

The Oxford Report

ENTREPRENEURIAL FORECASTS AND FUTURES

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Dear Member,

FORECASTS

Here is where we are from an entrepreneurial stance - we are standing among a Wall Street Fantasy Island and an Obama Love Boat media cruise while in the real world our Happy Days are One Day at a Time. You can make it and make it big - it is just not easy. As we bounce off the economic bottom, this is the time for entrepreneurs to not only make it - this is the time for you to make new markets. The entrepreneurial future is to look at the world differently than others. For example, we are conditioned to do more, learn more, make more money - not necessarily true. How about doing less, learning less and making more money? This kind of thinking will drive you back to do what you are world class at doing - just what this no fluff and puff economy has ordered. The forecast in any market is this - only do it if you are world class at it.

Will the economy keep getting better? The economists say "it's complicated." I say it is simple. If the banks, our 50 states and commercial real estate fail - all currently hanging by a thread, we will see an economic double dip that will be a cold plunge. If they can wheel and deal to survive, we will see happy days again, just a different kind of happiness - less marketing and more sales people to drive revenue. In the new normal, marketing will be out, sales effectiveness will be in - invest in sales resources. Forecast summary - ignore Wall Street, think differently, create markets, invest in sales and swing for the fence.

STOCKS

You or your "wealth advisor" should be unloading everything that has a large holding of commercial real estate. In the last 10 years, many of the large blue chips loaded up on commercial real estate so they could leverage it on the balance sheet. Buy Goldman Sachs - they have developed a new computer system that gets a split second pre-look "snapshot" on what stocks are about to be sold and bought on the market. Goldman can transact a market order position ahead of the herd while knowing where the herd is heading. Is it cheating? Goldman Sachs calls it record profits in a downturn.

ECONOMICS

Freenomics - the race to free. Massive digital capacity is driving a new business model for products distributed over the internet - giving them away for the promise of future rewards. Want people to buy your software? Give away a stripped down downloadable version. It's cheap and customers will probably pay for bells and whistles once they are hooked. This used to be known as bait and switch. It is now known as freenomics - pay me later.

LIFESTYLE

Perhaps Vogue Magazine should change its name to Negotiation with Style - that is what seems to be in style. The technique that is in vogue is to ask doctors to forego co-pays or do the work for what insurance companies pay. As I was having breakfast, I overheard a Buckhead dentist and his client go back and forth on the cost of a root canal. Doctors are being asked 3 or 4 times a day to negotiate their rates. The more expensive the procedure, the more likely a negotiation. 18 months ago this was known as politically incorrect.

Eating high on the hog at \$800 per ham - The U.S. recently decided not to impose a 100% tax on Jamon hams. The Iberico hog has been in Spain for centuries. The hogs live only in parts of Spain that have grazing meadows in Mediterranean forests known as "The Dehesa." The ham is cured in mountain air for at least two years, and the intact black hoof is why it's often called "pata negra." The fat

transforms into a mono-unsaturated fat similar to olive oil. The highest quality Iberico hams, called "Jamon Iberico de Bellota," come from hogs that spend five months of their lives getting fat by gorging on acorns. It appears people are gorging on the hams because they were sold out for 18 months.

RELIGION

The gospel of getting rich. "Stop worrying, start sowing" is the new stimulus package from heaven, according to Kenneth and Gloria Copeland, who are part of the "prosperity gospel" movement. Sowing, also known as tithing, is giving. While one could easily criticize these actions, can we learn anything from them? Yes we can. First, "look like the money you are asking for," which is what the Copeland's do as they take vacations in Hawaii, cruise in Alaska and buy designer handbags and suits. Second, even in a downturn, preach the "prosperity gospel" and barely acknowledge the recession. Third, "sell people on what they are already sold on." In this case, blind faith.

ENTREPRENEURS

I finally found him - a rock solid strategic CEO money manager who has a brilliant tactical plan to deliver the goods - more money. His name is Tim Chapman and he lives in Athens, GA. His company, Stadion Money Management, is located in Watkinsville, GA. Stadion is a wholesale money manager to financial advisors. Today, they manage over 90,000 401K plans and billions in assets. With a record that shows he only lost 3% to 4% in this downturn, he is bringing in money by the truckloads - \$240 million just last month. After 10 years of never quitting and "holding on" as a financial advisor, he had an idea with the 401K plan tool kit. The rest is history. Entrepreneurs need wealth products that are not available on the market. As we have a "play to win" strategy in our companies, we should have a "play not to lose" strategy in our financial portfolios.

**INTERNATIONAL -
OIL/NATURAL
RESOURCES**

China is adding 1,200 additional new cars per day. The Chinese are no longer walking or riding bikes. They are driving. We cannot sell them cars, but the large U.S. oil companies can sell them gas. I would invest in them. To a growing economy, gasoline is like oxygen, you have to have it. If you think there are a lot of Chinese that are still walking, and you want to invest in a shoe company, don't invest in Brazil or China - buy Nike, they will beat the socks off them. Remember, the U.S. still has the best global brands and entrepreneurs in the world - that hasn't changed.

SCIENCE

Scientists have discovered that the spleen, long considered to be on the "practice squad" of organs, actually plays a more important role in the body's defense system than anyone suspected. Studies are showing that the spleen is a reservoir for huge numbers of immune system cells and in the event of a serious trauma it will release multitudes of those cells into the bloodstream to tackle the crisis. We should always recognize the "spleens" in our companies - those employees who we think are on the "practice squad" but they are on the front lines driving revenue every day.

**MAKE MONEY
WITH A SMILE**

Get paid for being better than the best. In your proposals, put in a 5% to 10% customer excellence bonus. Here is exactly how you word it: If the company exceeds your client's expectations with respect to time, quality and cost, then with your client's exclusive approval and signature, the company will earn a 5% to 10% bonus after the project is complete. 50% of your client's will pay the bonus if you truly exceed all targets.

Best,

W. Cliff Oxford