



SMALL BUSINESS SOLUTIONS, LLC



## GROWING AND GAINING FROM DISASTER

Some years ago the national forests in Yosemite National Park went up in flames. Much of the Park was seemingly destroyed, despite heroic efforts by the National Park Service and the National Guard.

Now we are told that the Park is healthier than ever. The dead wood has all been burned away, and the sunshine that formerly could not penetrate the shade of the tree canopy has spurred the growth of vigorous young plants and animals.

With some trepidation, I suggest that a similar phenomenon will happen in our current economic situation.

We have all felt the shock of the economic fluctuations of the past two months, and we all anticipate more pain—read loss of value—in the future.


Economic and financial giants—Wachovia, WAMU, and now even General Motors—GM! have toppled or are at risk of toppling.

And yet—in the midst of all this fear and worry we all feel—is there not opportunity to create significant wealth?

Financial guru Robert Kiyosaki has preached for 20 years that “You make your money when you buy.” He is the First Lord of “Buy Low and Sell High”. And Mr. Kiyosaki will tell you that fortunes will be made in today’s economy.

History abounds with examples. One example from our own not too distant Southern past is the rebuilding of Atlanta after the town was abandoned by the Confederate Army in 1864.

Anyone who has read *Gone with the Wind* remembers the town that was starved into submission and then burned subsequently rose from the ashes and created many new fortunes in the process.



A parallel exists between the Burning of Atlanta and the Burning of Yosemite National Forest.

I don't want to sound like a Pollyanna or to sugar-coat what I know are dire financial problems, but let's not lose sight of opportunities, either.

Doing what I do—taxes and small business accounting—gives me an opportunity to get a

snapshot view of quick-changing economic trends.

Just this week, I have had:

- 3 presentations from financial institutions telling how sound they are.
- 5 conversations with small business owners who have seen sales fall.
- 3 conversations with people who have said they know they should buy now, but...
- 4 conversations with realtors who say, “These opportunities come along only once every 50 years”.

Personally, I believe every one of these conversations is true: Sales are indeed falling, but most institutions are still sound. And there are bargains all over the place just waiting for us to act.

It all seems to be happening so fast—faster than we can take it in.

That's the way with forest fires. It takes 30-70 years to make these huge forests, which give shelter to so many living things.

And the entire system can be destroyed in less than a week.

Let us not lose sight of 3 points:

1. The forest will always come back. It always does.
2. It comes back stronger than it was.
3. And those of us who own or work in Small Businesses have opportunities the Big Companies don't have.

What do we have that the Big Guys don't have? After all, we're Little Guys.

What we have is that we are Little Guys. And Little Gals. And we Little Ones can stop on a dime and change direction in a heartbeat.

(continued)

# Beacon

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We can adapt to new conditions in rapidly-changing market conditions. We can much more readily stop pursuing unprofitable operations, and we can move with lightning speed to take advantage of new opportunities.

Here's one more example of a forest fire from our recent American past. IBM dominated the world computing marketplace for 35 years in a manner that has rarely been seen in history.

Dominated is too weak a word. In the early 1980's, IBM's net earnings were greater than the combined sales of their next 5 competitors! I know; I worked for one of the 5 competitors.

And then came the PC, followed by Microsoft, Apple, and all the rest. Talk about a forest fire!

IBM took some real shots, and only 2 of the 5 competitors are still in the computer business, but the fortunes were not being made by the Big Boys. They tried hard to change, but they were just too big, and the change was too great. So what is the point of all this?

As difficult as our economy is, we may never see so many opportunities as are now being created.