



More firms turn to executive education to gain a competitive edge.

FOCUS PAGE 19

Once an afterthought, the laundry room gets a luxurious lift.

CRAIN'S

CHICAGO BUSINESS.



BUSINESS OF LIFE PAGE 25

CHICAGOBUSINESS.COM | FEBRUARY 18, 2013 | \$3.50

Putting more on the menu

McDonald's promises new products to drive revenue growth

BY LORENE YUE



wraps. That contributed to lower sales, a stock price that sagged 12 percent over the year and the departure of the head of U.S. operations. Now, Chief Operating Officer Tim Fenton is promising a "more robust" pipeline of new products from the Oak Brook-based company, including items that have been

See MCDONALD'S on Page 8

ComEd wants pension help

Proposed state law guarantees finance costs in electric rate

BY STEVE DANIELS

The state Legislature is poised to give Commonwealth Edison Co. what appears to be a legal right to profit on its pension contributions.

A bill sponsored by Senate President John Cullerton would enshrine in state law an arcane rate-setting issue over which ComEd has fought on and off with state utility regulators for seven years. At stake is hundreds

See COMED on Page 9

RATE RUCKUS

A proposed state law allowing Commonwealth Edison to collect a financing charge on nearly \$2 billion in unreimbursed pension-plan contributions would hike Chicago-area electric rates in coming years.

2013 COMED RATE INCREASE

\$89 million

\$71.5 million

of the total \$89 million is accounted for by the pension charge.

\$50 million to \$60 million

Estimated revenue to be collected annually from pension charges in 2014, 2015 and 2016.

Sources: Illinois Commerce Commission, Commonwealth Edison Co.



BIG DATA, BIG GAINS

Storage specialist Cleversafe picks up clients, patents—and momentum

BY JOHN PLETZ

Two years ago, online photo-storage site Shutterfly Inc. was drowning in data and the cost of computer gear to hold it all. Geoffrey Weber gambled on Cleversafe Inc., entrusting Shutterfly's massive archive to the tiny Chicago-based startup's unproven storage technology. Spending dropped by half. Storage "went from our biggest cost—something we talked about in budgets—to a nonissue," he says.

Then last summer, Shutterfly bought Kodak's photo-sharing service, increasing its archive by 50 percent and adding 5.5 billion pictures in two months. "We figured it would take six months," Mr. Weber recalls. "I can't conceive how we would have solved that before."

It was just one more gut-check moment for Cleversafe and its 48-year-old founder and CEO, Chris Gladwin. Since coming up with the idea for Cleversafe in 2004, he has had to prove himself every step of the way: to investors, the U.S. patent office and customers.

Cleversafe is slowly making its case. It has taken in more than \$30 million in venture capital and racked up 40 patents, including 16

See CLEVERSAFE on Page 11

"WE WANT TO BECOME THE DE FACTO INDUSTRY STANDARD."

Chris Gladwin, CEO, Cleversafe Inc.

NEWSPAPER | VOL. 36, NO. 7 | COPYRIGHT 2013 CRAIN COMMUNICATIONS INC. | ALL RIGHTS RESERVED



VISIT US ON THE WEB AT
www.ChicagoBusiness.com

JOE CAHILL

US Airways-American merger equals a bigger version of the same flawed model. **Page 4**



SHIA KAPOS

Billy Corgan goes tag team with Walter E. Smithe to push his wrestling promotion biz. **Page 6**



INSIDE

Four apps to turn you into a wine-buying superstar. **Page 25**



Built-in ironing boards, custom drying racks

LAUNDRY ROOMS from Page 25

tures into what was being called a laundry room."

Long banished to the basement or a small closet upstairs, laundry rooms are no longer the Rodney Dangerfield of the house. Now viewed as transitional rooms rather than uninteresting necessities, they are getting respect—and with their growing status, more prominent space. A 2012 report by the National Association of Home Builders shows that few homeowners want a laundry room directly off the master bedroom. The reason: too noisy when people are trying to sleep.

Instead, Ms. O'Donovan says, people want "larger, more specific spaces for the laundry. It might be upstairs but not directly connected to the master bedroom. It may connect to a mudroom or incorporate a dog shower or flower-arranging space. People are spending a lot of time with their laundry, so they want room and more luxurious materials." Homeowners can spend \$20,000 to \$65,000 for these tricked-out rooms.

LUXURY AND FUNCTION

"What people want is a combination of more luxury and specific function in that room," says Mick De Giulio, designer and principal of De Giulio Kitchen Design in Wilmette. "While we don't design laundry rooms per se, we have incorporated them into some clients' kitchen designs." One client requested multiple islands in her laundry room, each outfitted with drying racks that could be pulled out to dry sweaters. For another, Mr. De Giulio designed a 12-foot-tall cabinet housing custom racks so sheets could be air-dried.

THE LAUNDRY ROOM "IS NOW AN INTEGRAL PART OF THE HOUSE."

Kathryn O'Donovan, interior designer

"Some people want special sinks so they can rinse off their running shoes when they walk in," he says. "Some want built-in ironing boards, and others want multiple front-loading washers and dryers."

"These are people who get genuine satisfaction from doing their laundry," Ms. O'Donovan says. And then there are situational needs. "I did a laundry room for a family who had a lot of boys who participated in many sports. The parents didn't want all the equipment and laundry being dragged through the house; rather, they wanted to contain it right at the door with a boys-designated laundry room. There was a second one in the home for the adults."



Two laundry rooms designed by Normandy Builders. Above: This room in a contemporary South Barrington home includes a craft station. Below: The owners of this new house in Glencoe requested a second-floor room for convenience, with lots of light and plenty of counter space.

Ms. O'Donovan has fielded requests for custom cabinets, granite countertops, distinct backsplashes, built-in steamers—even couches and televisions. "Some people like to fold their laundry while watching TV," she says.

Mr. De Giulio has installed floors of fired-Italian terra-cotta tiles, teak drying racks, granite counters and sliding glass doors in front of a utility sink. "We've used only the same high-end materials we use in the rest of the home," he says.

With the remodel of the South Barrington laundry room, Ms. O'Donovan faced a similar challenge of marrying function with the home's unique style. The result: a stunning 221-square-foot room with custom walnut-veneer cabinets that match those in the kitchen, plus a tall storage unit with no back to leave the home's original cement plaster walls uncovered. Countertops of honed limestone with crystallized quartz formations add warmth. Sturdy open shelving with industrial-style brackets holds some of the owners' gardening supplies. Cabinet doors conceal necessities like a first-aid kit. And to one side, a shiny black front-loading washer and dryer hold down the corner. The room allows functions such as gardening, gift-wrapping and other projects as well as laundry.

"While you can easily do laundry in the



room, it's much more than that now," Ms. O'Donovan says. "It's now an integral part of the house."

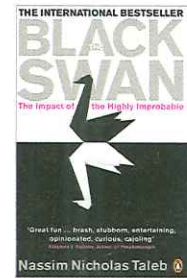
Contact: life@chicagobusiness.com

INFO JUNKIE



Tyler Spalding, 33, is CEO of StyleSeek.com, a startup that calls itself "Pandora for men's fashion" because it makes shopping recommendations based on user likes and dislikes. He wants his media curated, too:

Likes **LinkedIn's** personalized news recommendations but also **TechCrunch**, **Technori** and **Techli**. Manages it all with **Instapaper** so he can read articles and blog posts in depth later. The only print publication that resonates: **Fortune**. "It's a higher-level magazine, with consumer articles in a business context."



Prefers nonfiction over fiction ("unless it weaves in technology or reality"). Recent reads on his Kindle: **"The Black Swan: The Impact of the Highly Improbable"** by Nassim Taleb, **"How to Create a Mind: The Secret of Human Thought Revealed"** by Ray Kurzweil and **"The End of Illness,"** a treatise on longevity by David Agus.

Uses **Wikipedia** for everything from fact-checking to travel research. **TripAdvisor** and **Kayak** are standards, but he surfs a lot of the Web while planning trips. He's been to 64 countries and has taken three coast-to-coast drives.



YouTube is a daily staple, including poker videos, buzzed-about ads, **TED Talks** and **RSA Animate** sketches. Other online fare: **BBC News** specials, documentaries, Comedy Central's **"South Park"** and **"The Daily Show,"** as well as Showtime's **"Penn & Teller"** series.

A **Twitter** fan, he follows only about 40 people but reads everything they tweet. Topmost: **AngelList** CEO **Naval Ravikant**, investor **Chris Sacca**, filmmaker **Jason Silva** and comedian **Ricky Gervais**. Chicago tweeters he follows: **Technori** co-founder **Seth Kravitz**, investor **Rishi Shah** and Web entrepreneur **Emerson Spartz**. "They're not trying to gain more followers—it's all about expressing their view of the world."

Christina Le Beau

We'll drink to that: Apps that let you choose wine like a pro

APPS from Page 25

friends' picks. Vivino Pro includes features such as user reviews and retail bottle prices. It also includes a label scanner that attempts to use an iPhone photo to match the bottle in your hand with an entry in its database. In practice, this works moderately well; I'd rather use the Cor.kz bar-code scanner, though, and get more reliable results.

What if you're stuck buying a bottle at a grocery store or drugstore? Thanks to an ingenious two-step process,



WineFinder (\$2.99) ensures you'll find a good bottle. It ranks thousands of widely available wines, recommends its favorites and assigns a value to each. (Rather than using a points system, WineFinder's reviewers might determine that a bottle of merlot retailing for \$15 is actually "worth" \$30, for example.) Then the app cross-references its picks with

the wines on shelves at local stores. You tell WineFinder what store you're in, and it filters recommendations based on the wines it expects to be available there.

This isn't a foolproof process, because the app doesn't know the precise inventory of your local store—it's more attuned to corporate-level buying patterns. So rather than set your heart on a particular WineFinder recommendation, it's best to scan the top three or four recommendations and then see what's in stock. You can narrow your search according to price range and grape.

The app is updated regularly; some 400 are reviewed per month. And remember that WineFinder's selection is heavily skewed toward the volume-production wines carried by chain grocers. When I tried WineFinder at a neighborhood shop that features boutique producers, the app was helpless.

Steve Hendershot

To see a video of these apps in action, scan the QR code with your smartphone.

