

DENVER BUSINESS JOURNAL

VOL. 61, NO. 47

APRIL 23-29, 2010

48 PAGES \$4.00

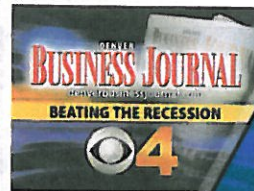
www.denverbusinessjournal.com

THE NATION'S OLDEST WEEKLY BUSINESS JOURNAL

www.denverbusinessjournal.com

BEATING THE RECESSION

Environmentally friendly dry cleaner finds business booming. A10



THIS WEEK

WYOMING WANTS the sage grouse to flourish — because if it doesn't the fowl may go on the federal endangered species list, and threaten the Anschutz Corp.'s \$6 billion, 1,000-turbine wind power project. | A3

THE BARD Center is revamping the Rutt Bridges Venture Capital Fund, now at \$500,000, and getting business graduate students more involved in the allocation of the money. | A3



Sen. Morgan Carroll

SEN. MORGAN Carroll's legislation to ban insurance companies from offering bonuses to employees to deny customer claims worries insurers. | A3

FIRSTBANK HOLDING Co. plans to consolidate its more than two dozen state banking charters by the end of 2010. That will aid efficiency, but also eliminate an insurance advantage the bank used to attract large depositors. | A5

THE LIST

VENTURE CAPITAL/
PRIVATE EQUITY
FIRMS | A9

ALSO INSIDE

LEADS	A19-A22
NAME INDEX	A2
NEWSMAKERS	A18
OPINION	A30-A31
STREET TALK	A4
WEEK IN REVIEW	A11

Plant fuels Rentech's future

Los Angeles company is banking on pilot plant in Commerce City to propel its synthetic fuel product.

BY CATHY PROCTOR
DENVER BUSINESS JOURNAL

Rentech Inc. — a company that turns coal, biomass and natural gas into man-made jet and diesel fuel — is based in Los Angeles. But its future is rooted in Commerce City.

There, a gleaming, \$90 million pilot demonstration plant is tucked between railroad tracks and I-270 with the Suncor crude oil refinery as a neighbor. Rentech's scientists have spent years testing the company's proprietary process to make synthetic jet and diesel fuel from something other than crude oil at the plant.

Their work has gained the attention of the federal government, which in December announced a \$22.6 million grant — using federal economic stimulus money — to help expand the plant, and to start using up to 20 tons per day of either Colorado wood chips or Louisiana sugar-cane residue to make synthetic fuel.

Biofuels Digest named Rentech (AMEX: RTK) one of the top biofuels companies of 2009 for its work advancing the use of synthetic, renewable jet fuel. The digest is an online daily



KATHLEEN LAVINE | BUSINESS JOURNAL

Phil Weathers, director of operations, and Harold Wright, senior vice president and chief technology officer, of Rentech Inc. in Commerce City.

SEE RENTECH | A25

Lodging taxes boost cities' marketing plans

BY ED SEALOVER
DENVER BUSINESS JOURNAL

More Colorado cities are looking at new local lodging taxes to fund tourism marketing, which state leaders say could boost visitors and revenue for destinations statewide.

Two Front Range cities and a nearby mountain community have passed such taxes in the past 2½ years, and several more may consider similar ballot measures.

Colorado dedicates a portion of its gaming tax revenue to tourism-marketing funding. There's no statewide lodging tax for that purpose. The local efforts are the only tax revenue for promoting tourism, an industry that Gov. Bill Rit-



Brian Wilms is president and CEO of the Loveland Chamber of Commerce.

SEE LODGING TAX | A24

Craft brewers' time has come

Sales of craft beer increased by 10.3 percent nationally last year, while overall beer sales were down.

BY ED SEALOVER
DENVER BUSINESS JOURNAL

Todd Usry, general manager of Breckenridge Brewery, and his colleagues in the craft brewing industry should have reduced production last year, the conventional wisdom says.

After all, consumers had cut back on discretionary purchases and shopped at lower-cost eateries and stores.

But while overall U.S. beer industry sales dipped 2.2 percent in 2009, sales at craft breweries — which typically charge more for their products — grew 10.3 percent and national volume rose 7.2 percent.

That's led some of Colorado's roughly 115 craft breweries to invest in expansions or new facilities in recent months.

Denver-based Breckenridge Brewery, for example, is building a special-events beer garden at its main facility at 471 Kalamath St. and beginning construction on an upscale restaurant just five miles away.

Oskar Blues Brewery in Longmont just began work on its second major expansion since it moved into its current facility in August 2007.

Odell Brewing Co. of Fort Collins has just completed an expansion that doubled the size of its facility and its production capacity.

And New Belgium Brewing Co. of Fort Collins seeks a brewing facility in Northern California that would



SEE BEER | A26

DENVER CO 80206-5815

#BXNTHF *****CRR-RT LOT**CC014
#00068000# 10/15/10 P-6 P123
CHRISTINE E TURNER
TURNER PUBLIC RELATIONS INC DE 0
44 COOK ST STE 650
DENVER CO 80206-5815



PARTNERS IN PHILANTHROPY

Read about Corporate Citizen of the Year Peter Beaupré and other award winners. SECTION B

LODGING TAX: New revenue expands tourism marketing

CONTINUED FROM A1

ter has said is responsible for 144,000 jobs and \$760 million a year in state and local tax revenue.

Though tax-hike requests have been as popular as bed bugs during the recession, voters apparently are accepting an idea long held by tourism officials: that spending money to promote your community will bring in extra tax revenue from visitors.

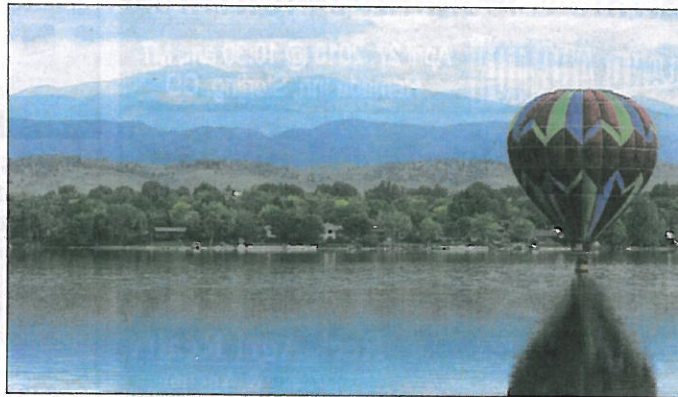
And those outsiders will spend more money at area restaurants, stores and community attractions, giving a badly needed boost to businesses, said Brian Willms, president and CEO of the Loveland Chamber of Commerce.

Loveland voters passed a 3 percent lodging tax in November. Longmont voters approved a 2 percent lodging tax in 2007 and Estes Park area residents passed a 2 percent tax in 2008.

While the cities say it's too early to measure the results, there are clues that marketing efforts made with the new revenue are getting attention from more potential visitors.

Estes Park had a 73 percent increase in requests for visitors guides in March 2010 over the amount requested in the same month in 2009, said Peggy Campbell, executive director for the Estes Park Local Marketing District. Generating more interest in visitation is important because the city, whose economy is driven largely by tourism, experienced a drop in sales-tax revenue of 4.6 percent from 2008 to 2009.

Though Loveland just began collecting the new tax on Jan. 1, officials already plan



GREG CARLSON

A hot air balloon floats above Lake Loveland, a popular spot for visitors to the city. Loveland voters passed a 3 percent lodging tax in November to help pay for marketing the community more extensively.

to target conventions, youth sports tournaments and other group gatherings in their marketing efforts, Willms said. His city never has had a tourism marketing budget. Partially because of that, visitors at conventions in Loveland facilities often stay in hotels in Fort Collins because they can find information promoting that city, he said.

"I think the return can be very significant," Willms said. "You've got communities all over the nation that are doing it. You've got an opportunity to leverage a resource, hotels, that are the very resource that are taking care of the visitors."

Colorado law allows home-rule cities to impose local taxes, and some, such as Denver, have placed a surcharge on hotel room rates since 1974. But it was only after

passage of a 2007 legislative proposal that smaller communities such as Estes Park, which operate under statewide rather than local laws, were able to go to voters to ask for similar resources.

The Town of Estes Park had spent more than \$800,000 a year to market the Rocky Mountain National Park gateway community. But the new tax allowed the marketing effort to collect \$1.163 million in 2009, freeing up city funds for other uses, said Suzy Blackhurst, communications coordinator for the Estes Park Convention and Visitors Bureau.

The visitors bureau was able to create its first marketing plan, air commercials in the Denver television market and focus other resources on national travel websites such as TripAdvisor, Gordon's Guide

and USA Today.com, she said.

While these efforts most benefit the involved communities, surveys have shown that out-of-state visitors to Colorado are likely to stop in more than one location, said Richard Scharf, president/CEO of Visit Denver and chairman of the Colorado Tourism Office (CTO) board.

"Once you get people to consider Colorado, every community can get people to visit their part of the state," Scharf said.

Local advertising has become even more important as the Legislature cut the state's \$20 million marketing budget to \$15 million the past two years. And it may be further reduced to \$10 million, according to Joint Budget Committee members.

That funding reduction has caused the state to pull advertising efforts out of more distant but lucrative markets such as New York, CTO Director Kim McNulty said.

Since Loveland passed the lodging tax in November, 58 percent to 42 percent, several cities have called officials there to ask how they can replicate the effort, said Willms, who declined to identify them.

Jim Clark, president/CEO of the Fort Collins Convention and Visitors Bureau, and chairman of the Colorado Association of Destination Marketing Organizations, said he wouldn't be surprised to see more small towns seek similar taxes in the near future. He believes Fort Collins' increased marketing has helped it to jump from fifth to third on the list of most popular destinations in the state, he said.

"If the money is being used to promote tourism, you can get people on board with it," he said.

ESEALOVER@bizjournals.com | 303-831-0230

Our business checking account isn't just the best money can buy. It's free.

We'll be happy to sign your business up today.

Our Small Business Banking Package includes many free products and services starting with FREE Small Business Checking. In addition to all the features listed below, you'll enjoy personal service from bankers who care about your business.



Free Small Business Checking Saves You Money!

- Up to 500 Free transactions, including deposits, debits, or deposited items monthly
- Free Personal Online Banking
- Free Debit Card
- Free Check Images
- Free eStatements*
- Free to spend—there's no minimum balance

Small Business Money Market or Premium Money Market Account

- Earns interest—the more you deposit, the more you earn
- Flexible and convenient

Local. Flexible. Stable. Strong.

Drew Sauer
Treasury Management Coordinator
303.460.4711
asauer@summitbt.com



Broomfield
2002 E. Colton Rd.
Broomfield 303.460.4700

Larkridge
15501 Washington St.
Thornton 303.439.4800

Erie
199 S. Briggs St.
Erie 303.439.4888

www.SummitBT.com

Great Things Happen!™

Member
FDIC