

# The Carmel Pine Cone

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## NO-TEXTING LAW GETS MUCH BROADER REACH

■ No handheld use for maps, court rules

By PAUL MILLER

NOBODY EVER said the laws in California had to make sense. But now, the law on the use of smartphones while driving has reached new heights of confusion with a ruling by a three-judge panel in Fresno County that a



Pine Cone employee Vanessa Jimenez demonstrates what you're not allowed to do with a smartphone (left, looking at a map) and what is still OK (above, looking at the same map on paper).

phone cannot be held in a driver's hand for any purpose — not even to look at a map.

Of course, holding a paper map is still perfectly OK. "The primary evil sought to be avoided [by the state's anti-cell-phone and anti-texting laws] is the distraction a driver faces when using his hands to operate the phone," the judges ruled in upholding a ticket given by a California Highway Patrol officer to driver Steven Spriggs, who whipped out his iPhone while stuck in a traffic jam in downtown Fresno to look for an alternate route, the Associated Press reported.

Spriggs told the AP he doesn't support an expansion of the anti-cell-phone law beyond what nearly everybody understood its purpose to be, but he's not sure he can take the case any further.

"I'm just a little guy who's frustrated," he said.

The ruling doesn't immediately apply outside Fresno County, and many law enforcement officers probably still understand the law to prohibit hand-held cell phone use for talking or texting, but allowing it for looking at maps, programming navigators or playing music.

Still, Carmel Police Chief Mike Calhoun said he was aware of the Fresno ruling and was taking it to heart.

"The main focus is hands-free," Calhoun said. "They've written the law to say you can't have anything in your hand."

"What our officers are concerned about is keeping the highways safe," said CHP spokesman Bob Lehman. "That doesn't have to mean talking or texting on a cell phone, it could be looking for an app."

Both officers and the Fresno court acknowledged that a total ban on holding a smartphone, with its multitude of simple functions that can make driving easy and more

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## Shadowy N.Y. hedge fund behind Herald cutbacks

By PAUL MILLER

EMPLOYEES AT the Monterey County Herald who lost their jobs last week, and the dozens of other staffers who've been laid off or had their pay cut in the last two years, probably think their bosses at Ryan Ranch are to blame for the newspaper's declining fortunes. Or they may hold the top dogs at Denver-based MediaNews, which owns the Herald, responsible. Or it could be they'd point a finger at the CEO of Digital First Media in New York, which manages it.

But the real responsibility for the cutbacks at the Monterey Herald actually lies with a secretive Wall Street hedge fund, Alden Global Capital LLC, which owns a big share of the stock in the Herald's parent company and controls its board of directors.

In recent years, Alden Capital gained control of the Herald and numerous other newspapers around the country by specializing in what the New York Times called "vulture investing" — buying distressed companies at bargain-basement prices, using short-term strategies to increase cash flow, and then dismantling the companies or flipping them for healthy profits.

"When investor and analyst opinion goes sour on an industry because of poor financial performance," Alden Capital's reclusive principal, billionaire Randall Smith, said in a 2010 newsletter to clients, "this bias can create significant buying opportunities, and it is one that we look for in industries that are on our distressed radar."

In the last 10 years, many newspaper companies have become low-hanging fruit for Alden Capital and its bottom-of-the-barrel investment strategy.

### Keeping a very low profile

Smith, who reports say is probably in his early 70s, started his own company in 1985, and that's when he last gave an interview, according to Rick Edmonds of [poynter.org](http://poynter.org). Despite his power in the financial and media worlds, only one photograph of him can be found online.

"Even in the closed-mouth world of hedge fund investment, Smith gives new meaning to the euphemism, 'low-profile,' and has kept from the public eye the barest information about himself and his companies," Edmonds wrote.

"Mr. Smith keeps an unusually low profile," the New York Times reported in September 2010. "He generally avoids speaking to reporters and being photographed."

But one thing is clear: He likes to invest in companies that are in big trouble.

"These people have become bottom feeders," John Morton, a newspaper industry analyst, told the New York Times in 2010, just as Alden Capital was about to take control of the Monterey County Herald and other California newspapers.

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Randall Smith



John Paton

## Woman gets 13 years for fatal DUI crash at Pt. Lobos

By MARY SCHLEY

FOLLOWING AN hour of testimony from family members who extolled the victim for his kindness and selflessness, Monterey County Superior Court Judge Julie Culver sentenced Carmel resident Calista Garcia, 25, to 13 years in prison May 23 for the 2011 crash that killed 49-year-old Sacramento resident James Steinmetz and left his fiancée seriously injured, according to deputy district attorney Doug Matheson. Garcia, who has an extensive

influence of methamphetamine at the time of the collision and had been set to go on trial for second-degree murder when she pleaded guilty to gross vehicular manslaughter and causing great bodily injury last month.

"They were very, very eloquent and gave a very good report on what a great human being Mr. Steinmetz was," Matheson told The Pine Cone Wednesday. "Because so many times, the victim — the person who's killed — gets forgotten."

But his mother and two sisters read letters and told the

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## Stilwell appointed to school district board

By MARY SCHLEY

AN ACCOMPLISHED Pebble Beach Co. executive with three kids at Carmel High School was unanimously selected from a field of six candidates to fill a seat on the Carmel Unified School District board of education Tuesday night. After reviewing applications and interviewing all the applicants at their May 28 meeting, members of the CUSD board chose Mark Stilwell to serve the remainder of Mat Fuzie's term. Fuzie is moving to Sacramento for his job with the state parks department.

Stilwell, executive vice president in real estate for the P.B. Co., and longtime general counsel before that, is a product of the public school system in New York and put himself through Yale and George Washington University, where he obtained his law degree.

"I have developed an excellent reputation as a consensus builder who can work with diverse groups on all sides of an issue and accomplish positive results," he wrote in his application for the board appointment. "I have a strong work ethic — I get things done."

The day after the meeting, Stilwell said he was honored to be chosen for the job.

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## Judge hands another victory to hotel developer

■ Says commission illegally denied permit

By KELLY NIX

THE DEVELOPER behind the proposed Sand City resort that the California Coastal Commission heartily opposed for two decades won another legal victory last week against the state agency.

In a decision issued May 24, San Francisco Superior Court Judge Harold Khan directed the commission to vacate its December 2009 decision denying developer Ed Ghandour and his company, Security National Guaranty, a coastal development permit for the Monterey Bay Shores Ecoresort and to reconsider the project.

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