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EAST SAC ... IN ROSEVILLE

Bucking downturn, builder pursuing unusual strategy

MICHAEL SHAW | STAFF WRITER

A little bit of East Sacramento is coming to Roseville.

A newly formed homebuilding company out of Woodland has purchased 84 lots in Roseville's Diamond Creek development and is negotiating for another 55, intending to start construction this year on homes with throwback designs evoking Sacramento's older neighborhoods.

"The flavor of the community will be closely tied to what I'm doing in East Sac," said Mike Paris, co-founder of Black Pine Communities. He has a background in production housing but also builds homes on single lots in East Sacramento.

The home designs for Diamond Creek are still being refined but Paris said he hoped the project could break ground in about three months.

The venture is the latest to be born from the ashes of the housing bust.

"My life, my background, my blood is in homebuilding," said Paris, who worked for more than 15 years at Kimball Hill Homes, a national builder based in suburban Chicago that was liquidated in bankruptcy in 2008.

After Kimball Hill shut down, he started looking for his own opportunities. A recruiter last year introduced Paris to Jeff Morgan, owner of the commercial real estate and mining operations company Black Pine Holdings, which



DENNIS McCOY | SACRAMENTO BUSINESS JOURNAL

Workers are completing a house on 44th Street in Sacramento for builder Mike Paris, who plans similar "East Sacramento"-style homes in Roseville.

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Sports seen as draw for visitors

Placer Valley Tourism proposes athletic complex

MARK ANDERSON | STAFF WRITER

Aiming to draw more visitors, Placer County hotel owners are proposing a \$30 million sports complex in Roseville that could be financed with a room-tax increase.

Placer Valley Tourism, a visitor bureau run by hotels in Lincoln, Rocklin and Roseville, commissioned a feasibility study last spring that recommends construction of a series of fields that can be used for anything from soccer and football to rugby and lacrosse.

Such a complex would draw tournaments from Northern California and push at least \$8 million to \$12 million annually into the local economy, concluded study authors Ripkin Design.

A preferred site for the fields is a proposed regional sports complex already planned for undeveloped land in the Fiddyment Farms area in Roseville. The city has long planned a regional park on land southwest of Fiddyment Road and

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Eating-disorder clinic expands to meet demand

KATHY ROBERTSON | STAFF WRITER

Summit Eating Disorders and Outreach Program, one of the few comprehensive programs of its kind in Northern California, moved to a new Sacramento location last month to accommodate growth.

The only local option for non-Kaiser patients in the region, Summit moved from University Avenue to a 10,000-square-foot space at 3610 American River Drive in mid-March.

The move will allow the nonprofit

center to double the number of patients who receive treatment each week to more than 100. It also will help Summit do more to target a life-threatening but often undiagnosed condition that affects up to 24 million Americans.

Only one in 10 people who suffer from anorexia, bulimia or binge eating disorder ever get treatment and 80 percent of females who get care don't get the intensity of treatment they need, say groups that support



DENNIS McCOY | SACRAMENTO BUSINESS JOURNAL

Executive director Tony Paulson and therapist Jennifer Lombardi of Summit Eating Disorders have set up shop in larger quarters in East Sacramento.

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Drawn-out legal battle raises questions of 'trademark bullying'

Sacramento PR firm still fighting over term 'Entrepreneur Expo'

MELANIE TURNER | STAFF WRITER

Scott Smith, president of Sacramento public relations firm BizStarz, has filed a trademark fraud complaint against the publisher of Entrepreneur magazine, seeking to cancel a registered trademark for the words "Entrepreneur Expo."

Filed March 8, the petition alleges Entrepreneur Media Inc. made false statements to the U.S. Patent and Trademark

Office to secure rights to the words, claiming to be actively using the name for trade shows even though the company had stopped producing the events.

The action is the latest move in a 12-year-long trademark dispute between Smith and EMI, based in Irvine.

It also comes as the patent office is soliciting comments from businesses, trademark owners and attorneys on whether trademark misuse, known as trademark bullying, is a problem.

According to Smith, EMI has continued to sue small companies like his for using the word "entrepreneur" to describe products or services. "There's nothing

more egregious than a magazine called Entrepreneur suing entrepreneurs for using the word 'entrepreneur,'" Smith said.

"I think this could end up being one of the most blatant cases ever of defrauding the trademark office," added Kevin Keener, a partner with Keener McPhail Salles LLC, in a news release. Keener represents Smith in the latest action.

Mark Finkelstein, outside counsel for EMI, said Smith's complaint is remarkably similar to one filed by Smith and tossed out in 2008 by the patent office's Trademark Trial and Appeal Board.

"This is not the first time Scott Smith

has filed an action before the TTAB to move to cancel" the trademark for Entrepreneur Expo, Finkelstein said. Smith's latest complaint against EMI "suffers from the same problems."

Smith countered that the complaint was not, in fact, tossed out.

"That is factually and legally incorrect," he said.

The action was withdrawn, and dismissed without prejudice, on Sept. 17, 2008.

Smith's newly filed petition is the latest move in a trademark dispute between Smith and EMI that dates back to 1998. EMI initially sued Smith over the word entrepreneur and a federal judge ultimately determined Smith had infringed on EMI's trademark. In 2001, Smith renamed his company, then Entrepreneur PR, to BizStarz.

The U.S. Ninth Circuit Court of Appeals has prohibited Smith from "using entrepreneur" or any similar mark that's likely to cause confusion, Finkelstein said. "He's enjoined from doing this," he said.

But Keener said EMI's ongoing actions against Smith "almost constitute harassment."

Following the initial trademark case against him, Smith was on the hook for more than \$1 million in damages and ultimately filed for bankruptcy protection. EMI litigated to try to collect damages, and the case dragged on for years. The bankruptcy case is now on appeal before the U.S. Ninth Circuit Court of Appeals, Keener said.

When a company argues that the scope of its trademark protection is larger than it should be, instead of defining the scope of protection that it owns, that constitutes an anti-competitive action, Keener said.

Meanwhile, the U.S. Patent and Trademark Office is beginning to research whether trademark bullying is a problem, he said.

In February the office sought and accepted statements on the matter from various interested parties.

There's a law on the books for patent misuse, but nothing for trademark misuse, Keener said.

"It allows larger companies to work the system," he said, "and argue their trademarks are larger in scope than they are and effectively bully people out of the system."

"In this case, our assessment is that EMI is trying to make (BizStarz) the dead fox on the fence, so to speak. He's the warning to other foxes not to come into their chicken coop."

In the current complaint, BizStarz is seeking a cancellation of the Entrepreneur Expo trademark as a proactive step to protect two URLs Smith intends to use. While they are not in use yet, Smith owns entrepreneurexpo.net and entrepreneur-expo.biz.

A response from EMI, to deny or admit allegations in the complaint, is due April 17.

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