

## Just in case it matters to you:

- WHEN ANY NEW EXECUTIVE IS HIRED, “the most common problem that companies face is ‘cultural misalignment’... Sometimes a person just doesn’t fit in – it doesn’t matter how smart they are, if they don’t get along with others.” A well-planned recruitment process can effectively screen for technical skills, but “the character questions are more difficult...and strong skills may even mask signs of incompatibility with a company’s culture.” DCG has substantial and positive experience in structuring and staffing to *avoid hiring mistakes*, as well as developing optimal programs to *retain executives* (targeted goals & responsibilities, appropriate incentive-compensation plans, effective performance evaluation process, etc.) and to *manage transition ‘change’* for least disruption to existing employees. [CFO – May 08]
- MAINTAINING A ‘FAMILY BUSINESS’ CONTINUES TO GET TOUGHER. One reason is that its “traditional emphasis on wealth preservation over accumulation – a ‘protect the assets’ approach” – now competes in the global environment where “risk-taking and growth are essential to survival.” Another problem stems from increased lifespan, as “greater longevity means many patriarchs stay in power longer...before passing the reins to progeny.” Beyond the question of whether the next generation possesses requisite talent, or the fact that “kids these days don’t want to wait until they’re 50 to take charge,” early transition at least once allowed for “acceptable odds of success in less competitive areas... Succession has never been easy for families,” but is headed for even greater stress from now on. [BUSINESSWEEK – May 19, 08]
- “PATHOLOGICAL VIDEO AND COMPUTER GAME PLAY IS NOW CONSIDERED A BEHAVIORAL ADDICTION,” along with gambling, compulsive shopping and pornography. Estimates are that 92% of children play regularly – with perhaps 9% between ages 8 and 18 having become pathologically-addicted – largely because “areas of the brain responsible for generating feelings of addiction and reward are activated during game play,” according to Stanford Univ. research. Globally, governments are funding hotlines and treatment centers; one European detox center for electronic game addicts “compares the poison to crack cocaine” and believes it’s actually tougher to treat, since “the gamer’s denial is so great, and compounded by family and community” who just don’t see the problem. Some common warning signs of pathological behavior include: “fantasizing about game characters or missions offline; lying or hiding how much time is spend playing or disobeying parental limits; choosing the game over time with friends; playing despite plummeting grades; changing physical appearance stemming from lost sleep, neglecting to shower or skipping meals... Many parents are now wondering: How much is too much?” [US NEWS & WORLD REPT – May 19,08]
- ‘BUSINESS METHOD’ PATENTS RELATE TO FINANCIAL IDEAS rather than “inventions that use machines or produce tangible, physical results” (e.g. Priceline’s method of selling tickets). Over the last decade, companies “whose only line of business is the litigation of patent suits” have clogged the courts with 27 times more cases than average – the latest involving an “attempt to patent an abstract idea...startling in its breadth and simplicity...for hedging consumption risk using commodity contracts.” The U.S. Patent Office, in a rare but wise decision, rejected this “because it was not limited to the use of any particular machine and did not describe any methods for working out which transactions to perform,” but the argument is of course headed to court. Since Congress refuses to legislate in this area, under pressure from America’s largest companies with billions of dollars worth of software and financial patents at stake (like Microsoft, IBM, American Express, Goldman Sachs), a federal court has now agreed to hear this case in the big-picture, with consideration for complete patent reform and even overturning the 1998 case which first allowed Business Method concept. In a “legal free-for-all by academics, industry and inventors” arguing all sides, (believe it or not) the ACLU is on the side of continuing such patent protection “on mental processes...as constitutional protection for freedom of thought.” [THE ECONOMIST – May 10, 08]
- THOUGHT FOR THE WEEK: ***I.R.S. reports that, as of 4/30/08, some 33,000 “scam e-mails” had been forwarded from concerned citizens, reflecting more than 1,500 separate schemes to defraud.***

**DUITCH CONSULTING GROUP – UTILIZING GLOBAL PERSPECTIVE TO PROVIDE OPTIMAL  
STRATEGIC, FINANCIAL, TAXATION, OPERATIONS AND MANAGEMENT PLANNING**

[www.DuitchConsulting.com](http://www.DuitchConsulting.com)