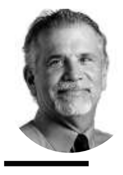
BRANDING

What's in a name change? Puzzlement



Jonathan Lansner
Columnist

It's been quite the year for silly corporate name changes.

Earlier this year, IHOP — you're still the International House of Pancakes to me — spoofed most folks with a brief stint as IHOB — ahem, International House of Burgers — to boost its bona fides as a seller of more than breakfast meals.

Last month, we saw Dunkin' Donuts drop the "Donuts" in a we're-more-than-baked-goods messaging move as Weight Watchers became WW, since apparently dieting has become passé and initials makes one look skinnier? Should I simply become J.L.?

You know the economy is doing pretty well when companies are flush with cash and have nothing better to do than change their branding en masse. Often those doing the rebranding are not the ones getting a hefty slice of the wealth being created. So the bosses at laggardly operations think a new name, logo and/or look will surely alter their corporation's financial trajectory!

I regularly ponder the odd corporate addiction to rebrandings, so I certainly don't want to pick only on IHOP-IHOB, Dunkin' and WW as the sole guilty parties of recent boardroom imaging shenanigans. To that end, I've noted 10 other curious, if not dubious, name changes so far in 2018 …

Herbalife Nutrition: The opposite of the Dunkin' move, the California-based seller of health-related items went for more specificity. Adding "Nutrition" because "consumers give our distributors permission to be their partner in seeking better nutrition and a more healthy and active lifestyle." It seems awfully redundant for a brand that

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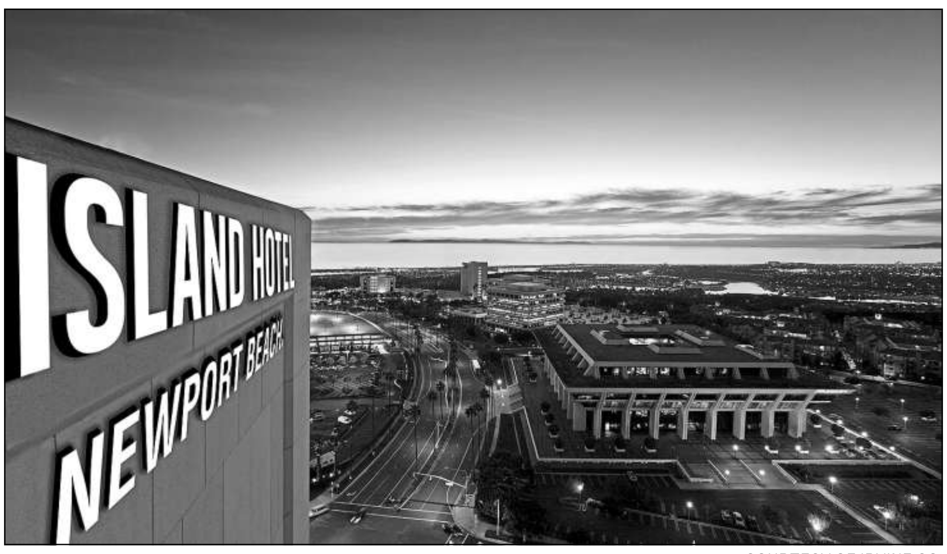

COURTESY OF IRVINE CO.

The Irvine Co. tweaked the name of the Island Hotel in Newport Beach to Fashion Island Hotel to align it more with its luxury mall next door.

BEST IN LAW

There is no such thing as work 'off the clock'

By Joseph T. Ortiz
joseph.ortiz@bbklaw.com

California's wage-and-hour laws are the most protective in the country. Such protections, however, often lead to bankrupting, class-action lawsuits.

Wage-and-hour class-action suits are filed every day in California courts, and the numbers keep rising. Such suits filed under California's Private Attorney General Act of 2004, for instance, increased more than 400 percent from 2005 to 2013.

Recently, the California Supreme Court reminded businesses that, in the state, any practice that requires off-the-clock work — regardless of how minimal — can be grounds for a lawsuit.

The Starbucks case: In August, the state Supreme Court ruled in Troester v. Starbucks that California law does not provide a grace period for off-the-clock work, regardless of how minimal the time at issue is.

This ruling deviates from an established federal rule in which there is no wage liability for de minimis unpaid time. "De minimis" means the amount is so minimal it does not warrant legal action. For instance, under federal law, a practice that

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Interest rate roundup

Rates last week were curated from Bankrate.com and Freddie Mac and are subject to change.

Mortgage rates

30-year fixed mortgage: 4.71% APR; 15-year fixed mortgage: 4.15% APR

Fixed mortgage rates stumbled slightly last week, falling for the first time in more than a month.

According to the latest data released Thursday by Freddie Mac, the 30-year fixed-rate average slipped to 4.71 percent, with an average of 0.4 point. (Points are fees paid to a lender equal to 1 percent of the loan amount.) It was 4.72 percent the previous week and 3.85 percent a year ago.

The 15-year fixed-rate average slid to 4.15 percent, with an average of 0.4 point. It was 4.16 percent the previous week and 3.15 percent a year ago. The five-year adjustable-rate average increased to 4.01 percent, with an average of 0.3 point. It was 3.97 percent the previous week and 3.18 percent a year ago. The five-year ARM is at an eight-year high.

The last time the averages of the three major mortgage products were all above 4 percent was April 2010.

CD rates vs. national average

1-year CD: 2.54% APR (up)

5-year CD (jumbo): 2.83% (up)

Featured CD rates at Bankrate.com (as of Thursday)

Capitol One 360, 2.6%, 2 years, $0

Capitol One 360, 2.5%, 1 years, $0

Savings account: 1.22% APR (down)

WOMEN ON MONEY AND MINDSET

If your estate plans include paying for college for your grandkids or bequeathing large amounts of money to your children, they may want to know about it in advance.

Communicating an estate plan to kids is important

By Marcia L. Campbell
Contributing columnist

You finally have finished your estate plan. It might have been a short-term project or it might have taken years, but it's done.

You should have done all of the administrative chores with your new trust including changing the titles on real estate, bank and brokerage accounts. Life insurance, deferred compensation and pension accounts should have been reviewed for beneficiary designations.

After all of those changes have been completed, is your job done? Do you now put the "book" on the shelf and forget it?

Now it's time to talk to your kids about your plan and how you will divvy up your assets and what you want done medically as you age. This talk may be one of the most important conversations you'll ever have.

Your kids will appreciate knowing that they don't have to pay for your care as you age. If your plans include paying for college for your grandkids or giving your kids large amounts of money in their inheritance, your kids may want to know in advance.

They also need to know if you are not leaving them anything or are giving all of your assets to charity.

In talking, you also might find out things from your kids that you didn't know, such as a pending divorce that might require a change to your documents.

Most parents want the transfer of money to their children to go smoothly without creating bad feelings among the siblings.

So how do you communicate with your kids on this subject? Here are a few suggestions:

- Stop avoiding it. For some, it's a difficult discussion. Parents don't want the kids to know what they have, or don't want the kids to count too much on a future inheritance. They are afraid that the promise of a large inheritance will cause the kids to lose motivation to support themselves.
- Some people don't want to confront death. Others think they have all the time in the world and there is no hurry. However, time goes by too quickly and then they never have the discussion and chaos follows in the administration of the plan.
- Start now. You can start with little steps such as talking to your kids about your retirement plans. Ease into the conversation by talking about a friend who died or had a serious health issue. You can talk about what the friend's kids are going through without the prior guidance of the parent about his or her wishes. If your children lack financial acumen, starting now will give you a chance to slowly educate them. You can have a number of discussions over a period of time. You don't have to talk about the money at the beginning and it's probably better if you leave money until the end.
- Stress the practical nature of the conversation. Your plans affect the whole family so the kids should know what those plans are and how it will affect them.
- Keep the focus on maintaining good family relationships. The kids may not like your estate plan, but it is your decision, your plan, not theirs.
- Bring in an outside person to help the discussion. If your family dynamics include members that are difficult to deal with or there is family infighting, it might be easier to bring in your attorney, CPA or financial planner to help explain the estate plan.
- Be prepared to explain your plan. If you plan to make one child your agent on your power of attorney or the trustee, explain why you chose that child. Hopefully, it will defuse any issues after the fact so the kids understand your choice. You may have chosen an independent trustee such as a friend or a private fiduciary. Again, explaining why you made that decision will help the family understand.
- The discussion should include any unequal distribution of the assets. You may have kids who are independent and have

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HOPE THROUGH HOUSING

Inland businesses are looking for your unique talents

By Gregory Bradbard
info@hthf.org

California's unemployment rate is currently at 4.2 percent, the lowest rate of unemployment since 2000. Of course, this is a positive sign, indicating the strength of the state's economy, but it fails to tell the entire story for those who still might be seeking work.

And if you ask employers about their current staffing needs, most will attest to the difficulty in finding quality employees.

Goodwill Southern California and a group of Inland Empire employers are offering a creative solution to bring together businesses seeking employees and job seekers. "Tapping the talents of unique populations" is focused on increasing employment opportunities for populations that historically have had difficulties finding and maintaining steady employment.

On Sept. 19, more than 250 community and business leaders gathered to figure out how to collaboratively and creatively put the unique talents of unique populations to work. The event, sponsored by The San Manuel Band of Mission Indians, brought government officials, nonprofits, colleges and employers together to share ideas on how to advance a campaign that taps into unique populations.

Although Goodwill is often thought of as assisting only individuals with disabilities, the focus of this new effort is much broader. Such so-called unique workers include at-risk youth, veterans, formerly incarcerated and those who are or recently have been homeless.

Forum attendees participated in workshops on employment training, reintegration and transitional employment for homeless individuals, career mobility for those with autism, and several other topics encouraging employers to recognize individuals for their talents rather than their challenges and limitations.

"There are incredible organizations across the region," said Simon Lopez, vice president for

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shorted a single minute would not create a cause of action.

In the Starbucks case, the plaintiff filed a class-action suit arguing that nonexempt workers were not compensated for the few minutes it took every day after clocking out to set the alarm and lock the door, among other similarly minimal tasks. All told, such tasks required the plaintiff to work an additional 4-10 minutes each day.

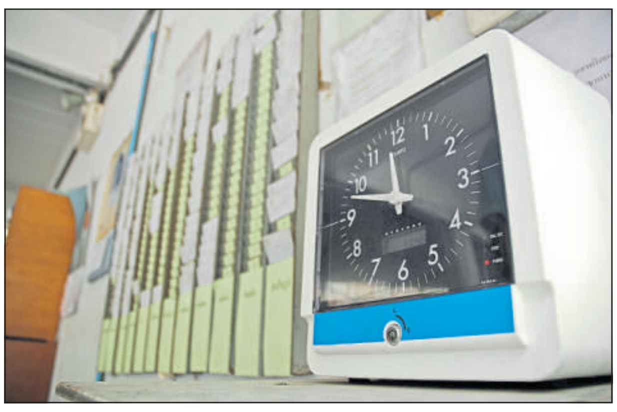
Over his 17 months of work, the plaintiff's unpaid wages added up to $102.67. Not surprisingly, the business asserted the federal de minimis rule. The court held that California's employee-protective wage-and-hour statutes have not adopted the federal de minimis rule and that the business was not excused from paying for the routinely required off-the-clock work.

The court left open the possibility that the de minimis rule might apply to some future irregular or brief activity where it would not be reasonable to track or compensate.

What businesses need to do right now: The duty to track and compensate employees for even very small amounts of regularly occurring work applies regardless of how difficult it may be to capture. Businesses should:

▪ Audit your practices. Even minimal, everyday tasks such as locking up can create exposure to claims. Businesses should audit routine duties of nonexempt employees to determine whether work is going unrecorded. Scrutinize clock-in and clock-out processes, as well as beginning-of-the-day and end-of-the-day routines.

▪ Review, revise and train on wage-and-hour policies. Employment policies and training must make clear that performing unauthorized work and off-the-clock work are strictly prohibited. The policies must be clear that all work must be reported, tracked and paid. Policies also should mandate written reports of any unpaid work so corrections can be made as soon as possible. Employees must be trained on the policies, and the training must be documented.



Once an employee clocks out, don't ask him to perform small tasks that could add up to lost wages over time.

▪ Eliminate difficult-to-track and high-autonomy assignments. Nonexempt employees should not be given mobile devices for off-duty use. This includes highly desired technology such as smartphones and tablets.

Although such devices provide convenience, work performed after hours by nonexempt employees can be difficult to track.

Similarly, businesses should monitor employee access and use of network and email systems to ensure that nonexempt employees are not working off the clock.

Finally, although many employees may seek to work from home or without supervision, such high-autonomy assignments easily can lead to untracked work and should be avoided.

Joseph T. Ortiz is a partner in Best Best & Krieger LLP's Riverside office. He is a member of the firm's Labor & Employment practice group and recently was appointed to California's Fair Employment and Housing Council. He can be reached at joseph.ortiz@bbklaw.com.

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Goodwill. "The goal of this campaign is to leverage and align the collective power of the region's expertise, leadership and resources to significantly expand opportunities for unique populations."

The event represented just a first step in the group's effort to increase employment opportunities for those who struggle most to find work.

And for employers, it's an opportunity to empower those individuals and fill open jobs.

Several key individuals and employers made a commitment to help build a trained, skilled workforce for residents in the Inland Empire. Included were Wells Fargo Bank, Inland Empire Economic Partnership, the Greater Ontario Business Council, UC Riverside and the County of Riverside Economic Development Agency.

It has been my honor to be part of the leadership council working with Goodwill to further the opportunities around employing those traditionally thought of as being unemployable. I invite employers throughout the region to explore these rich opportunities.

For more information, visit Goodwill's website at goodwillsocal.org.

Gregory Bradbard, an advocate for breaking the cycle of poverty, is president of the Southern California-based Hope Through Housing Foundation. Learn more at HTHF.org.

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good jobs and don't need the inheritance. One child may have special needs and requires additional financial support, or another one is taking care of you and not working to build up his retirement fund.

▪ Blended families: In a second marriage with children from both parents, it's crucial to avoid conflict when one of the parents die. Special care should be taken before a death to discuss what would happen with the deceased parent's assets. It will be easier on the family if everyone knows the plan in advance.

The estate planning conversation should take place before a crisis happens. It might give your children peace of mind because they know that you have a plan and also understand how it will work.

Marcia L. Campbell has worked as a CPA for over 25 years specializing in seniors, trusts, estates, court accountings and probate litigation support. Contact her at Marcia@MCampbellCPA.com

Rebrand

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was a pioneer — for good and bad — in the supplement business.

Fashion Island Hotel: Actually, the Newport Beach lodge's name isn't all that bad. But what took so long to get to this? Opened by the Irvine Co. in 1986 with the Four Seasons brand name, two decades later it went independent as the Island Hotel. Guess somebody finally figured out what's next door: the luxe Fashion Island shopping center and office complex!

Covia: I'm always saddened by the made-up word name. (Think of that once-powerful Orange County tech company that rebranded in 1999 as Conexant.) This California-based elder care company Episcopal Senior Communities decided on "Covia," which supposedly suggests "community" and "life." Funny, an Ohio mining company this year also chose the exact same name!

CalPrivate Bank: Smaller banks have one big advantage: They're local. So why hide that hometown edge in a brand with a statewide image? This tongue-twister branding will be slapped on a bank group that includes San Diego Private Bank, Coronado Private Bank and Newport Private Bank.

Nano Banc: That's the old Commerce Bank of Temecula Valley in Murrieta. While "nano" has a techie edge to it — and a "one-billionth" meaning — I'm not sure if the phrase wildly translates to tiny (as in nanoparticle) or quick (think nanosecond).

Axos Bank: Bankers do like name changes, and this is the new name of the California pioneer and online financial institution Bank of Internet. These bosses want people to know they're more than a branchless bank with an unintelligible name that spellcheckers want to switch to "axis." It feels silly to everyone except folks who hail from tiny Axos, Greece!

Bausch Health Cos.: Remember the corporate takeover artists, Valeant Pharmaceuticals? The folks who forced Orange County eye-care giant Allergan into a friendlier suitor's arms? Well, here's a name switch that certainly "hides" the sketchy reputation, betting the future on the good name of Valent's Bausch & Lomb eye care enterprise.

Capri Holdings: Look, I'm no fashionista but I'm at a loss to understand this corporate moniker for the soon-to-be-merged Michael Kors and Versace retail brands. It supposedly reflects an "iconic, glamorous and luxury destination." It's not much better at Capri's top competitor, the owner of the Coach and Kate Spade brands. Last year it was renamed Tapestry, "a true house of emotional, desirable brands."

Signify: That's the former Philips Lighting, with a lineage dating back 100-plus years to the Philips family from the Dutch town of Eindhoven. Why this monicker? "Light becomes an intelligent language, which connects and conveys meaning." I could not make that up! And I do see a trend: use of common words as a corporate "brand" such as Tapestry and Google's Alphabet holding company.

PHC Holdings: I hate the impersonality of initials! This new moniker belongs to what was called Panasonic Healthcare Holdings. Yet if the mission statement is "health care with precision" ... why not HCWP Holdings? And could PHC be confused with PNC, the old Pittsburgh National Bank?

Also, please note this trend to shift away from global household names isn't new. Conexant was Rockwell Semiconductor before 1999!

And here I thought recognizable brands were for nurturing, not dismantling.

jlansner@scng.com
@jonlan on Twitter