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FORMER MSU GRAD, FRIEND START ALERT SYSTEM

Personal panic button

By Tim Krohn
Free Press Staff Writer

MANKATO — When former Mankato resident and Hubbard Milling executive Alan Larson and a business school friend began tossing around ideas for a start-up business a couple of years ago, they decided they wanted to do something with a social good.

“We wanted to do something that would make a difference, that we could really be passionate about. There were three or four abduction-murders of little girls at that time and we thought, there should be something high tech that would help,” Larson said.

The idea turned into a company called Push 5, a telephone-based urgent alert system.

“We turn any phone into a personal panic button.”

People using the system load the companies’ number into their No. 5 speed-dial.

The 5 button was chosen because most cell phones have a dimple on the 5 that can be located by a user even if they aren’t able to look at the pad.

Users then register online and include up to three phone numbers each for up to 12 people.

“If you push 5 and do a speed dial to us and you have to disconnect or can’t talk, the system will send a silent alarm to everyone on your contact list. It also sends out text and e-mail messages to everyone that says you’re in trouble,” Larson said.

If someone can talk, the automated system tells them to say where they are and what



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kind of trouble they’re in, with the messages going to their contact lists.

If the person in trouble can stay on the line, it connects them to everyone who picks up their phone and turns it into a conference call.

Larson said the system, which is just ending its beta test mode, has been very popular with college-aged women and with elderly people who could use it in cases of medical emergencies.

Larson said that as more Global Positioning System technology is included in cell phones, the system may be able to be integrated to allow for the location of the person in trouble to be tracked.

The service sells for \$24 a year.

The company is working in cooperation with the National Center for Missing and Exploited Children on tying the Push 5 system in with their call center.

They’re also working on a school-based alert system that could be used in cases of hostile intruders entering a school.

The company also found that its conference calling technology was popular and is selling that service as well. Rather than having sever-

al people each call a central number to be connected to a conference call, the company calls a list of people automatically.

“One person calls our system and it automatically calls everyone at once and they’re all connected as they pick up. It’s good for sports teams when your game is rained out or a business group that wants to have a conference call,” Larson said.

Carol Reis of Madison Lake is also a founding management team member of the Push 5 company. Reis — also a MSU grad — and Larson worked together at Hubbard Milling.

The Push 5 company has no home base. “We’re virtual based. We have people in nine states, the majority of them in Silicon Valley. Being virtual is challenging in ways but it also saves a lot in office and overhead costs,” Larson said.

Larson, who grew up on a dairy farm in Iowa, graduated from Mankato State University in 1978 with accounting and business degrees. He worked for a CPA firm in Fairmont for two years then spent eight years at Hubbard Milling, where he became corporate controller and a member of the senior management committee.

Larson won a Bush Leadership Fellowship. He used the full scholarship to get his MBA at Stanford, where he graduated in 1990.

He worked for healthcare startup company until a couple of years ago when he and his friend, Ken Tam, decided to start a business of their own.

The company’s Web site is: www.push5.com



The Associated Press

Did this ad work for you?

Geico’s ads: Are they successful?

The Associated Press

A talking gecko. Angry cavemen. The guy who played Mini-Me, doing the birthday dance.

Geico’s eye-catching TV ads have spawned a loyal following and even some imitators, with spots populating video-sharing sites like YouTube.

But what does any of this have to do with selling car insurance?

The campaigns

Geico is in some ways turning conventional advertising strategy on its head by running an array of diverse campaigns all at the same time, rather than coming up with one strong storyline and hammering it home. The gecko is still everywhere even as the cavemen spots are becoming a narrative. Meanwhile, the celebrity testimonials have tapped everyone from “Austin Powers” actor Verne Troyer to Little Richard.

The firm says the ad blitz has helped turn it into the nation’s fastest-growing insurance company.

“Being a company that’s primarily a direct-response company, we don’t have agents pounding the pavement drumming up business,” says Ted Ward, Geico’s vice president for marketing.

“We sort of let our advertising dollars be our agents for us.”

The critics

But, big bucks don’t mean a coherent message, says branding expert Rob Frankel, author of “The Revenge of Brand X.”

In his view, advertisers have forgotten how to use ads to craft a marketing strategy that builds a business and its brand.

“Sadly, the last two generations of advertising have focused way more on entertainment and media than on the actual purpose of advertising, which is to communicate a compelling message quickly to prospects in the shortest period of time,” he says.

It’s a trend that started in the mid-1970s and has accelerated in our multimedia age, he adds.

Sure, the Geico ads are funny. But, funny “is not how people make their decisions,” he says. Consumers should instead hear “some claim why Geico should be the only choice for you.”

The fans

Others disagree. Edward Estipona, president of the Estipona Group in Reno, Nev., says the ads do have a clear message. Like Frankel, Estipona has no connection to Geico.

While talking cavemen and the lot “may not have anything to do with insurance per se, I think the message of what they’re saying is: That we are an easy alternative, that you can go on the Internet, that it’s inexpensive, that it can get you cheaper insurance,” Estipona says.

“With advertising nowadays, it’s not like advertising from the ’60s when you just told it how it was,” he adds.

“Nowadays, you have to entertain. Many times in a 30 second spot, you spend 20 seconds of that TV spot on entertainment and you spend really 10 seconds of it getting your message out.”

Geico’s advertising firm, the Martin Agency in Richmond, Va., says entertainment is indeed a type of strategy.

“Likability in advertising is actually a real motivator for people to connect with a company,” says Steve Bassett, a senior vice president and creative director at the agency.

Real estate mutual funds, investment trusts poised to roll on

Although residential real estate markets have struggled, commercial real estate investments have continued to prosper.

Proving an army of doomsayers wrong, real estate mutual funds and real estate investment trusts have outperformed the Standard & Poor’s 500 for seven consecutive years and could be poised to run their winning streak to eight this year.

The average mutual fund investing in real estate-related stocks gained about 33 percent in 2006, topped in performance only by emerging markets funds, according to Lipper Inc. The three-year annualized return of 25 percent and 10-year annualized return of 15 percent also are impressive.

Development of new properties has been cautious and gradual, pension funds are looking to diversify their holdings, and large investors are aggressively taking real estate investment firms private. For exam-

ple, Blackstone Real Estate Partners, an affiliate of the Blackstone Group, agreed in November to acquire billionaire Sam Zell’s Equity Office Properties Trust in the biggest takeover ever of a real estate company.

“Residential real estate is driven by emotion and consumer sentiment, while commercial real estate is driven by economics,” said Alexander Goldfarb, analyst with UBS Securities in New York. “Retail investors, both domestic investors and foreign investors from places like Dubai, have been looking for yield after the collapse of the tech boom.”

Yet even the boldest prognosticators acknowledge it will pay to be a little careful in 2007. Despite a lack of ominous signs, any segment this hot for this long has to start cooling down sometime. Expect some slowing during 2007, along with greater volatility due to privatization rumors and deals.

Returns of the real estate mutual funds paralleled the 2006 returns of the MSCI U.S. REIT Index. Traded on exchanges like a stock, a REIT invests in and owns properties such as shopping centers, offices, apartments and industrial facilities. There are more than 200 publicly traded REITs that provide dividend yields comparable to bonds.

Although REITs are the primary holdings within real estate mutual funds, the funds also often hold stock of companies that provide products and services to the real estate industry.

“For 2007, we see strong earnings growth and yields that should deliver REIT total returns to investors in the low- to mid-teens,” said Barry Vinocur, editor of Realty Stock Review in Novato, Calif., who suggests that individuals keep 10 percent to 15 percent of their personal assets in REITs. “There’s a massive global reallocation under way of dollars moving into real estate as graying societies increasingly focus on assets that can deliv-

er solid income.”

Among individual REITs, Vinocur recommends the shares of Developers Diversified Realty Corp. (DDR), Regency Centers Corp. (REG) and Kimco Realty Corp. (KIM) in shopping centers; Simon Property Group (SPG) in large malls; Boston Properties Inc. (BXP) in offices; Ventas Inc. (VTR) in health-care properties; and Vornado Realty Trust (VNO) in widely diversified properties.

“Think about how much money is in pension funds and what would happen if they increase their real estate allocation by just 1 percent, creating a huge amount of capital,” Vinocur said. “We estimate there is around \$100 billion earmarked globally for investment in commercial real estate.”

Not all REITs or real estate funds are alike, which makes it important to scrutinize the prospectus of any one you’re seriously considering. Some experts believe it would make

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