

# Business

■ **“Civic hacking”**  
Jennifer Pahlka founded Code for America to make government better, one city at a time. **3C**



Sunday, April 19, 2015

★★



## Banking on tech savvy, niche markets

Dad wanted a better life for his son and two daughters.

So the family left China for the United States.

None spoke English. This was in 1992.

They settled in Frayser, a working-class Memphis district graced by the shutdown of north-side factories.

Mom and Dad filled the front and backyards with vegetable gardens.

For the next 18 years, Chao Lin rode MATA buses to school, the mall and the movies.

He enrolled in the University of Memphis and one day, working on a story for journalism class, interviewed Harold Byrd, president and marketing at Bank of Bartlett.

Byrd offered the affable young man with a broad smile an internship.

“He said, ‘Come on down. We’ll find something for you to do,’” Lin remembered.

That led to a full-time bank job.

He worked as a teller, a customer service representative, a credit analyst, a mortgage lender.

“Whatever department he happened to be in they

See **TED, 3C**

## COMMENTARY

### Plenty of colleges on road to success

By **Michelle Singletary**  
Washington Post

Thousands of high school seniors are now making their college commitments.

It’s also the time of year for tears when not getting into a prestigious public or private college seems tantamount to failure.

That’s because the message to many students is that where they go — or do not go — could catastrophically affect their futures. They’ve embraced the idea that their worth and wealth are forever tied to the higher education institution that accepts them.

And that’s just wrong, says Frank Bruni, a New York Times columnist and the author of “Where You Go Is Not Who You’ll Be: An Antidote to the College Admissions Mania” (Grand Central Publishing, \$25).

“For too many parents and their children, getting into a highly selective school isn’t just another challenge, just another goal,” Bruni writes. “A yes or no from Amherst or Dartmouth or Duke or Northwestern is seen as the conclusive measure of

See **COMMENTARY, 2C**

# GIG CITIES

## The slow lane may be rapid enough in race for superfast Internet

By **Kevin McKenzie**  
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In Chattanooga, a broadband network built by the city’s electric utility can deliver the Internet to residents at about 10 times the top speed available from the cable company in Memphis.

That 1 gigabit speed has attracted worldwide attention to “Gig City” Chattanooga, an East Tennessee marvel where President Barack Obama earlier this

year said “a tornado of innovation” has been unleashed by that community’s government-built broadband.

In Nashville, tech giant Google earlier this year announced that it will expand its Google Fiber with 1 gigabit speed to the Nashville metro area, as well as Atlanta, Charlotte and Raleigh-Durham.

Is Memphis, where the city-owned utility had a disastrous experience with building a fiber-optic network about a decade ago, in danger of being left behind in

the competition for technology and economic development?

Some key people in positions to know aren’t worried.

■ “My opinion on that is the direct benefits of having faster Internet to economic development, that’s kind of a shaky relationship, a shaky correlation, based on the research,” said Jasbir Dhaliwal, executive director of the FedEx Institute of Technology and chief innovation officer for the University of Memphis.

“To me, if you really want to

attract technology companies and make Memphis a technology hub, what’s more important is smart people, good training programs,” Dhaliwal said.

■ Brent Nair, chief information officer for the Memphis city government, said the city is preparing to apply to Google for Google Fiber as Nashville successfully did, but “I don’t want to put all our eggs in one basket.”

“We welcome any other com-

See **BROADBAND, 4C**

## “It’s our version of the Harlem Renaissance.”

**Robert Lipscomb**

City housing and community development director, on restoring historic Downtown sites



Architects Jimmie Tucker (left) and Juan Self tour the Universal Life Insurance Co. building, which they bought in 2006. Their plans to restore the iconic structure, designed and built by the African-American firm McKissack and McKissack, were delayed by the recession. They expect construction to begin this summer.

## THE UNIVERSAL LIFE BUILDING, ICONIC SYMBOL OF MEMPHIS’ BLACK HISTORY, IS READY FOR

# REVIVAL

### SUSTAINABLE

Developers of the Universal Life Insurance Co. building at 480-504 Dr. Martin Luther King Jr. Ave. hope to raise the bar for energy-efficient improvements to historic structures. The \$6.2 million project is seeking gold level certification under Leadership in Energy Efficient Design (LEED) national standards. Environmentally sustainable features are expected to include:

- A shade structure, topped by 50-kilowatt solar panel, covering employee parking spaces.
  - Four electric vehicle charging stations.
  - Liberal use of recycled materials in construction and furnishings.
  - Pervious concrete parking lot surface so rain runoff can seep into the ground.
  - A green roof containing rain-absorbing plantings and rooftop amenities for employees.
  - A courtyard with a rain garden. The developers hope the lessons can be applied to Downtown’s ample building stock that has not been modernized.
- “Hopefully this will be a model for sustainable development,” co-owner Juan Self said.



Tucker said the clock outside the Egyptian Revival building worked until utilities were cut off, and will be restored.



Universal Life Insurance Co. moved in the building in 1949.

By **Wayne Risher**  
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Universal Life Insurance Co. was a business incubator, proving ground for young executives and source of middle-class jobs for black Memphians when segregation barred most doors to opportunity.

When the company’s headquarters went vacant in 2001, many feared the imposing Egyptian Revival building at Danny Thomas Boulevard and Dr. Martin Luther King Jr. Avenue wouldn’t survive as a symbol of African-American hope and pride.

But a \$6.2-million redevelopment, bolstered by public incentives, appears on track to write the next chapter in the building’s storied history. It’s proposed to be refurbished as environmentally sustainable office space, complete with a green roof and solar collectors, and positioned to help lead revitalization of a neglected pocket of Downtown.

Along with Beale Street, Robert R. Church Park, Clayborn Temple and other nearby sites, Universal Life is part of a concentration of institutions

See **UNIVERSAL, 2C**

# MONEY & MARKETS EXTRA

## Domestic opportunities



**Title:** Chief market strategist, Ameriprise Financial

**What he recommends:** Consider investing in U.S. consumer-focused businesses

David Joy

Wall Street is bracing for lackluster corporate earnings. Falling oil prices have hit the bottom lines of energy firms and manufacturers. The strong dollar has eroded the sales and profits of multinational companies. But investors should stay calm, says David Joy, chief market strategist at Ameriprise Financial, an investment advisory firm with roughly \$800 billion in assets under management. U.S. consumers appear poised to spend and drive profits, while the stock market already appears to reflect the possibility of weak earnings in the first quarter.

**What does the current earnings season tell us about the stock market?**  
Profit margins are expected to be down

compared to the first quarter of last year. So the market is showing that there is some weakness. Much of the weakness is localized in the energy sector, because oil prices have basically halved since June and cut into profits. Also, the strong U.S. dollar is really hurting overseas sales activity and the ability of companies to translate their international profits back into dollars.

**So should investors focus on firms with more of a domestic emphasis?**  
In the U.S., I would start with the consumer sector. It accounts for 70 percent of all economic activity. Right now, the consumer is in pretty good shape. We've had very robust jobs growth recently, so more people are working and there is more disposable

income. Secondly, the consumer has benefitted from falling energy prices. And thirdly, the big asset bases have recovered. Homeowners have seen their homes appreciate to some extent, while many financial assets have had a robust recovery.

The one area we've seen some strength in is restaurants and liquor sales. I also think you will see gains in travel. Also, housing should get an anticipated rebound so homebuilders and the home improvement sector also look good.

**Has the market already priced in weak earnings?**  
I would say, yes. In fact, there is talk in some quarters that earnings

expectations have become too pessimistic.

**Could some drag be coming from the Federal Reserve planning to eventually remove support for growth by raising interest rates?**

Look at what happens when we received softer than expected industrial production numbers, suggesting that the economy still has some weaknesses. The market rallied on seemingly bad news. To the casual observer, that might be counter intuitive. But it's consistent with the view that a data-driven Fed is less likely to raise rates soon. The market likes that.

Interviewed by Josh Boak. Answers edited for clarity and length.

A new emerging-market king is rising. India's economy is forecast to grow faster than China's this year, something that hasn't happened since 1999.

When investors think of "emerging markets," four nations often top the list: Brazil, China, India and Russia. China is still by far the largest of them, but India is catching up. The International Monetary Fund last week upgraded its forecast for India's economic growth in 2015 by more than a percentage point, meaning it now expects growth to accelerate. For China, meanwhile, the IMF is

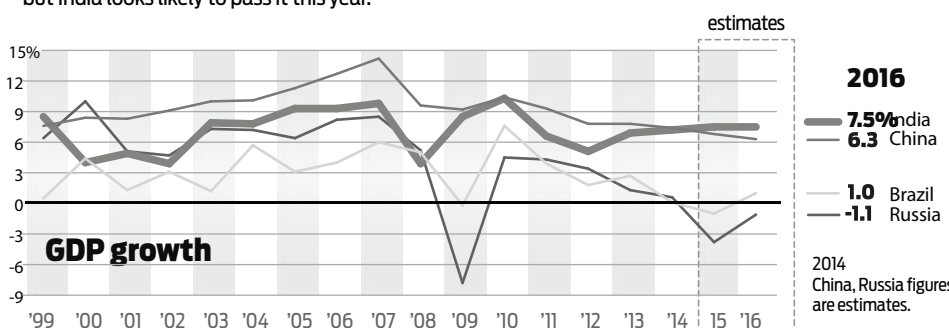


forecasting a slowdown. That means India is now expected to be the fastest-growing of the world's major economies in 2015.

India's growth is improving with an uptick in investments due to optimism about economic reforms. Prime Minister Narendra Modi swept into power last year on expectations that he could push through changes to rules restricting work, land use and agriculture to invigorate the economy. Lower oil prices are also helping to boost growth, because India is a net importer of crude.

### Erasing the gap

China has long been the fastest-growing of the big four emerging economies, but India looks likely to pass it this year.



Source: International Monetary Fund

## Mattel shares jump

Mattel shares jumped 6 percent Friday after the toy maker reported a narrower loss than anticipated.

### Company Spotlight

The company said after trading Thursday that it has taken a number of steps to implement a rapid turnaround and is beginning to benefit from that. The maker of Barbie dolls and Hot Wheels cars had been struggling with weaker sales of some of its key toy lines since the holiday season.

Mattel reported a loss of \$58.2 million in its first quarter, or 17 cents per share. After adjusting for severance costs and costs related to mergers and acquisitions, its losses came to 8 cents per share. That topped Wall Street expectations. Analysts surveyed by Zacks Investment Research were anticipating a loss of 9 cents per share.

Its revenue of \$922.7 million also surpassed market forecasts; analysts expected \$898 million.

Mattel (MAT)	Friday's close: \$26.75	Total return	1-yr	3-yr*	5-yr*
52-WEEK RANGE	\$22 - 40	Price-earnings ratio: 20	MAT -25.2%	-1.8	6.4
	(Based on past 12-month results)	Div. yield: 5.6%			Dividend: \$1.52

\*annualized Source: FactSet



## UNIVERSAL from IC

that were prominent in the lives of black Memphians, particularly during segregated times.

"It's our version of the Harlem Renaissance," said city housing and community development director Robert Lipscomb, who has long advocated a comprehensive neighborhood redevelopment strategy called Heritage Trail that "is about restoring the context and content and character" of sites including the Universal Life building. Lipscomb was making an analogy to New York's Harlem neighborhood, which underwent a cultural, social and artistic golden era in the 1930s.

Universal Life Insurance was founded at Beale and Hernando in 1923 with Dr. J.E. Walker, A.W. Willis and M.W. Bonner as charter officers.

The company moved to 234 Hernando before building its headquarters at what was then the northeast corner of Linden and Wellington in 1949. The building was designed and built by the African-American firm McKissack and McKissack.

When Walker's son A.

Maceo Walker ended a 35-year run as president in 1990, it was the nation's fourth-largest black insurer, with \$67 billion in assets and more than \$650 million of insurance in force.

The insurance industry was changing rapidly at that point, however, and Universal was trying to change with it by promoting larger life insurance policies and increasing its sales force's efficiency.

A Baltimore company bought Universal Life in 1998, and the building gradually emptied. Left behind were names of officers and departments etched on beaded glass door windows, a time clock, cafeteria and reception hall and a distinctive neon clock marking the street corner.

Elaine Lee Turner, co-owner of Heritage Tours, said there's strong interest in the building from people who take tours focusing on African-American history.

"I was hoping it wouldn't go the way of many other things Downtown, another parking lot," Turner said. "I was elated that the building was going to remain in the black community. The land, the building, all of that was purchased by black Memphians, who pooled their funds and

pulled together something of note that stays for ages."

Architects Juan Self and Jimmie Tucker bought the building in 2006 and assembled a redevelopment package that ran aground in the recession.

This time around, the difference-maker is public incentives and funding and an anchor tenant, the city-owned Renaissance Business Center, which has signed a 10-year lease for about 13,000 square feet, including street-level space flanking Universal Life's old main corridor.

Self Tucker Properties LLC has secured \$1.08 million in city grants, a \$1.975 million Green Communities Grant backed by bonds for energy efficient improvements, a property tax freeze of up to 10 years and a \$300,000 development loan. The owners have a commitment for a \$1.8 million loan from First Tennessee Bank to go with \$595,492 in owner equity.

The firm will renovate a building that has been a symbol of pride and hope, particularly among black Memphians who grew up in the civil rights era.

"Universal Life was the big kahuna and that building was a point of

pride," said insurance agent and former City Council member Fred Davis, 80. "I am not aware of an African-American business that had the dominant effect of black capital that Universal Life had in Memphis at that time."

"Universal Life gave young black professionals a place to work with high levels of dignity and camaraderie," added Davis, who owns Fred L. Davis Insurance.

Davis' wife, Ella, got her first job at Universal after graduating from Tennessee State University. Davis worked for North Carolina Mutual as a debit insurance agent, going door to door selling policies and collecting premiums.

Universal brought Art Gilliam's father to Memphis from Nashville and later put teenage Gilliam to work as a salesman. Gilliam, 72, became the city's first black radio station owner in 1977 when he bought WLOK, for which he is president and general manager.

Gilliam said Universal's leaders founded Tri-State Bank and figured prominently in other African-American institutions, including Walker Homes, an early middle-class subdivision for black Memphians,

Mississippi Boulevard Christian Church, the NAACP and the Shelby County Democratic Club.

"The context is we're talking about a segregated society, so the opportunities were relatively few for black entrepreneurs," Gilliam said.

Universal and Tri-State were staunch supporters of civil rights, said Turner, 70. "Quite often when protesters were jailed, they were the backbone of financial support as far as providing bail money, along with others, the churches and so forth," he said.

Universal's lower-level meeting hall and cafeteria were a hub of social life.

"We couldn't use the hotels for different meetings and functions," Turner said. "That building had a wonderful facility where the black community could have social events. In the time of segregation, when there were so many doors closed to African-Americans, that was one of those businesses that could be a role model and something we could look up to."

Plans call for an exhibit about the history of Universal Life in the lobby area off King Avenue. The cafeteria will be outfitted with a catering kitchen to accommodate events such

as lectures focusing on revitalization.

Self, a native of Clarksdale, Mississippi, came to Memphis with the McKissack firm to help design the National Civil Rights Museum at the Lorraine Motel. Tucker is a native Memphian. They plan to move their 15-employee firm from the Tennessee Lofts in the South Bluff area to a large, open space that formerly housed the Universal Life clerical pool.

They anticipate construction beginning this summer and taking about a year to complete. Tucker said the clock on the sidewalk worked until the building's utilities were cut off. It will be restored, probably at the beginning of construction, as a symbol of what's to come.

Anchored by the Renaissance Center's small business resources, the building is envisioned as a hotbed of creativity and innovation focused on uplifting the neighborhood on the southern edge of Downtown, Tucker said.

Gilliam said he was thrilled about the plans.

"I was elated when I read that," Gilliam said. "I was just driving by there the other day and it took me back 40 plus years. I love the fact that something that positive can be done with that building."

## COMMENTARY from IC

a young person's worth, a binding verdict of the life that he or she has led up until that point, an incontestable harbinger of the successes or disappointments to come.

"Winner or loser: This is when the judgment is made. This is the great, brutal culling. What madness. And what nonsense."

Having said all that, this isn't a book that argues an Ivy League education doesn't matter. It's not anti-elite. The message is that we all should realize that a good education at the

hundreds of colleges across the country can be a life changer for just about any student who puts in the effort.

Bruni brings sanity to a process that has become insane. Even if your kid doesn't want to go to an elite school, the "where are they going" query can make your child's college choice seem second-rate because it doesn't have a high ranking or major reputation.

And Bruni makes his case by profiling people who didn't go to highly selective schools. Their stories aren't of people who had to settle but instead settled into schools that did well by them.

Really, this is a book you

need to read long before your child starts applying. Before the expensive tutors, SAT prep courses, sports programs and summer enrichment camps. It's also for parents who don't have the resources for all this but worry that their child is going to be left behind if he or she misses out on a certain college.

It's soothing to read Bruni's anecdotes and learn from his conversations with high school counselors, parents, professors, researchers, college consultants, former admissions officers and college graduates. He's bringing reason to a process that has become unreasonable, demanding and far too heart-breaking for too many.

Ultimately, Bruni is reminding us why college matters.

"The nature of a student's college experience — the work that he or she puts into it, the skills that he or she picks up, the self-examination that's undertaken, the resourcefulness that's honed — matters more than the name of the institution attended."

I needed to hear this advice. My son has autism, and although he's high functioning, for many reasons it limits where he can go to college.

He's a junior in high school, and I was becoming anxious about what schools might accept him.

"Education is indeed every-

thing, but it happens across a spectrum of settings and in infinite ways," Bruni writes. "It starts well before college. It continues long after college. College has no monopoly on the ingredients for professional success or for a life well lived."

It helped to read this book. Now, when people ask me where my son is going, I no longer feel like I have to make excuses for the schools we are considering. There is a place for him.

And where he goes does not solely define the life path he'll take.

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