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A FASHION “influencer” who identified herself only as Mary tries on a dress at Revolve Clothing’s pop-up store at the Grove mall in L.A. last month. The retailer recruited 50 influencers to help advertise the store. Photographs by CHRISTINA HOUSE For The Times

TAPPING FASHION ‘INFLUENCERS’

In a twist on conventional marketing and advertising, companies recruit social media standouts to promote products online

BY PARESH DAVE

After making a chancy investment to open a temporary storefront at the Grove mall this Christmas season, online retailer Revolve Clothing clicked open what it calls its bible and did more than just pray for success.

For Revolve’s five-person marketing team, the sacred text is an Excel spreadsheet listing nearly 100 consumers, most of them young women, who could make or break the bricks-and-mortar experiment.

High on the list was Chriselle Lim, 29, of Manhattan Beach. A committed Revolve fan, she immediately said yes when asked to help promote the storefront. Revolve paid for her Uber ride to the store on a rainy day in early December and gave her credit to buy a light-pink leather jacket and a camel-colored coat that had caught her eye online.

It was a great deal for Revolve: Lim blasted two photos of her Grove visit onto Instagram, drawing more than 12,000 “likes” combined.

A mix of attractive looks, a knack for creativity and devotion to their fans has brought Lim and each woman on the Revolve list thousands, if not hundreds of thousands, of supporters on social media. Many of the women treat their social media pages as digital billboards, earning thousands of dollars a year — and in some cases more than \$100,000 — by promoting the offerings of companies [See Advertising, B2]

Rise of a fashion ‘influencer’

A 26-year-old found eyes were drawn to what he was wearing in blog and Instagram photos. **B2**



REVOLVE SCOURS the Web for social media stars. Above, fashion influencer Ann-Marie Hoang shops at the retailer’s Grove store.



CHRISSELLE LIM, among those sought by Revolve, was given credit to buy a jacket and coat she saw while looking at the retailer’s website.

Bid to buy six hospitals is scrutinized

Deal would bolster pensions and is backed by nurses union, but SEIU opposes it.

BY STUART PFEIFER

State Atty. Gen. Kamala D. Harris is jumping into a heated battle over the purchase of six struggling nonprofit Catholic medical centers in California by the fast-growing Ontario hospital chain Prime Healthcare Services Inc.

The sale of the nonprofit Daughters of Charity Health System, which includes St. Vincent and St. Francis medical centers in Los Angeles County, to profit-making Prime requires Harris’ approval.

Supporters and opponents are gearing up to promote their views at a series of public hearings that begin Monday in Lynwood and run through Friday.

Prime’s offer has the support of Daughters of Charity and the California Nurses Assn., a union that represents 1,800 Daughters of Charity nurses.

But the sale is hotly opposed by the SEIU-United

Healthcare Workers West, the Roman Catholic chain’s largest union and a long-time, outspoken critic of Prime’s business practices.

As part of the deal, Prime agreed to pay off more than \$400 million of Daughters of Charity’s tax-exempt bonds and other debt, and the company would assume nearly \$300 million of pension liability.

Prime also promised to keep the six hospitals open for at least five years. The chain has said it would retain most of the hospitals’ 7,600 jobs but would make some cutbacks in middle management.

The attorney general’s office is holding hearings in each of the communities served by the Daughters of Charity hospitals: Los Angeles, Lynwood, San Jose, Gilroy, Moss Beach and Daly City. A decision is expected in early February.

Prime’s biggest obstacle is well-organized opposition from SEIU-United Healthcare Workers West, which contends that Prime puts profit first at the expense of patient care.

The union has spent years battling Prime, conducting public protests and [See Healthcare, B4]

Will mortgage rates in 2015 hold more surprises?

They defied forecasts last year, staying low despite unwinding of U.S. stimulus efforts.

BY E. SCOTT RECKARD

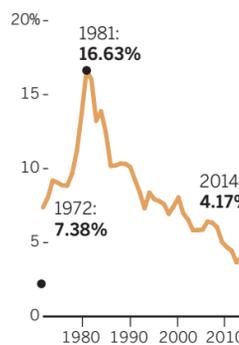
Housing economists were nearly unanimous a year ago: U.S. mortgage rates would rise in 2014 because the Federal Reserve was unwinding a key economic stimulus that had helped keep long-term interest rates low.

But as the year passed, the Fed’s pull-back was overshadowed by dormant inflation at home and slowing economies and rising political tensions elsewhere in the world. Global appetite for safe U.S. Treasury securities and government-backed mortgage bonds — as well as sluggish demand for home loans — pushed rates lower.

So instead of the year ending with 30-year mortgage rates at 5%, as many had projected, it wound up at an average of 3.87%, according to housing finance giant Freddie Mac.

Estimates for where rates go this year seem less certain.

Still low
A look at average rates for conventional 30-year mortgages over the years shows 2014 remained a year of bargains:



Source: Freddie Mac
Los Angeles Times

Many prominent industry leaders, including those at the Mortgage Bankers Assn., once again expect them to end at about 5%. The trade group has pegged it at 5.1%.

But for many others, their forecasts now come with more sheepish comments about clouded crystal [See Rates, B5]

Snapchat raises \$485.6 million

The L.A. company discloses investment to cap a year of soaring valuations for tech start-ups. **B2**

Box office ends year down 5.3%

Films grossed about \$10.3 billion in 2014 versus a record \$10.9 billion in 2013. **B3**

Markets closed

U.S. stock markets were closed Thursday for New Year’s Day.

Dilbert.....B2
Company TownB3

Scam leaves dog lovers poorer but wiser

DAVID LAZARUS

Elena Nauman wanted a Dalmatian. She has owned the spotted dogs at various times in her life and was keen to adopt another.

Nauman, 59, and her husband tried going through various rescue organizations but with no luck. So when they saw an online listing for “beautiful Dalmatian pups” on Christmas Day, they decided to go for it.

The San Clemente couple now are \$500 poorer and considerably wiser.

“I was so excited, I didn’t ques-

tion anything,” Nauman told me. “I wonder how many other people have fallen for this scam.”

More than a few, it seems.

“It’s not uncommon for us to hear horror stories from people who try to buy dogs online,” said Melanie Kahn, senior director of the Humane Society’s efforts to crack down on so-called puppy mills. “It’s very important that people do their homework.”

The puppy scam that duped the Naumans is a variation of a relatively common racket involving money transfers or prepaid cards. The basic idea is that the scammer gets his hands on your cash and you get nothing.

The puppy scam can be especially effective because it preys on

people’s emotions and clouds their judgment with promises of furry bundles of love.

“I should have seen red flags from the beginning,” Nauman said. “But I didn’t.”

The listing on Recycler.com said a breeder in Long Beach had a litter of 10-week-old Dalmatians available for \$500 each. Each pup came with a bed, toys, food and a month’s worth of insurance.

Someone identifying himself as James Clarkson responded to the Naumans’ email with a rambling, ungrammatical message stating that the puppies “are very playful and loves much attention and to be pampered.”

“Money is not the issue price can be negotiable,” he wrote. “How

much can you offer?”

Nauman wrote back to say how excited she was and asked whether she could visit Clarkson in Long Beach to see the puppies.

Clarkson’s next email said he was in Mt. Shasta, not Long Beach, but offered no explanation for the discrepancy. He said Nauman would be required to make a down payment of \$200 and pay the remainder once the puppy arrived at her home via a courier service.

Nauman was hooked. She said she’d take two puppies and agreed to a down payment of \$500, followed by a second \$500 payment after their arrival.

Clarkson instructed her to buy a \$500 Reloadit prepaid card at a [See Lazarus, B4]

