Los Angeles Business Journal

Up Front



Finally. A manly bag to carry kids' stuff. **PAGE 3**

Law



How the drought has created a gusher of work for L.A. lawyers such as Matt Kline. **PAGE 12**

Real Estate



L.A.'s home prices through the roof; up 14 percent in June. **PAGE 42**

MAIL TO:

Reproductive Center Puts Eggs in Events Basket

HEALTH CARE: Clinics' parties generate heat for freezing services.

By MARNI USHEROFF Staff Reporter

About two dozen women settled into their seats at a long table on Via Alloro's leafy patio a couple of weeks ago as waiters poured their choice of red or chilled white wine.

The menu featured a grilled New Zealand salmon fillet and a warm chocolate tart – topped off with a discussion about how fertility starts to decline when women hit their late 20s.

This wasn't your average weeknight dinner in Beverly Hills. It was an Egg Social, organized by fertility specialists at the city's **Southern California Reproductive Center**. The events are meant to educate women about fertility and egg freezing, the retrieval and preservation of a female's reproductive cells for future use.

"I had wanted to do something outside of the office for women about egg freezing in a social environment that wouldn't intimidate people like an academic lecture about eggs," said Dr. **Shahin Ghadir**, who's board certified in obstetrics and gynecology as well as reproductive endocrinology and infertility, and is a partner in the Beverly Hills reproductive practice.

Ghadir and his partners started holding these mixers earlier this year, hosting socials at RockSugar in Century City and BOA Steakhouse in West Hollywood. They're not alone.

These types of events have been happening all over the country for the last year or so and other L.A.

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RINGO H.W. CHIU/LAB

Special Delivery: Dr. Shahin Ghadir.

Big Business: Doug Croxall at Marathon Patent Group's office in West Los Angeles.

Troll Toll

Marathon gets inventive to make patents pay

By CALE OTTENS Staff Reporter

OUG Croxall loves a good underdog story, especially when the little guy wins.

That's why, as chief executive of West L.A.'s **Marathon Patent Group Inc.**, Croxall picks fights with large corporations on behalf of inventors and entrepreneurs, claiming patent infringement and demanding payment.

He may call it helping the little guy, but many others have a different name for it: patent trolling.

"Many companies despise what we do, but so many inventors are glad we do it," he said. "Even though it's not popular, I love what I do." Marathon's business model, like that of other patent-monetization companies, centers on acquiring patent rights from inventors and suing companies that could be making, using or selling products or services that in some way rely on patent-protected materials.

The trick, Croxall said, is to make sure other companies – preferably big ones with deep pockets – are actively using the patent before Marathon purchases the rights. Indeed, the company will form an extensive list of possible "infringers" it can sue. The ultimate goal is to convince large companies to pay a license fee directly to Marathon and its subsidiaries.

"No one is going to take a license on a patent

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Cape Crusade In Hollywood

FILM: DC hopes to follow foe Marvel to super-sized box office.

By SANDRO MONETTI Staff Reporter

Never mind "Batman vs. Superman" – it's Marvel vs. DC that is shaping up to be Hollywood's biggest battle.

Walt Disney Co.'s Marvel Entertainment has lately had the superhero blockbuster business to itself, releasing 16 comic-book inspired films since 2010 – the last 12 of which have all opened at No. 1 at the box office.

But now, Marvel's comic-book rival, **DC Entertainment**, is muscling its way in: Five months ago, DC moved from New York to the Burbank headquarters of parent **Warner Bros.**, which plans to release 10 DC films in the next five years – more than double the number of DC-based

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SPECIAL REPORT LARGEST & MOST PROFITABLE PUBLIC COS.



BUILDING HEAT: Lions Gate Entertainment, the studio behind the blockbuster "Hunger Games" franchise, tops this year's list of the most profitable local public companies. But the surprise stars are homebuilders and real estate brokerages, whose returns are soaring as real estate heats up.

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Health Care: Doctors Take Crack at Egg Parties

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groups have begun organizing similar happenings; part education, part marketing in an atmosphere more akin to a girls' night out than a clinical consultation.

They're tied to a fast-growing segment of the burgeoning assisted-reproduction industry. The global in-vitro fertilization market was valued at \$9.3 billion in 2012 and is expected to balloon to \$21.6 billion by 2020, according to Portland, Ore., market research firm Allied Analytics.

Egg freezing alone can cost tens of thousands of dollars. The Southern California Reproductive Center charges almost \$10,000, which includes egg retrieval and freezing, facility and lab fees as well as the first year of storage among other costs. Medication can run up to an additional \$5,000 and annual storage of the eggs can cost \$500 more. Expenses increase if a woman needs to go through another cycle of the process to gather more eggs.

The center has six locations, two of which have embryology labs onsite where eggs are harvested from patients and stored.

Insurance will often only cover a portion of costs, and while some companies have begun to add the coverage – **Apple Inc.** and **Facebook Inc.** garnered lots of attention for adding reimbursement of the procedure to their list of employee benefits last year – the price is quite high for many who don't get that perk.

Still, more women are showing a willingness to pony up for a shot at future motherhood.

One basket

"Most women reach the end of their fertile window around 45," said Dr. **Karine Chung**, director of **USC**'s fertility preservation and egg-freezing program. It's a process that begins to hasten at around 35.

Harvesting and freezing eggs allows women a chance to go back in time and use younger eggs to increase their changes of fertility.

The process involves taking hormone shots for a couple of weeks to boost the number of mature eggs a woman will produce during her menstrual cycle. Doctors then extract those eggs vaginally with a small needle, keeping them in a deep freeze until she's ready to get pregnant.

Egg freezing has actually been around for decades; the first successful birth of a baby from a frozen egg happened in 1986. But the technology has advanced to the point that the risk of eggs being damaged during the freezing or thawing process has declined significantly.

Women freeze their eggs for a variety of reasons. Some haven't met the right partner yet, others have but aren't ready to get pregnant or they want to preserve the option for a second or third child conceived later in life. Still others are cancer patients who want to save their eggs before facing chemotherapy or other damaging treatments.

"The last couple years we've been seeing at least 100 to 150 people a year," Chung said of USC's practice. "Ten years ago we saw maybe 20 in a year."

The Southern California Reproductive Center, formed as a fertility clinic in 1999, has noticed a similar uptick. Though its doctors saw about a dozen clients when it first expanded its egg-freezing services beyond cancer patients in 2010, it now does the procedure for more than 200 women a year.

Indeed, some of those patients have started coming from the egg socials.

Granted, it's not a cheap way to grow one's business. The center paid for a three-course meal for about two dozen attendees at the Via Alloro event, though it was also partly sponsored by New York genetic testing firm **Recombine** and **Walgreen Co.**'s specialty pharmacy, which sells the medications women inject during the freezing prep process.

Ghadir, who joined the center a decade ago, said attendee age ranges from early 30s to early 40s, along with some older moms who come to get the skinny for their daughters.

After running through a slideshow presentation on how fertility declines with age, how preserving eggs can buy some women extra time and what the process actually involves, the center's specialists field questions from the audience.

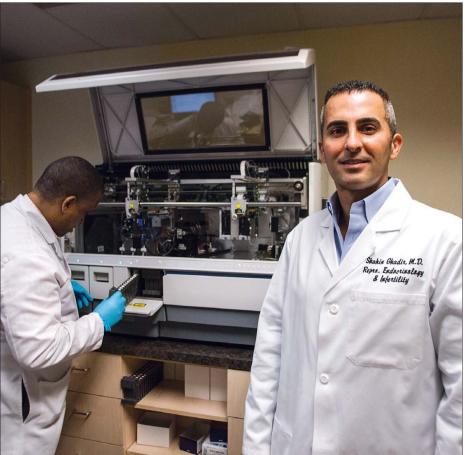
On average, about half the women in attendance return to the clinic and become patients, Ghadir said.

But fewer than 10 percent of their patients have returned to use their frozen eggs thus far. It could be they've had children on their own or aren't ready to use the eggs yet, he added.

Hard-boiled

The unusual marketing tactics don't sit well with everyone, at least not at first.

"The immediate reaction of most of us in the medical community was it was in poor taste; you don't see other aspects of medicine being marketed in this way," Chung said. "But the more I learned about them, I don't necessarily think they're all bad. They're certainly spreading awareness and providing information to a group of women about the technology



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Good Eggs: Dr. Shahin Ghadir at Southern California Reproductive Center.

and could help them and prevent suffering from infertility in the future."

Others feel there's a more altruistic side to the business.

"The main purpose is to get education out there," said **Wendie Wilson-Miller**, cofounder of Pasadena's **Great Possibilities Egg Freezing and Fertility Agency**, which matches women with area fertility clinics and has started holding its own egg-freezing parties.

Wilson-Miller has worked with prospective parents for more than a decade in a separate business, coordinating egg donation and surrogacy. She found the most common reason women came to her in search of egg donors was because they waited too long to have kids of their own

"One of the things I've heard over the course of the last 16 years, more than probably anything else, is, 'If I knew then what I know now, I could've frozen my eggs. I wish I would've had more information,'" said

Wilson-Miller, 40.

Both she and her business partner, **Shalene Petricek**, 44, have had their eggs frozen.

The duo threw their first On Ice egg-freezing party at Santa Monica's Viceroy Hotel in April. The evening involved mingling, cocktails and appetizers and talks from physicians on fertility and, of course, egg freezing.

About 45 people attended the first party and more than a dozen became clients, Wilson-Miller and Petricek said. Their fees, or cut of the discounted packages they arrange with clinics, can range between \$500 and \$1,000 a person.

Even though they had some sponsors for their Viceroy party, the events aren't cheap. Still, Wilson-Miller said the outlay of capital is worth it

"The press is not interested if it's at a local pizza parlor," she said. "We want to get the information out there, and we want people to attend. They're more interested in coming when it's at a nice place."

Movies: Comics Publisher Books Film Strategy

 $Continued\ from\ page\ 53$

it's time to place their bets somewhere else, and so they're upping the volume of DC films."

DC joined the Warner empire in 1989, the year **Tim Burton**'s first Batman film was released. And though the studio hasn't released many DC-based films of late, DC Entertainment, and its publishing division **DC Comics**, has become an important subsidiary, and not just in movies. This fall will see seven live-action TV series based on DC characters, including the much hyped "Supergirl" on CBS.

This closer working partnership was behind the March move of DC, and its 230 employees, from New York – where Marvel remains headquartered – to Burbank.

Now, with the renewed focus on DC films, Warner is hoping for more consistent success than it has had with the handful of comic-book pictures it has released over the past few years: "Jonah Hex" was a massive flop and "Green Lantern" disappointed, while "Man of Steel" provided a healthy profit and "The Dark

Knight Rises" was a box-office smash.

Those last two films featured Superman and Batman, respectively, and it is with those iconic characters that this new series of films will be launched, following the grittier tone that audiences responded to well in the recent trilogy of Batman movies.

Emotional equity

While box-office earnings will be the ultimate test of how Warner's new DC strategy is working, those aren't the only things studios consider when judging the success of franchise films, said **Daria Cercek**, vice president of production at **20th Century Fox**, which has produced a handful of Marvel-based movies, including the X-Men series.

"It's not purely how much money a project makes, it's also about emotional equity," she said, explaining that the term refers to how much audiences are invested in characters, giving studios insight into how they might be able to continue developing a film franchise.

She gave the example of Fox-produced "X-Men: First Class," which earned less than the pre-



First Up at Bat: Poster for DC's 'Batman vs. Superman,' opening March 25.

vious "X-Men" film but was widely considered more of a creative success and served to pave the way for the X-Men sequels that followed.

"In developing franchise films the emphasis has to be on finding characters the audience want to keep returning to visit," Cercek said.