



Just in case it matters to you:

- THE ECHO-BOOMERS – aka Millennials and Y-generation – WILL SOON DOMINATE THE WORKFORCE. “Raised in an era of relative luxury, with immediate gratification for most basic needs,” these progeny of the Baby Boomers have a fundamentally different set of priorities which are rapidly “spreading new trends and lifestyles, changing the ways in which businesses interact with them.” Perhaps the most substantial arena of change revolves around the “dynamics of health & wellness...as yoga and eclectic foods have begun to replace golf and beef steaks. As the expected life span of people continues to lengthen, this will place a related demand on medical services and assisted-living facilities...while also creating significant opportunities for cultural enrichment.” In this climate, “reactionary businesses will struggle to survive, while firms that engage in proactive, long-range research into the needs of their customers will have a higher likelihood of success.” [THE FUTURIST – July/Aug 09]

ADDITIONALLY, AS TECHY-MILLENNIALS TAKE OVER BUSINESS DECISION-MAKING, companies must be “ready for a vastly different *marketing* landscape” as changing trends include: web-based and email/texting communications instead of phone or direct contact; expectation of 24/7 response time, 365 days a year; and prospect & customer decisions increasingly influenced by blogs and social-network communities (like Facebook or Twitter). “To stay competitive, companies will have to recognize and incorporate many critical success factors, including prioritizing incoming calls to higher-value customers... Marketing and service becoming everyone’s job as customers expect immediate and correct answers... Employees knowledgeable and empowered to make decisions... Reduced advertising, as peer review Web sites and social communities help drive more buying decisions.” [BUSINESS BRIEF.COM – July 14, 09]

- HOME PRICE RECOVERY IS NOT LOOKING GOOD. According to gov’t stats based on job ‘losses,’ over 6M workers are now unemployed – over 9% of the labor pool. But this arithmetic ignores the impact of reduction in work hours or wages, as well as major reduction in the self-employed professions. “If you include discouraged workers and partially employed workers, the unemployment rate is already above 16%. If you consider also that temporary jobs are falling now quite sharply, labor market conditions are becoming worse and the average duration of unemployment now is at an all-time high... Every element of the labor market is worsening...and, historically, during the last two recessions, job losses continued for at least 18 months *after* the recession was over.” These conditions are bad bad news for the housing market, since “by the end of this year, there will be about 8.4M people with a mortgage who have lost jobs...and will have difficulties servicing their mortgages.” Forecasts are that nearly *half* of the 51M Americans with mortgages “are going to be underwater with negative equity and will have a significant incentive to walk away from their homes... The June employment report suggests that the alleged ‘green shoots’ (of economic recovery) are mostly yellow weeds that may eventually turn into brown manure.” [Nouriel Roubini – RGE MONITOR – July 11, 09]
- TAX CODE MANEUVERING IS ONCE AGAIN A CONGRESSIONAL PRIORITY and our byzantine tax code – once 14 pages, now tens of thousands between regulations, rulings & interpretations – is about to be rewritten to the benefit of the most effective lobbyists. Federal tax law “has become time-consuming, complex and expensive for a simple reason: democratic politics. It presents a golden opportunity for politicians to fund their favorite programs, groups and companies without attracting much attention... Some ‘tax expenditures’ are designed to support programs with broad public approval; others, such as narrowly targeted tax breaks for industry, can only be described as Corporate Welfare.” Moreover, with some 800 forms and pages of explanations, the cost of compliance is estimated by most scholars at over \$100B yearly, perhaps as high as \$600B. And then there’s California... [Fareed Zakaria – THE FUTURE OF FREEDOM]
- TODAY’S CALIFORNIA FINANCIAL FIASCO IS PREDOMINANTLY THE RESULT OF STUPID IMMIGRATION POLICY. Take a few minutes to educate yourself in the realities of what’s to come (to America, not just California) by viewing an excellent presentation from a few years ago – which has turned out to be spot-on: <http://www.youtube.com/watch?v=n7WJeqxuOfQ>
- THOUGHTS FOR THE WEEK: ***“He who truly knows has no occasion to shout.”*** -Leonardo da Vinci

“Any fool can criticize, condemn and complain – and most do.” - Dale Carnegie