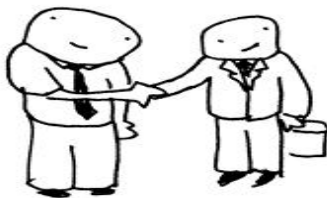


Just in case it matters to you:

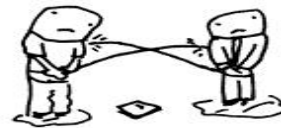
- "FINANCIAL UPHEAVAL AND CUTBACKS IN I.T. SPENDING HAVE CREATED IDEAL CONDITIONS FOR ONLINE SCAMMERS... The toxic combination of a weak economy and a widespread banking crisis is offering an opening for criminals who operate online to steal valuable financial information." 'Cybercrime' increased 53% last year, costing some \$20 billion to financial institutions. Recent scams include fraudulent e-mails to 5,000 Wachovia customers which succeeded in getting many to "update their accounts" (with social security numbers and other sensitive info) in anticipation of the then-rumored Citigroup merger; and e-mails to Bank of America customers regarding "suspicious activity in their bank account" requiring confirmation of their account number and 4-digit PIN. Unfortunately, "rising unemployment and a deepening recession have resulted in a growing number of desperate people" – both scammers and victims. [BUSINESSWEEK – Feb 9, 09]
- "THERE IS NO MAGIC BULLET FOR THIS ECONOMIC CRISIS, no magic bailout package, no magic stimulus. We have woven such a tangled financial mess with sub prime mortgages wrapped in complex bonds and derivatives, pumped up with leverage, and then globalized to the far corners of the earth that, much as we want to think this will soon be over, that is highly unlikely. We are going to have to learn to live with a lot more uncertainty for a lot longer than our generation has ever experienced. We keep pouring money into the dark banking hole of this crisis, desperately hoping that we will hear it hit bottom and start to pile up. But so far, as hard as we listen, we can't hear a thing. And so we keep pouring." Based on "the quiet urgency that infused so many panel discussions and private conversations at the Davos Economic Forum involving investors, politicians and social activists," it's a crapshoot. [THOMAS L. FRIEDMAN – Levine Breaking News – Feb 1, 09]
- THE LOS ANGELES OFFICE REAL ESTATE MARKET CONTINUES TO WORSEN. "Demand is expected to contract further in 2009 due to the projected prolonged recession, with vacancy rates projected to climb from the current 13.1% average into the mid-to-high teens and rental rates continuing to drop... A turnaround in market conditions is not expected until the economy starts growing again, perhaps in 2010." The West LA market, for the moment, is still reasonably solid – with rents averaging \$4.13 p.s.f., nearly 60% above average asking rates in the S.F.Valley and 90% above rates in the South Bay. Not surprisingly, vacancy rates for industrial, retail and apartments are all similarly projected to increase in 2009. [NAI CAPITAL MARKET REPT – Jan 09]
- THE TAX CODE KEEPS GETTING MORE COMPLICATED – expanding by some 1,000 words every day with over 500 changes made in 2008. "Americans spend some 7.6 billion hours a year complying with tax-filing requirements, equivalent to 3.8 million jobs." [FORBES – Feb 16, 09]

HOW BUSINESS WORKS:

First, representatives from each business meet, discuss mutual interests, and forge an agreement.



They draft a contract...



Then they try to piss all over each other without getting the contract wet.

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- THOUGHT FOR THE WEEK: "We need few words when we have something to say, but all the words in all the dictionaries will not suffice when we have nothing to say." – Eric Hoffer