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Need to haul stuff but don't have a pickup? There's an app for that - *by Gordon Dickson*

One day a couple of years ago, Brenda Stoner needed a pickup. "I needed to move something from downtown Dallas to Plano and didn't have the facility to get it done," she said.

The single mom compared shipping costs at freight couriers UPS, FedEx and the U.S. Postal Service but found none fit her need. She just needed to haul something across town — a task someone with a pickup could probably complete in less than an hour — and she was willing to pay a reasonable price.

Unable to find such a service to hire, she reluctantly did what many other people do in this kind of situation.

"I borrowed a pickup from a friend, and I felt guilty about it, like everybody else," she said.

Motivated by that experience, Stoner and a handful of partners last year launched Pickup LLC, a service that's now making its way into the Fort Worth area. The company's main mission is to provide an on-demand pickup truck and driver for customers who need something — furniture, art work, junk or whatever else fits in a truck bed — hauled from one point to another in the Dallas-Fort Worth region.

They hope to eventually expand to other metro areas and perhaps enjoy success comparable to that of ride-sharing companies such as Uber and Lyft, both of which were practically unheard of until 2012 but have since turned the traditional taxi industry on its ear.

How it works

Like Uber and Lyft, Pickup LLC connects its drivers with prospective customers using a smartphone application. The company, headquartered in Addison, launched an app simply named PICKUP, which is available free on iTunes or Google Play.

Users download the app and create an account with a credit card. Then, when they need anything hauled, they simply click on the app and press a button on the phone to ask for a ride.

In most cases, a driver arrives in five to 20 minutes, and the minimum charge of $45 usually covers most trips under 10 miles, said co-founder Aaron Favara. The company is hiring Fort Worth-area drivers to improve response times on the western side of the Metroplex, he said. For longer rides, the price is $1.50 per mile and 80 cents per minute. Customers are quoted an estimated cost before the driver arrives, and their credit cards aren't charged until the trip is complete.

Like Uber, customers are sent a photograph and description of the driver and pickup, so they will be able to identify their driver when he or she arrives. (So far, the network of drivers is overwhelmingly male.) Customers may also take a photo of the load that needs to be hauled and send it to the driver through the PICKUP app. Trips are insured up to $20,000, Stoner said.

And when hiring drivers — more than 100 are already on board, mostly in the Dallas area plus a handful on the Fort Worth side — Stoner looks for applicants who are military veterans, police officers or firefighters seeking a second income.

PICKUP drivers have a few restrictions. They can't haul animals or hazardous materials, for example, and they can't give the customer a ride in their vehicle.

Tip of the iceberg

The idea for the PICKUP app may be just the tip of the iceberg as more entrepreneurs seek to copy the on-demand business model made famous by Uber and Lyft, said Michael Sherrod, a publishing and web-based businessman now serving as the William M. Dickey Entrepreneur-in-Residence at Texas Christian University.

"The service you're providing is connecting buyers and sellers. It's much less capital intensive. There is no brick-and-mortar framework," said Sherrod, who teaches at TCU's Neeley School of Business. "This technology is going to have all kinds of uses for banks, the financial sector … insurance, the legal system. There are even ways to share tools and toys."

The demand for contract workers such as ride-sharing drivers is also on the rise, as more Americans turn to contracting and freelance work rather than more traditional full-time employment, he said.

One key challenge for Pickup LLC may be responding to eventual criticism from traditional moving companies, who may argue that customers are better served with professional movers in a company-owned van than freelance drivers in their own pickups. Uber and Lyft continue to face massive resistance from traditional cab companies, which argue that customers were putting themselves in danger by riding with amateur, less-regulated drivers.

PICKUP may also face increased competition, as other businesses copy the concept. Sherrod even said he wouldn't be surprised if Uber and Lyft themselves someday offered a similar service.

"They [PICKUP] have got to get big, as fast as they possibly can," Sherrod said.

Forbes

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Gold, Gold Miners Rally From Low: How To Tell If This Uptrend Is For Real - *by Ky Trang Ho*

Gold has not met the classic definition of a bull market, which is a 20% gain from a bear market bottom over six months or more. SPDR Gold Trust ETF (GLD) jumped only 7% from a five-year low. Market Vectors Gold Miners ETF (GDX) ETF surged 17% from its summer low. The far more volatile Market Vectors Junior Gold Miners ETF (GDXJ) does meet the criteria with a 20% rally from its July low.

Why Investors Should Buy Gold Now

Andrew Carrillo, president of Barnett Capital Advisors in Miami, Fla. with $10 million under management believes gold has bottomed.

“The continued weak data and the Fed’s continued excuses on why they won’t raise rates highlight that more quantitative easing is coming not a rate rise,” Carrillo wrote in an email. “It’s important to understand that the primary headwind for gold over the last few years has been the Federal Reserve’s constant chatter about potentially raising rates because the economy is healthy.

“However when you look into the fundamentals of the U.S. economy, it’s very weak and weakening. Gold has gone down for a rate rise that won’t happen.

“Investors need to understand that governments around the world are paying their debts through inflation and seem willing and happy to print unlimited money. So it’s important to have something that is undervalued and can’t be printed.”

Larry Lockwood, Ph.D., CFA, in the finance department at the M. J. Neeley School of Business at Texas Christian University in Fort Worth, Texas, recommends investors allocate 2% to 5% of their portfolios to gold for diversification.

“It must be considered a long-term position,” Lockwood says. “Gold often has low correlation with traditional investments.”

Market sentiment and demand indicators suggest that July may have marked the capitulation low, says Mike McGlone, director of research at ETF Securities in New York City.

Why Investors Best Stay Away From Gold

Gilman of IFP Wealth Management recommends investors stay away from gold. Prices are driven mainly by speculation.

Gold has no intrinsic value as it does not pay a dividend. Nobody can create shareholder value with share buybacks or other corporate moves. It has little industrial uses. It is mainly used for jewelry and as a second currency via gold coins and bars.

Meanwhile, total supply since 2011 decreased less so.

Other analysts are bearish on expectations of low inflation and the likelihood the Federal Reserve will hold off an interest rate hike.

Star-Telegram

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Sid Bass: Why the Fort Worth billionaire saved Blue Bell - *by Andrew Marton*

When Blue Bell ice cream makes its triumphant return to Fort Worth on Monday morning, signature flavors like Cookies ’n Cream, Homemade Vanilla and Dutch Chocolate will taste extra-sweet and satisfying.

Not just because Blue Bell's many fans, some of whom are expected to line up at 5:30 a.m. at area grocery stores, have been deprived of the beloved Texas treat for nearly seven months.

It's also because one of Fort Worth's own, reclusive billionaire Sid Bass, rescued the 108-year-old company from the brink of meltdown.

In April, the Brenham-based creamery was in the throes of the worst scandal in its history: Desserts made at Blue Bell's Brenham and Oklahoma plants had been linked to a listeria outbreak that caused 10 illnesses and three deaths, in Arizona, Oklahoma, Kansas, and Texas. The severity of the health scare eventually forced Blue Bell – the country's third-largest ice cream seller — to stop all production and recall its products.

As the weeks passed, Blue Bell would lay off 1,450 workers and furlough 1,400 others (from a total workforce of 3,900). According to both the *Houston Press* and *The Wall Street Journal*, the crisis sent Blue Bell's annual revenue plummeting from $680 million in 2014 to a projected $500 million this year – or a loss of $180 million.

Beset by negative publicity and delays in isolating the source of the bacteria, a cash-strapped Blue Bell struggled to jump-start its operations. The brand was teetering on the edge of extinction.

And then Bass opened his wallet.

In mid-July, the eldest Bass brother, who *Forbes* estimates is worth $1.66 billion, shelled out up to $125 million in what many financial observers label a straightforward loan. The infusion of money helped Blue Bell get back in the game, and by early September it began selling its first half-gallons in the Houston and Austin areas, as well as parts of Alabama. Now comes the second wave: Dallas, Fort Worth, Waco, Tulsa and Oklahoma City get their first Blue Bell deliveries as early as 3:30 a.m. Monday.

Why would one of Texas' wealthiest men take an investment plunge into the uncharted waters of a food company when his previous investment experience had been in oil and gas, high tech and notably Walt Disney Co. stock? And why would arguably the most private of the four Bass brothers (Ed, Robert, and Lee all joined Sid on this year's *Forbes* billionaires list), emerge from his carefully formed cocoon of seclusion to make national headlines with an investment in Blue Bell?

Only the 73-year-old, silver-haired Bass knows for sure. He politely declined a request from the *Star-Telegram* last week for a one-on-one interview, saying in an email, "I try to live a quiet life."

But a closer look at the deal reveals layers of sweetness and Bass' signature business savvy. According to *The Wall Street Journal*, Bass' investment in a "distressed" Blue Bell comes with warrants that could give him a one-third ownership stake in the company. One analyst estimated he could easily double his investment in two years. Another said that Bass, in fact, has had his eye on Blue Bell since the 1980s.

For now, though, Blue Bell's savior is just happy the ice cream brand is getting back on shelves in North Texas.

"I'm excited for the employees of Blue Bell and its loyal customers," said Bass, who did respond to a follow-up email on the eve of Blue Bell's return. "A lot of hard work has made many people happy. That is a nice outcome."

Private man makes a public deal

To understand the splash that Bass' recent re-emergence has made on the local business scene, it is necessary to recall how meticulously he has curated his privacy, ever since he married the Iranian-born New York socialite Mercedes Tavacoli Kellogg in 1988.

The eldest of the four Bass brothers, who have led philanthropic and civic affairs in Fort Worth for several decades, Sid was instrumental in launching the rebuilding of downtown Fort Worth, with the Worthington Hotel and City Center towers, and eventually with his family, the Bass Performance Hall.

But from 1988 until 2011, his life pivoted more toward his newly adopted home of New York, where Sid and Mercedes Bass became fixtures on the boldface-name circuit. Bass joined his new wife for many glossy soirees and would play a vital role in financially backing her cultural philanthropic passions. She also fulfilled her many duties as board chairwoman of the Fort Worth Symphony Orchestra.

And once his divorce from Mercedes Bass after 23 years of marriage was finalized in 2011…Bass started spending more time in Fort Worth – allegedly vowing he would never again put on a tuxedo.

Since resettling in Fort Worth, Bass has flown mostly under the media radar. He has periodically emerged, as when it was reported he donated $100,000 to Planned Parenthood to compensate the organization when the Susan G. Komen Breast Cancer Foundation wanted to defund Planned Parenthood's local branches.

Scooping for investment details

Citing its privately held, family-run status, Blue Bell has declined to comment on any aspect of Bass' financial involvement in the company. Its president and CEO, Paul Kruse, did issue a boilerplate statement at the time of Bass' highly publicized stake: "We are pleased Sid Bass has made a significant investment with our company. The additional capital will ensure the successful return of our ice cream to the market and our loyal customers."

Bass issued a pro forma, upbeat statement: "We are excited to be a part of the Blue Bell brand and family. Blue Bell is the quality leader in the ice cream industry. We believe quality is the principal attribute that ensures the success, growth and longevity of a business."

Since Bass has chosen not to elaborate on his business motives for rescuing Blue Bell, the void of analysis has been filled by various financial mavens in Texas and beyond.

Michael Sherrod, in his fifth year as William M. Dickey Entrepreneur-in-residence at TCU's Neeley School of Business, said Bass had his eye on Blue Bell as early as the 1980s.

"Sid Bass has always been interested in the Blue Bell brand because it's such an iconic one," Sherrod said. "Secondly, I believe that Bass believes it is still a great investment, now, for his children and grandchildren. It's a brand that he's always believed is valuable to Texas and valuable to keep in Texas, as an independent company. All of those things came together in a perfect storm, and Sid Bass wasn't about to let that opportunity go by."

After the crisis occurred, and though Blue Bell was engaged in extensive damage control, its ultimate goal was to remain a privately held company.

"Honestly, they were very fortunate that an investor like Sid Bass came along with his long-term interest in their company," Sherrod said. "He happily played the role of white knight in helping Blue Bell stay private and not be sold to some private equity firm, or a large conglomerate like Nestle [the world's biggest ice cream maker]."

Robert Passikoff, president and founder of Brand Keys, a New York-based brand loyalty consulting firm, said that despite all the damage the recall did to Blue Bell's reputation, the company has a solid chance of recovering.

Sam Hamadeh is CEO of PrivCo, a research provider on privately held companies. Hamadeh has analyzed Sid Bass' investment in Blue Bell and confirms that it was $125 million structured as convertible debt, meaning that a loan of $125 million could be shifted into owning a third of Blue Bell – at a discounted price. Hamadeh estimates Blue Bell's overall value, based on last year's sales figures, at around $900 million – but Bass could buy it fully for half that.

Hamadeh estimates that based on other product recalls, within two to three years, as customer memories are short, the company could be worth $1 billion. At that point, Bass might convert his loan into owning a piece of the company's profit and he could double his investment.