

CLIENT / CONTACT BULLETIN 8-03

Just in case it matters to you:

- 'WORLD CLASS COMPANIES' – those which perform in the top quartile of efficiency and effectiveness metrics – focus more than 10% greater time and resources on “forward-looking planning and analysis, while average companies remain bogged down with historical numbers.” Nearly twice as many operate with “fully integrated strategic planning, tactical business planning and budgeting processes... and many finance executives now look four to eight quarters ahead...on a ‘rolling forecast’ basis... trying to do more data analysis in real time rather than just having an annual process.” Some \$24 billion was spent last year on business-intelligence tools, including budget and planning software, to facilitate *proactive planning* versus historical reporting. This critical facet of business management is part of the periodic ‘Strategic Health Checkup’ which DCG has provided to closely-held companies and family businesses for decades. [CFO – Dec 07]
- A WAVE OF COMMERCIAL FORECLOSURES ACROSS THE COUNTRY is soon likely due to “the convergence of balloon payments, deteriorating markets and, in some cases, weak underwriting.” In California, Trust deed creditors have two options: (1) *Non-judicial foreclosure* – the easiest and fastest – which simply gives the defaulting borrower a 90-day ‘Reinstatement Period’ after which the property is sold to highest bidder and creditor eats any shortfall; or (2) *Judicial foreclosure* – much more complicated – which involves (a) filing a state court lawsuit for a Court Order and sale to highest bidder; then (b) filing for a ‘deficiency judgment’ against the borrower to cover any shortfall, but (c) which gives the borrower a right to trial which can stall six months before a Court Order is issued and (d) also then allows another twelve months to ‘redeem’ the mortgaged property – which certainly creates some issues for the winning-bid buyer. [REAL ESTATE SO. CALIFORNIA – Dec 07]
- “PROOF THAT ENVIRONMENTALISM HAS BECOME THE NEW PURITANISM, with virtually every pleasurable activity as a form of sin”: the newest target is *reproduction*. The argument is that “having children is selfish and all about maintaining your genetic line at the expense of the planet, ...if you believe the lunatic left that the little buggers are miniature SUVs, belching carbon dioxide into the atmosphere and choking the planet with their waste and pollution.” Liberals in Australia now believe the government should “make parents pay a ‘carbon tax’ every time they have a child and – even creepier – give a ‘carbon credit’ to anyone undergoing voluntary sterilization... Sooner or later, we may have to decide whether the inalienable, unrestricted right to reproduce is worth more to us than the planet we live on.” [THE WEEK – Dec 28, 07]
- LOS ANGELES AIRPORT IS NOW NUMBER ONE! LAX has the dubious distinction of being the highest rated for “near miss runway collisions” of any American commercial airport last year – the most serious incident having brought two passenger planes within 37 feet of each other. This GAO finding “is expected to heighten argument over a controversial plan to change the layout of LAX’s runways, a move that is opposed by local residents.” [ECONOMIST.COM – Dec 18, 07]
- BACTERIAL INFECTIONS ARE THE LEADING CAUSE OF HOSPITAL DEATHS – nearly 100,000 yearly. A recent medical center study found that nurses wearing wedding rings carried ten times more bacteria than those without. Another study found that afternoon surgeries result in four times as many anesthesia complications (nausea, post-op pain, fluctuating blood pressure) as those performed in the morning. [BEST LIFE – Dec 07]
- THOUGHTS FOR THE NEW YEAR: ***“The older we get, the more we’re like computers --- we start out with lots of Memory and Drive, then become outdated and eventually need to have our parts replaced...”***

