



“How you start is important, very important, but in the end it is how you finish that counts. It is easier to be a self starter than a self finisher. The victor in the race is not the one who dashes off swiftest but the one who leads at the finish. In the race for success speed is less important than stamina. The sticker outlasts the sprinter in life’s race. In America we breed many hares but not so many tortoises.”

B.C. Forbes

NEGOTIATIONS

Six Foundations of effective negotiations:

- 1.) Bargaining style.
- 2.) Goals and expectations.
- 3.) Authoritative Standards and Norms.
- 4.) Relationships.
- 5.) The other parties interests.
- 6.) Leverage.

Tools for highly competitive people:

- 1.) Think win-win, not just win.

- 2.) Ask more questions than you think you should.
- 3.) Rely on Standards.
- 4.) Hire a relationship manager.
- 5.) Be scrupulously reliable. Keep your word.
- 6.) Don’t haggle when you can negotiate.
- 7.) Always acknowledge the other party. Protect his or her self esteem.

Effective negotiation is—10% technique and 90% attitude.

FINANCIAL

- 1.) Copper continues to be around \$4.50/oz.
- 2.) Gold/silver have had solid gains last year and this year to date.
- 3.) Trend rates for medical insurance, prescription drugs, dental etc.
Point of Service Plans—11%
Prescription Drug—9.2%
Dental—4.8%
Vision—3.2%

Most plans are focusing on cost management to mitigate increases and improve the health/well being of participants. The long term impact of Obama Care on cost

- trends remains unclear. Some experts continue to expect 1-3% additional cost to plans.
- 4.) Stock analysis is an art, not a science.
 - 5.) There have been 66 rolling 20 year periods between January 1, 1926 and December 31, 2010. Stock returns did better than inflation in all 66 periods. Bond returns trailed inflation in 16 of the 66 periods.
 - 6.) Mortgage rates continue at a low level.
 - 7.) Housing starts have bottomed.



MANDATORY SUBJECTS OF BARGAINING

1.) Any topic directly related to the wages, hours and other terms and conditions of employment.

Common examples of mandatory subjects of bargaining:

- a.) Wages.
- b.) Shift differentials.
- c.) Overtime premiums.
- d.) Paid holiday's.
- e.) Paid vacations.
- f.) Severance Pay.
- g.) Fringe benefits.
- h.) Safety practices.

2.) Illegal subjects of bargaining:

- a.) Hot cargo clauses.
- b.) Closed shops.
- c.) Agreements which condition representation on full union membership.

3.) Permissive subjects for bargaining:

- a.) Pension benefits for persons who have already retired.
- b.) Expansion of the bargaining unit.
- c.) Pre-employment drug testing.
- d.) Price of employer's product.
- e.) Union discipline.
- f.) Coordinated bargaining.
- g.) Designation of negotiations.
- h.) Contract ratification procedures.
- i.) Interest arbitration.
- j.) Strike settlement agreements.
- k.) Neutrality and card check provisions.
- l.) COPE donations.
- m.) Contributions to Industry Advancement Funds.

WEBER OBRIEN LTD.

The following are some thoughts and ideas proposed by James F. Weber, CPA. Gleaned from his presentation at the Eastern Regional Spring Meeting in Puerto Rico.

- 1.) Most people have less than \$100,000 in net worth when you exclude their business and home.
- 2.) Most businessmen do not hire competent financial staff.
- 3.) Most people do not contribute to a retirement plan.
- 4.) A large number of business owners have not formally prepared a business, succession or estate plan.

- 5.) Most people will outlive their assets.
- 6.) You will need \$2,337,831 of cash to received \$10,000 monthly, net of tax at 20% for 30 years at an 8% rate of return with a 3% inflation yearly.
- 7.) Almost half of the disability claims made to the Social Security Administration are DENIED.
- 8.) Gifting to family members:
 - a.) Unlimited to spouse
 - b.) Can gift \$13,000 per person, per year
 - c.) Can gift \$26,000 per person per year if spouse gifts also and agrees to gift splitting.

Quote: "God gave me money. I believe the power to make money is a gift from God... I believe it is my duty to make money and still more money and to use the money I make for the good of my fellow man according to the dictates of my conscience."

John D. Rockefeller

LOOK FOR THE NEXT REVIEW IN MAY 2011!