LOCAL BUSINESS NEWS

Federal lawsuit alleges kickbacks at Northrop real estate firm
A Howard County couple is suing one of the largest residential real estate brokerages in the state and a Columbia title company for more than $11 million, alleging that the firms had financial ties that violated federal law. The case is a proposed class action that could involve thousands of plaintiffs, all home buyers who bought a home with the Creig Northrop Team of Long & Foster Real Estate since 2000 and used a settlement firm called Lakeview Title Company Inc. Attorneys for Patrick and Christine Baehr of Glenwood allege in the federal suit filed in March that Northrop received more than $500,000 in kickbacks from Lakeview Title and its part owner, Lindell Eagan, during the past 13 years. The suit, filed against the companies and their principals, claims that the funds were payment for Northrop's referral of buyers to Lakeview for settlement services. The defendants deny the allegations and will ask for the case to be dismissed, said Quincy Crawford, who is representing Long & Foster, the Creig Northrop Team and its executives, and Niccolo Donzella, who is representing Lakeview and Eagan. They also will request that the class certification be denied, Crawford said. Neither Creig Northrop nor Eagan responded to messages seeking comment.

www.baltimoresun.com/business/real-estate/bs-bz-northrop-federal-lawsuit-20130502_0.1825843.story#ixzz2SF0HyeVo

http://baltimore.citybizlist.com/article/creig-northrop-could-face-potential-class-action-suit

COPT issuing $350 million in debt
Corporate Office Properties Trust, the Columbia-based office real estate investment trust, is issuing $350 million in debt, the sale of which is expected to close next week, the company announced Thursday. The senior unsecured notes are due in ten years and will pay 3.6 percent interest, according to a statement from COPT. The closing is expected on Monday, the firm said. COPT's operating partnership plans to use the funds raised by the offering to repay borrowed funds and for general corporate purposes.

www.baltimoresun.com/business/bs-bz-copt-prices-notes-20130502_0.4416303.story#ixzz2SF1Qxhu0

Howard County purchases site for homeless shelter for $3 million
Howard County government has purchased eight acres of land near the intersection of Route 1 and Route 32 for $3.25 million with the intention of building 30 apartments and a day shelter for the homeless. The homeless shelter and apartments will supplement the current "aging and inadequate" shelter located nearby off Route 1 in Jessup, which is managed by Grassroots. “We are taking important steps to implement the Plan to End Homelessness, and this project is one of the most significant,” Howard County Executive Ken Ulman said Friday. “Howard County is not immune from these challenges, and we can work together to make a difference for these individuals and our community.”

www.baltimoresun.com/news/maryland/howard/columbia/ph-howard-homeless-20130502_0.1452199.story#ixzz2SFJREhXj
Local Business Group Fighting Royal Farms, Giant Gas Proposals
A local organization of gas station owners is lobbying against two proposals to install gas stations at a proposed Royal Farms on Snowden River Parkway and another one at the Giant on Centre Park Drive. "Royal Farms is a hyper-mart that is going to exacerbate an already critical situation," said Christopher Alleva, of the Howard County Independent Business Association, the local group lobbying against the new stations. "The Giant is a property that is not really big enough and does not have enough area to put a gas station in a way that is safe and efficient."
Alleva argued the two gas stations would put a significant amount of pressure on established gas stations in the area—the Minstrel Way Exxon and the Centre Park Drive Exxon. He said the stations must make a profit off gas in order to stay in business, whereas Royal Farms and Giant can sell their gas at a discount to attract customers to their stores. The organization already filed appeals to both gas stations with the hearing examiner. In both cases, the hearing examiner granted Royal Farms and Giant the right to proceed with their proposals. Giant is planning on installing eight pumps at their location at 8805 Centre Park Drive. Royal Farms is proposing a station at 9585 Snowden River Pkwy with 20 pumps and a convenience store, according to the environmental concept plan submitted to the Department of Planning and Zoning. If built, cars could access the Royal Farms station directly from Snowden River Pkwy, according to the plans. http://columbia.patch.com/articles/local-business-group-fighting-royal-farms-giant-gas-proposals

Garden Creative Signs 500 SF Lease at Merritt’s Columbia Corporate Park
The Garden Creative LLC has become the latest tenant at Merritt Properties’ Columbia Corporate Park. The Columbia-based broadcast and graphic design firm signed a lease on April 30 for 500 SF office space. Garden Creative has yet to name a representative. Merritt named Jamie Campbell, Liz Tarran-Jones, Lauren Lindsay, Vince Bagli and Steve Shaw as its agents. http://baltimore.citybizlist.com/article/garden-creative-signs-500-sf-lease-merritt%E2%80%99s-columbia-corporate-park

Maryland Innovation Initiative
WHAT: The Maryland Technology Development Corporation (TEDCO) will host a meeting of the board of directors of the Maryland Innovation Initiative (MII). The meeting will be open to the public. Created by the General Assembly and administered by TEDCO, the MII promotes the commercialization of research conducted in five qualifying Maryland universities. The initiative encourages universities to partner on commercialization proposals, strategies and funding sources. The MII program facilitates technology transfer from university labs to start-up companies and boosts economic development in Maryland. NOTE: The MII board of directors may, in open session, follow the required procedures to go into closed session, which will be limited to matters that are permissibly discussed in closed session under the Maryland Open Meetings Act. For more information, please refer to www.oag.state.md.us/opengov/index.htm.
WHEN: Thursday, May 9, 2013; TIME: 1:30 p.m. to 3:30 p.m.; WHERE: Maryland Technology Development Corporation, 5565 Sterrett Place, Suite 214, Columbia, MD 21044
http://baltimore.citybizlist.com/contributed-article/maryland-innovation-initiative-1
Guzzone will not run for Howard County executive
Democrat Guy Guzzone said Thursday he will seek a seat in the state legislature in 2014, removing him from the list of speculative candidates to succeed Ken Ulman as Howard County executive. "I considered it, believe me," Guzzone said about a county executive run. "I feel like I’ve had some good success down here (in Annapolis) in the past couple years. It's where I feel I can do the most good."

Related story: http://baltimore.citybizlist.com/article/guzzone-won%E2%80%99t-run-county-executive-schuh-definitely-will

STATE BUSINESS NEWS

Greater Baltimore among fastest-growing markets for small businesses
A national study finds Greater Baltimore is among the fastest-growing markets in the country when it comes to small businesses. The report by Biz2Credit looked at the 25 metropolitan areas in the U.S. with the highest increase in loan applications by small businesses from 2011 to 2012. It then ranked the areas on a number of measures reflecting small-business health: average annual revenue, average number of employees, average months in business and average credit score. The Baltimore-area ranked 16th with average annual small-business revenue of $288,700. That was ahead of larger metropolitan areas like Atlanta ($258,990), Seattle ($258,354) and Phoenix ($242,496). Greater Baltimore came in 11th in terms of average number of employees per small business (4.7 employees), and 18th in terms of average number of months in business (49.6 months). Baltimore-area small businesses were also more credit-worthy than small businesses in other parts of the country. They had an average credit score of 623, which ranked ninth.

http://www.bizjournals.com/baltimore/news/2013/05/02/greater-baltimore-among-fatest-growing.html

Kevin Plank sheds $16.6M in Under Armour stock
Kevin Plank is $16.6 million richer. The Under Armour Inc. CEO in the last week shed another 290,000 shares of the Baltimore sportswear maker’s stock. At the time of the sales, the shares were priced between $55.70 and $57.35. Plank said in a federal filing in November that he planned to sell 1.3 million shares of the company over 10 months. At the time, the filing said he was selling the shares, a fraction of his stock in Under Armour (NYSE: UA), for asset diversification, tax and estate planning and charitable giving purposes. He has entered similar deals over the last two years. Plank owns more than 20 million shares of the company’s Class B stock. The Class B shares give him more voting shares in the company. Forbes estimates the 40-year-old has a net worth of $1.2 billion.

http://www.bizjournals.com/baltimore/news/2013/05/03/kevin-plank-sheds-under-armour-stock.html
Transportation center opening at Aberdeen Proving Ground
Two transportation projects are wrapping up in Harford county this month. A new transportation center is opening at Aberdeen Proving Ground this month. And the MTA will wrap up its $5 million federal-and-state project to build a new MARC Station at Edgewood, next to the Aberdeen Proving Ground, in April. The Edgewood station is intended to improve transportation to Aberdeen Proving Ground, a critical component in the US military and department of defense’s Base Realignment and Closure (BRAC) process. http://bmoremedia.com/innovationnews/mta03052013.aspx

Coppin to break ground on $80 million science center
Coppin State University is moving forward with an $80 million Science and Technology Center that it hopes will boost sagging enrollment despite concerns that the West Baltimore school will not have enough money to operate the building. A ceremonial groundbreaking is scheduled May 14, though demolition has been completed and utility work is under way, said Maqbool Patel, Coppin's associate vice president for administration and finance. Completion is expected in early 2015. www.baltimoresun.com/health/maryland-health/bs-bz-coppin-stem-center-20130502,0,3964369.story#ixzz2SF0m5XFV

Harbor Bankshares out from under regulatory enforcement orders
The Federal Reserve Board announced Thursday that it terminated an enforcement action against Baltimore-based Harbor Bankshares Corp. The Federal Reserve Bank of Richmond issued the action in July 2010, reaching an agreement with the holding company to take steps to shore up its finances. The company, parent of The Harbor Bank of Maryland, agreed to comply with consent orders from other regulators as well as not to pay dividends, take on more debt or redeem shares without the approval of the Federal Reserve Bank first. Enforcement orders from the Federal Deposit Insurance Corp. and Maryland's Department of Financial Regulation were lifted in February. www.baltimoresun.com/business/bs-bz-harbor-bank-20130502,0,4355188.story#ixzz2SF16jcnF

NATIONAL BUSINESS NEWS

Job market shows surprising strength in April
Employment rose more than expected in April and hiring was much stronger than previously thought in the prior two months, easing concerns belt-tightening in Washington was dealing a big blow to the economy. Nonfarm payrolls rose 165,000 last month and the jobless rate fell to 7.5 percent, the lowest level since December 2008, the Labor Department said on Friday. Payrolls rose by 138,000 jobs in March, 50,000 more than previously reported, and job growth for February was revised up by 64,000 to 332,000, the largest gain since May 2010. www.chicagotribune.com/business/sns-rt-us-usa-economy-joblessbre9410lx-20130502,0,2186765.story#ixzz2SEzwNBUW Related news: http://www.baltimoresun.com/business/sns-rt-us-markets-stocksbre93006t-20130401,0,5925818.story
Small business legal challenge to health reform targets tax credits
Health care reform faces a new legal challenge from small business owners, this time over the federal tax credits designed to help low- and moderate-income Americans purchase health insurance. If successful, the federal lawsuit could free businesses in 33 states from the Affordable Care Act’s requirement to either offer ACA-compliant insurance to their employees or pay a penalty to the government.
http://www.bizjournals.com/baltimore/blog/morning-edition/2013/05/small-business-blast-at-obamacare.html

Washington Post profit plunges 85 percent on weak news, education revenues
Washington Post Co reported an 85 percent drop in first-quarter net income on Friday on weakness in its education and newspaper businesses. Stronger results from the television and cable operations, however, helped the company squeeze out a 0.4 percent rise in total revenue to $959.1 million. The first-quarter earnings indicated that its namesake newspaper can't shake the problems clinging to the sector, mainly a drain in advertising revenue and the loss of readers, who are reading news elsewhere. Total revenue at the newspaper division dropped 4 percent to $127.3 million because of lower ad sales at its print edition. It reported an operating loss of $34.5 million mainly due to severance costs. At its education division known as Kaplan, revenue fell 3 percent to $527.8 million. Net income for the quarter was $4.7 million, or 64 cents per share, compared with $31 million, or $4.07 per share in the same quarter last year
www.chicagotribune.com/business/sns-rt-us-washingtonpost-earningsbre9420kj-20130503,0,3541182.story#ixzz2SF2Nnzul

Wine prices rising in restaurants, report says
A glass of Chardonnay while eating out is an increasingly expensive treat as wine inventories start to shrivel, according to a new report. The price of vino by the glass has crept up steadily over the last six months, according to Restaurant Sciences, an independent firm that tracks food and beverage product sales. The most pronounced surge -- an 8.4% jump -- came in the family dining sector, in which the average meal costs $38.50 or less. Wine prices also boomed at the opposite end of the scale, swelling 5.4% at white-tablecloth establishments, where the average overall check is as much as $1,000.
www.latimes.com/business/money/la-fi-mo-wine-prices-restaurants-20130502,0,7636822.story#ixzz2SF1IUXU