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Answer men



Executives respond to your questions about the North Texas economy. P10-11



TOP NEWS

in Metroplex business

TI gets into 'femtocells'

Texas Instruments and other Dallas-area companies are jumping into a new technology arena: miniature cell towers. P2

Metrocrest in talks

Metrocrest Hospital Authority is in discussions with Baylor Health Care System and IntraMed Health about managing its two hospitals. P3

Unleashing the dogs

A Dallas couple plan to open a \$10 million indoor dog park in February. Called Unleashed, the facility also will offer doggy day care, grooming and other services. P3

Wieland expands

Airline seat manufacturer Wieland Designs is expanding in Grand Prairie to accommodate its growing work force. The company plans to add 100 employees in the next year. P4

Horizon wins big deal

Horizon Data Center Solutions has nabbed a \$47 million contract from the military retail unit of the U.S. Army and U.S. Air Force. P5

Wellstone files Chap. 11

Atlanta developer John B. Lowery has filed for bankruptcy protection on a 42-acre tract at Craig Ranch, with the goal of freeing up the property for sale. P6

TAOS tussle

Texas Advanced Optoelectronic Solutions Inc. is seeking to bar California's Intersil Corp. from using its trade secrets and infringing upon its patents. P7

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DECEMBER 19-25, 2008 | \$4.00

Dallas approves TOD financing

25-year plan designed to bring retail, office and housing south of the Trinity River

BY JOYCE TSAI AND
BILL HETHCOCK | STAFF WRITERS

The Dallas City Council has approved a financing structure aimed at sparking millions of square feet of development worth more than \$1 billion along the city's light rail stations from Lovers Lane to the Veterans Administration Medical Center in southern Dallas.

The plan creates the city's first tax increment financing district that links the neighborhoods around seven Dallas Area Rapid Transit stations. The goal is to stimulate nodes of transit-oriented development through the heart of the city while jump-

CASTING A BILLION-DOLLAR DEVELOPMENT VISION

Dallas City Council is willing to divert a portion of future tax growth on real estate surrounding two DART stations and push those dollars to areas near DART stations south of the Trinity River. The city hopes to generate...

1.5 MILLION SQUARE FEET RETAIL SPACE | **1.2 MILLION SQUARE FEET** OFFICE SPACE | **3 HOTELS** | **9.5 MILLION SQUARE FEET** RESIDENTIAL SPACE

starting construction south of the Trinity River.

The concept, approved earlier this month by the City Council, is designed to redirect tax dollars to encourage developers to create clusters of apartments, stores and offices around DART stations.

It calls for high-density development comprising 1.5 million square feet of retail, 1.2 million square feet of office space, three hotels and 9.5 million square feet of residential, including town homes, apartments and single-family homes. The development

would take place over 25 years.

Cities use TIFs to stimulate development by allowing developers in specific areas to reinvest new property tax dollars spurred by the TIF to fund infrastructure

TOD, P38

Bear Transportation planning move to Plano

Freight broker could add 340 jobs in next four years

BY BILL HETHCOCK | STAFF WRITER

A North Texas transportation brokerage company will move its corporate headquarters from Dallas to Plano, where it plans to grow to more than 600 employees in the next four years.

Bear Transportation Services LP initially will move about 290 jobs to Plano in March,

said President Andy Pierce. The company will add about 220 employees through the balance of 2009 and 2010, and about 120 more in 2011 and 2012, Pierce said, bringing the total to at least 630 jobs four years from now.

Despite the national recession, Bear Transportation is adding jobs so the company is prepared when the economy bounces back, Pierce said.

"Clearly the economy is in crisis mode now, but we're establishing the infrastructure to

BEAR, P35

BEAR HEADQUARTERS: From left, Bear Transportation Services owner Mike Loehr, John Brownlee of KDC and Bear Transportation President Andy Pierce tour The Campus at Legacy in Plano, where the company will set up shop in March.



JAKE DEAN

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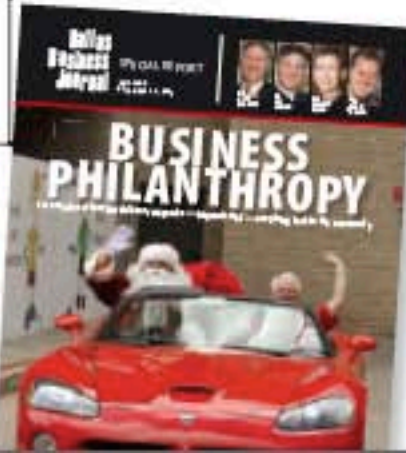
Calendar	16
Comment	26
Collections	4
DB/Confidential	13
DB/Services	37
Enterprise Zone	17
Facttime	13
Index of companies and people	39
Leads	22
List: Public relations agencies	19
List: Advertising agencies	21
People on the Move	14
Public Eye	15
Staff Listing	37
Two Minutes With	18
Week Digest	12



Setting an example

CEOs play lead role in the way these companies give back to the community.

SECTION B



BEAR: Lease builds momentum for Campus at Legacy

FROM PAGE 1

grow when the economy grows," Pierce said. "We believe there is opportunity in every crisis. We're investing in our future."

The company scouted locations in Farmers Branch, Frisco, Richardson and North Dallas before deciding to lease 81,000 square feet of newly renovated space at The Campus at Legacy, Pierce said. Bear will leave behind 40,000 square feet at its current location on Interstate 635 in Dallas.

Bear's leadership selected the Legacy location because they like the campus atmosphere and because the company can find superior job candidates in the Plano area, said Bear Transportation owner Mike Loehr.

Most of the jobs are transportation broker positions. The pay varies widely, with most being commission-based after six to nine months of salaried training, Loehr said. Most brokers earn more than \$100,000 annually after two or three years, and many make more than \$200,000, Loehr said.

The available positions are "careers, not jobs," said Pierce, who has worked for Bear since its start 26 years ago. The company put off hiring in previous economic downturns and regretted it, so it's trying to avoid that mistake this time, he said.

"The biggest asset in our company is our people," he said. "When you're in a down economy, companies are laying people off and going out of business, so you can pick up some very, very good people."

Bear uses more than 15,000 carriers and, on average, arranges for the transportation of more than 7,000 loads per month throughout North America. The company had 2007 revenue of \$121 million and projects revenue of \$140 million in 2008, Pierce said.

Incentives played role

An incentive package the company negotiated with Plano Economic Development Board officials clinched the move for Bear, Loehr said. He declined to discuss specifics of the deal because it has not received final approval.

"Moving a company is very expensive, and their willingness to help with the move was a big factor in our decision," Loehr said.

Sally Bane, executive director of the Economic Development Board, said the Plano City Council will vote on approval of an incentive package at its January meeting. The economic boost of the Bear Transportation relocation will extend to the restaurants and retailers in the Shops at Legacy next to Bear's new home and to Plano as a whole, she said.

"We're very pleased that The Campus at Legacy, an important office redevelopment project, has attracted such a stellar company," Bane said. "There really aren't many projects of this size churning through the Metroplex, so it's an honor for Plano and The Campus at Legacy to be selected."

Bear Transportation will take two full floors of soon-to-be renovated space at the 5340 Legacy Drive address. Bear will grow from 81,000 square feet to 100,000 square feet as its job total increases, Pierce said.

Bear is one of four companies recently to sign leases totaling 133,400 square feet at The Campus at Legacy: The 1.2-million-square-foot, 107-acre campus formerly housed EDS, the technology services company founded by Ross Perot. The campus consists of three office buildings of about 400,000 square feet apiece.

Dallas-based KDC, formerly known as Koll Development Co., along with three other real estate investment groups, purchased the campus and other EDS real



It was notably intimidating, on purpose. It used to be very imposing. People thought, 'If I get in, can I get back out?'

John Brownlee
KDC, on The Campus at Legacy, formerly home to EDS

estate assets in October 2005. The transaction included the acquisition of about 2.75 million square feet of real estate for \$217 million, and was one of the largest transactions worldwide involving multiple office properties that year.

Rebranding the campus

KDC rebranded the project "The Campus at Legacy" and is redeveloping it, with the redevelopment and lease-up push being led by John Brownlee, senior vice president at KDC.

The new tenants will take space in buildings at 5340 and 5360 Legacy Drive. The leases bring occupancy at the 5360 building to 84 percent and reopens the 5340 Legacy Drive building as the second multitenant building at the campus. The quoted rate for the space is \$21.50 per square foot, plus electricity.

St. Jude Medical's Neuromodulation Division, formerly Advanced Neuromodulation Systems, signed a lease for 43,000 square feet at 5360 Legacy Drive and plans to occupy the entire second floor of the three-story building in January.

Plano-based Pharmaceutical Strategies Group signed a five-year lease for 3,692 square feet at 5360 Legacy Drive. The company is currently leasing space at the campus on an interim basis and will move across the hall to its new space in mid-December. Moving into the vacated space will be Splunk Inc., a San Francisco-based IT company, which has signed a five-year lease for the 5,842 square feet.

Frank Ricca with Jones Lang LaSalle represented Bear Transportation Services, Randy Garrett with Transwestern represented St. Jude Medical, Bo Estes and Patrick McCown with Grubb & Ellis Co. represented Splunk and Dale Ray with Peloton Real Estate Partners represented Pharmaceutical Strategies Group.

When KDC bought the campus, real estate brokers complained that it looked too "institutional" for a multitenant office project. Others joked that it "looked more correctional," Brownlee said.

"It was notably intimidating, on purpose," Brownlee said. "It used to be very imposing. People thought, 'If I get in, can I get back out?'"

The gated access, berms, barbed wire, tire shredders and heavy security that existed when EDS owned the campus have been eliminated as part of the redevelopment.

KDC has redesigned the building facades, lobby and common areas, along with enhancing the entrances to The Campus at Legacy and the buildings. The reno-



BEAR NECESSITIES

NAME: Bear Transportation Services LP
BUSINESS: Freight transport arrangement
HEADQUARTERS: Dallas
LOCAL ADDRESS: 5720 LBJ Freeway, Suite 315, Dallas, 75240
OWNERSHIP: Private
TOP EXECUTIVE: Andy Pierce, president
EMPLOYEES: 290
ANNUAL REVENUE: \$140 million (2008 projected)
PHONE: 972-239-3095
WEB: www.beartrans.com

vation of 5340 Legacy Drive also includes the addition of a fitness center, café and conference center for use by all the tenants at the campus.

"It's a dramatic change from what it was," Brownlee said.

Brisk leasing activity

The redevelopment is paying off with a flurry of leasing activity.

KDC has leased about 250,000 square feet at The Campus at Legacy since April, Brownlee said. Dr Pepper Snapple Group Inc., World Ventures, Group360 Inc., MarketNet and Teleca USA Inc. leased a combined 110,000 square feet in the 5360 Legacy Drive building.

Activity has been strong at the campus because of its location just off the tollway and its pricing, which is lower than nearby competitors, Brownlee said.

"We're offering a great product at a very competitive price point, with great housing and great schools surrounding us," he said.

The Campus at Legacy has 700,000 square feet of contiguous space available, making it the largest block of Class A space in Dallas-Fort Worth, and it can handle large or small tenants, Brownlee said. In the last week, Brownlee gave tours to three national, name-brand tenants looking for more than 100,000 square feet, he said.

The Campus at Legacy stands to benefit from the economic downturn, he said, as corporations that have downsized look to start over somewhere new.

"Bad news drives change," he said, "and one of the things we're able to offer is really good value."

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