

# The Oxford Report

ENTREPRENEURIAL FORECASTS AND FUTURES

Volume 9, No. 7

---

Dear «First\_Name»,

## FORECASTS

Here is where we are - no need to sit on the fence, split hairs or say "on the one hand" - the numbers are in. The economic bounce that we saw in the 2<sup>nd</sup> quarter was a bottom bounce off the floor. Good news - we have hit rock bottom. The free fall has stopped but we are going to drag and bounce off the bottom for some time, then slowly inch our way up. In the 2000 bear market, it felt like we hit bottom for about 90 days. This one will last about 19 months. We need at least 1 of the 3: (1) another bubble; (2) a return of the 100 million shopaholics or (3) a government with a capitalistic backbone to let the free market work and not prop up bureaucratic companies like Citigroup and GMC. None of the three are to be found. Everyone in Washington is saying there is no way another stimulus package will pass. Congress will pass another stimulus package, and President Obama will sign it - digging the hole deeper. Global e-commerce (not the government) and Entrepreneurs (not the economists) will pull the economy back to happy days - 2011 will be a strong surge. For Entrepreneurs to stay alive and thrive in 2009-2010, the best advice is to spend 70% of your time on the sweet spot customers, 20% of your time forging strategic relationships that can produce revenue and 10% on trying to land the "whale" deal. Work the top 25 customers 24x7x365. If you want to know what the "new normal" is - that's it.

## STOCKS

Short story - get out of them. Hard assets are on sale and putting your money into your own company is the best investment. The "global reset" has substantially lowered prices on everything from land to Lamborghinis. For example, you can buy prime real estate for 19¢ on the dollar. Taking advantage of the global reset button is the only way that Entrepreneurs can make the "great recession" work for you. Also, in today's environment, financial terms like value stocks, growth stocks, industry diversification and long-term hedge strategy all amount to what can be described as "Modern Portfolio Theory" or monkey business. If the market goes down to 6800, then buy stocks and back up the truck and buy more. At this level, darts work as well as stock pickers.

## OIL/NATURAL RESOURCES

In the short-term, oil will fall back below \$50. In the long-term, it will sky rocket. When oil falls below \$50, buy all you can and buy more. Oil is one of the last areas where making money in the market is simple.

## SCIENCE

The discovery of the world's oldest musical instrument, a 35,000 year old flute made from a wing bone, illustrates that music is a uniquely human invention, biologically powerful and resonates in all of us. With music having the ability to enlighten neural chords of memory, emotion and meaning, you have to wonder why marketing academics and experts have largely ignored it as a business teaching tool. Don't ignore the sound of music. See how the message and messengers match up. Peruse the word flow. Two great marketing neural songs to dissect - *I fly Away* and *A Pirate Looks at 40* - great customer segmentation.

## HEALTH

Anyway you look at it, the Obama health plan is going to hurt, a sharp needle to everyone including doctors, hospitals, businesses and patients. President Obama's plan basically spreads the pain for the greater

possibility of insuring everyone and bringing down the cost of healthcare. After reading it, I would describe it as a "block and tackle" plan without a major innovation such as rewarding prevention and wellness, or a "gutsy" call such as eliminating the tax deduction for corporate provided health care plans. Moreover, the Obama plan does not capitalize on the very best of the current system - attracting the best and brightest doctors and medical breakthroughs that fortunately prevail in our health care system. The plan will not decrease health care costs, but it will try to slow down the rate of health care cost increases in the future.

Medical Forecast - Within 5 years, the U.S. will have a single payer system. A great investment over the next 3 years is in medical VIP/concierge programs that have dedicated doctors. People with money will flock to them in the first 36 months of Obama's health care program.

**ENTREPRENEURS**

Meet Mark Hawn, founder and CEO of Belt Creek Ranches in Beltview, Montana. At 29, Mark was the founder and CEO of Atlanta Legal Copies which was sold to IKON. 6 kids and 20 years later he is still swinging for the fence with a ranch country club concept sitting on over 800 acres. Spending time with Mark is to see an Entrepreneur in motion and mindset. With the billionaires pushing out the millionaires in places like Jackson Hole, Mark has gone into Beltview with a passion. One can own a 5 acre ranch with common amenities like a barn, horses, cattle for \$150,000 or a 50 acre spread for under a million dollars.

**LIFESTYLE**

Although the love bird sites like eHarmony have experienced a major run-up in this recession, I would short these companies and other matchmaking businesses. Facebook should put them all out of business. It cannot be matched in reconnecting past friendships and instigating new relationships. How can eHarmony compete with the rekindled romances of high school sweethearts that find each other again through Facebook? The newspaper "status" wedding announcement - "Muffy Braxton weds JWR Willbanks." The Facebook announcement - "JWR has been in my heart for the past 25 years even though we have not been together." Facebook is powerful.

**RELIGION**

People of all faiths have followed the goings-on at Manhattan's Riverside Church founded by John D. Rockefeller at the height of the Great Depression. Their new pastor demanded a total compensation package of \$600,000. In the end, it was not the salary that did him in with the flock. A small group of dissidents complained about his "alter call" in which he asked people to step forward and witness their faith. I would have kept him. He is a closer. Yes, they were jealous about the money. You don't have to follow the money - just remember it always comes down to it.

**INTERNATIONAL**

To get the economy back up, we need 100 million luxury shopaholics. We are going to find them in Asia not America. Learn all you can right now about exporting or expanding your business to Asia. A good start is to take a vacation/business trip to the port of Hong Kong and take the train to Shanghai - a true life changer.

**SAVE MONEY  
WITH A SMILE**

After listening to a customer's concerns over the phone, end the conversation with a "clean close." - repeat what they said was a concern then tell them how you are going to resolve it. The "clean close" will eliminate 20% of your problems. Misunderstandings cost money. Good communication makes money.

Best,  
W. Cliff Oxford