



Michigan CFO Associates

The CFO for *Small Business*

NEWSLETTER

3

President's Message

Bailouts for the Big, Natural Selection for the Small

A recent Crain's Detroit Business article left me shaking my head at the "Detroit 3". It seems that after receiving government help, they are not so interested in working with the struggling suppliers beneath them. Here's a quote from the story in the July 27th issue of Crain's:

"Frightened by the ailing health of their supply base, the Detroit 3 are culling the herd by yanking business from the sick and weak and giving it to bigger, stronger rivals."

As an involuntary shareholder of two-thirds of the "Detroit 3", I seem to recall them being sick and weak – and particularly in the case of GM – near death, begging for assistance in the form of loans & time. Their customers (taxpayers) did not "yank" their business and run to "stronger rivals". Funny how the outlook changes when the shoe is on the other foot. I also remember a relevant **Biblical parable** <http://www.biblegateway.com/passage/?search=matthew+18:23-30> on this very subject. . .

Now I'm not suggesting that we prop up every company that's weak, or that struggling suppliers are not a legitimate risk to the continued flow of parts. They are. But "The 3" just got done begging the taxpayers for help (which they received), and now they're going to start "yanking business" from suppliers who are weak? Any ideas on what made the suppliers weak? And it's not like the supply base is begging "The 3" for loans; they just need their contracts left in place, and their invoices paid.

I expect that we're about to head back into the cyclical routine where one or more of "The 3" demand enormous cost reductions in concert with the usual lip service promising a new era of "partnering with suppliers". This is code for, "We're

going to beat your price down even further because you're our partner. . . that is, until you go bankrupt, at which point we'll find a new partner. Probably in another country."

While we're discussing bailouts, check out these two items **How much is a trillion dollars** <http://www.pagetutor.com/trillion/index.html> and **National Debt Clock** <http://www.usdebtclock.org/> to put the bailouts and our national debt in perspective. It's frightening.

Also of interest, be sure to take a look at the "What's Happening" section for the latest news including our brand new Executive Briefing **Warning: SLOW Growth Ahead**. This is a terrific resource available for FREE.

Lastly, on a cheerier note, you can see a few photos from our recent "mini-tour" of Michigan. Despite the economic gloom hovering over our area, we really do live in a beautiful state.

Best Regards,

Todd Rammler, CMA, MSA
President

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Bailouts for the Big, Natural Selection for the Small

2009 TOUR de MICHIGAN...

and some unusually warm water: Pictures and trivia from our "mini-tour" of Michigan.

TECH TIPS:

Practical Tools You Can Use Everyday.

WHAT'S HAPPENING?

Exciting news at Michigan CFO Associates, including a new Executive Briefing - check it out!

What's HAPPENING?

Exciting News at Michigan CFO Associates!

Brand New Executive Briefing. In the last issue of the newsletter we announced that a Research study had been commissioned and that it was nearly complete. We're pleased to let you know that the study is now fully complete, and we packaged it in the form of an Executive Briefing entitled "Warning: SLOW Growth Ahead".

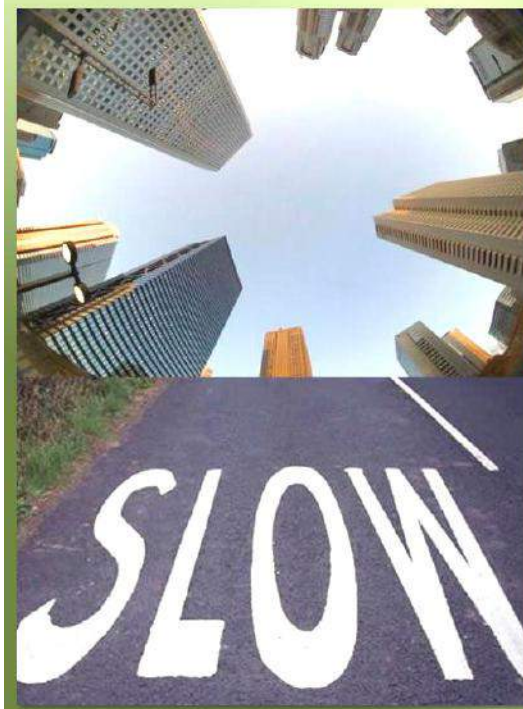
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'WHAT'S HAPPENING'... continued from page 1

Executive Briefing entitled "Warning: SLOW Growth Ahead".

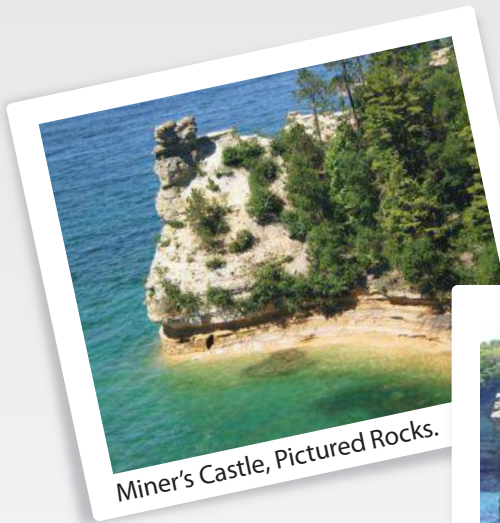
The Briefing is a fast-paced, bullet style presentation on the "Warning Signs" small businesses encounter, and how successful companies have found ways to steer clear of them. This study represents over 5 months (and thousands of dollars) of research on the critical issues that drive small business success.

You can visit www.michiganCFO.com/research to see a quick intro to the story, and register for a copy of the entire briefing. We're making this available for FREE for a while, as we try and figure out the logistics of delivering it as a seminar. You will not be disappointed you registered!



Warning: Slow Growth Ahead

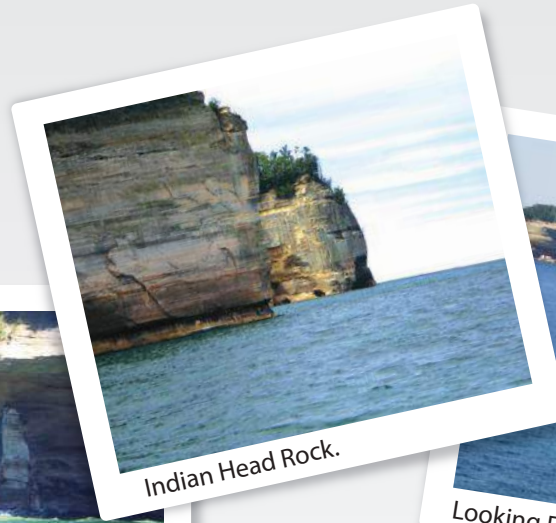
Business owners are failing to see the caution signs in their path



Miner's Castle, Pictured Rocks.



A scenic cave from the boat tour.



Indian Head Rock.



Looking East from Miner's Castle.

2009

Tour de Michigan... *and some unusually warm water*

This June, we packed up the proverbial "wagon" and went on a mini-tour of Michigan for our family vacation. We saw lots of things that any Michigander should see, but most of us put off and say, "I'll get to it someday". Our someday was this year. We started at a cabin in Higgins Lake for 2 days, then stopped in Mackinac City on our way to Saulte Ste. Marie where we went through the Soo Locks, Paradise/ Whitefish Point where we saw the Shipwreck Museum, over to Munising to see Pictured Rocks, then ended at the Cherry Festival in Traverse City.

Tech Tips *Practical tools you can use EVERYDAY*

Fighting off an infection. In the last six months, my computer has been infected with "Spyware" at least 6 times. And on average, I estimate it has taken me approximately 4 hours to remove it each time. One time I thought I was downloading an anti-spyware program, and *it* was spyware! I don't know what kind of person creates this evil, but

there is a special place in Hell awaiting them.

The good news is, I'm getting better at fixing the mess once it's created. So here are two resources for you to fight off the Spies. I would highly recommend downloading them BEFORE you have a problem...that will greatly

decrease your repair time.

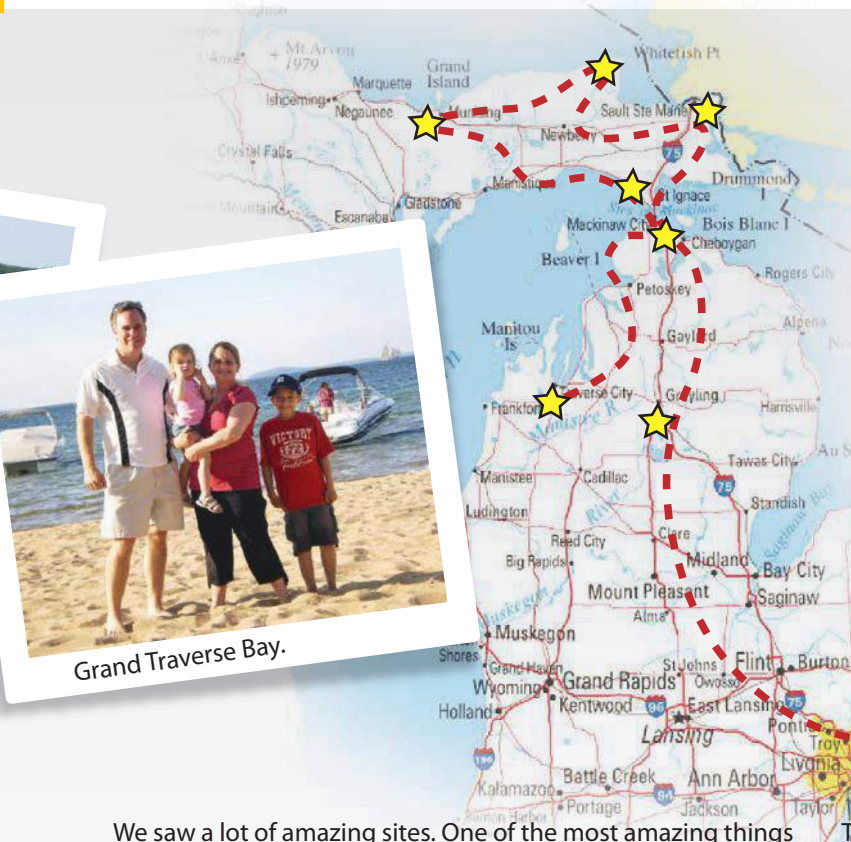
Both of these programs www.superantispyware.com and www.malwarebytes.org are FREE and I keep both handy because in certain instances, one may work better than the other.

In the NEWS

Michigan CFO in the news: Todd Rammler comments on the possible repeal of the little known Cell Phone Tax in the Detroit News. Visit link to read: <http://www.detroitnews.com/article/20090618/BIZ04/906180409/1001/biz>



Photo by Ricardo Thomas / The Detroit News



Grand Traverse Bay.

We saw a lot of amazing sites. One of the most amazing things I saw occurred in an unsuspecting location. After spending the day at the Cherry Festival, we headed back to our hotel and took the kids swimming in the pool. We were one of 3 or 4 families there, and I was in the pool with my 9 year old and 2 year old. As we reached the deep end of the pool, we turned around to head back towards the shallow end, and I saw something that stopped me in my tracks. It was the kind of thing that you're not expecting to see, so when you see it, it just doesn't compute at first.

Michigan TRIVIA we learned on our trip:

- The MacArthur Lock in the Soo moves 15 million gallons of water 21 ft. up or down in roughly 8 minutes.
- Before the locks were built, ships were portaged (taken out of the water and moved on land) around the St. Mary's rapids. This could take as much as 3 months.
- More than 350 ships have gone down in Lake Superior, and more than 4,000 in all the great lakes combined.
- Munising gets 274 inches of snow on average, Detroit gets 41.
- The lighthouse on Whitefish point was built in 1861 during Abraham Lincoln's first year in office.
- Pictured rocks reach up to 200 ft above Lake Superior
- The "Mystery Spot" in St. Ignace is a tourist trap, not a gravitational anomaly. **But it's fun anyway.**

The amazing sight? A boy roughly 4 years old is standing on the edge of the pool, bathing suit around his ankles, peeing into the pool. . . and grinning ear-to-ear. He could NOT have been any happier. And judging by the distance he was achieving, he REALLY had to go.

After the same delayed reaction I had, his horrified mother ran over, scooped him up and took him out of the area.

And that was enough swimming for me. ☺

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