Korean are the core languages available in the cultural courses. The program, open to all NSU students, is administered through the Intelligence Community Center for Academic Excellence. For more information log onto [www.nsu.edu/ICCAE](http://www.nsu.edu/ICCAE).

Two groups traveled from Norfolk to Morocco in 2007, and this summer groups are returning to China and visiting Egypt for the first time. These far-off adventures pay big dividends when it comes time for students to enter the professional

# News



William Y. Chang, director of the U.S. National Science Foundation's Beijing office, said increased collaboration between U.S. and Chinese scientists will further America's science and technology interests.

## NSU: Students learn international relations

Continued from Page 11

world, said NSU's Dr. Arlene Maclin, who teaches engineering and serves as director of the school's IC-CAE. Funded in 2006 by a five-year, \$2.3 million grant from the U.S. Office of the Director of National Intelligence, NSU's program is one of about a dozen across the country. A specific goal of the program is to increase the representation of women and minorities in the intelligence workforce.

NSU is well-positioned to engage in intelligence studies because of its proximity to major military bases and the headquarters of intelligence agencies, Maclin pointed out, adding that the business world will benefit as well.

"These centers are good for America," she said. "More and more corporations now have intelligence divisions. They are good for business and the global economy."

The lesson is not lost on James Watson, a 21-year-old NSU junior majoring in optical engineering. He's been involved with the IC-CAE since his freshman year and is studying the Arabic language, in preparation for his upcoming trip to Egypt. With hopes of becoming a corporate spokesperson, he feels the program will help him understand the nature of a global economy.

"I want to be enriched by learning about their culture," he said. "I want to learn about the prestige and pride they have in their culture. These things will help me represent any company well."

Following Chang's presentation, a three-member panel discussed their own fields of expertise, offering advice to students and taking questions from faculty. Stephen Kelly, diplomat-in-residence at Duke University, discussed his career with the U.S. Department of State. Ralph Hines, acting director of the Fund for

the Improvement of Postsecondary Education, detailed opportunities with the U.S. Department of Education. Christyl Johnson, a NASA administrator, outlined her role with President Obama's Office of Science and Technology Policy.

Each panelist stressed the importance of language studies as prerequisite to any field crossing cultural borders.

NSU students and IC-CAE scholars Jerron O'Trey, Shamica Green and Carolyn Reynolds were among those in attendance. O'Trey studies electrical engineering and wants to help Third World countries get more from modern technology. Green and Reynolds study electrical engineering and optical engineering, respectively, and are part of a team that presented their own research, "Africa As It Is and Its Call For Help." Both were excited at the opportunity to mingle with successful professionals.

"It makes me aspire to do something more," Reynolds said.

Dr. Lee Beach Jr., executive director of the Newport News-based Hampton Roads Research Partnership, works to increase regional prosperity through technology-based economic development. He said good ideas come from everywhere in today's "flat" world, and that innovation and technology applications are found all around the globe.

"It is imperative that our emerging technology workforce be ready to operate in the international arena," he said. "Programs like this one are very important for introducing our students to the challenges, opportunities and potential of the worldwide marketplace, which will involve both collaboration and competition. Since China is such a key trading partner with the U.S., the symposium on Chinese-American relations is particularly relevant." □

## This is no time to be alone.



When you become a TAB member you can expect:

- ☑ Business solutions and support from business owners like you
- ☑ A board of peers to help you achieve the personal and professional levels of success you desire
- ☑ Private business coaching from a former IBM executive (40+ years of experience)

EXCEED IN ANY ECONOMIC ENVIRONMENT.



THE ALTERNATIVE BOARD  
Change Perspective. Improve Business. Enjoy Life.

Call Bill Payne • 757-331-4047 • [www.tab-hamptonroads.com](http://www.tab-hamptonroads.com)

## AUCTION Lender Foreclosure

March 30th at 10:00am

1907 Colonial Ave. Units A, B, and C  
Norfolk, Virginia 23517



Apprx. 8,000 SF Total Commercial/Retail or Office Space

ATLANTIC [atlanticREmarketing.com](http://atlanticREmarketing.com)  
ASSET MANAGEMENT GROUP, INC. AUCTIONS, APPRAISALS, CONSULTING 866.908.3668  
William J. Summs VAAAF #359

## Make a date with IB!

### SPACE: Commercial Real Estate Special Report

A look at commercial real estate in Hampton Roads with updates on developments in the local market, articles about major issues affecting the industry and a list of the largest office buildings and architecture firms. This issue will also include interviews with economic development directors south of the border in North Carolina.  
Ad Deadline: April 2

### Continuing Education Special Report

Inside Business examines various issues dealing with recruitment and education. Articles will be on topics of interest to universities and colleges and the business side of education. The edition also will include a list of colleges and MBA programs.  
Ad Deadline: May 14

### Banking & Finance Special Report

Inside Business reports on the latest news affecting business finances, the accounting industry and the local banking and finance market as well as this year's list of the largest CPA firms.  
Ad Deadline: May 28

## Inside Business

The Hampton Roads Business Journal

To advertise, contact your account executive:  
Robb Simmons 222.5345 • Tricia Smlgel 222.5387  
For news inquiries, contact 222.5349