

NEW BEGINNINGS

NOVEMBER 1997

It's that time of year again; The 1997 Holiday Season is upon us. Every year at this time I look forward to going home and celebrating with family and friends. Even as an adult I am very affected by the spirit of the season and by the power of tradition and childhood memories. It's the one time of year when we place deliberate emphasis on more ambitious goals, like having "good will toward man," and "the spirit of giving." The holiday season, no matter what the denomination of celebration, is rich with tradition, culture and lore. However we all close the season with a New Year's celebration and a confrontation with a somewhat weighty task: the dreaded New Year's resolution.

From an industry standpoint, the holidays are traditionally the slowest time of year on Wall Street. Most of the traders, analysts and brokers are waiting eagerly for Christmas parties, year-end bonuses and vacations. I remember feeling similarly when I was a part of the bureaucratic, wire-house world. Now, as a business owner, my thoughts are very different. The year-ends now mean "gut-check" time. My fiscal year is over on December 31, which means it is almost time for me to take stock, not only of all that I have accomplished, but more importantly my shortcomings.

I have come to believe that one of the biggest obstacles we face as human beings are actually of our own making; our inability as to look ourselves in the mirror and face our mistakes. The difficulty we have reflecting upon our lives, our actions and ourselves is probably one of the main reasons we may sometimes steer ourselves into unsatisfactory ruts along the way. Our propensity to "make do" becomes the very thing that enslaves us to a life of "status quo", keeping us a step behind our dreams and our competition.

The Tradition of the "New Years Resolution" is a wonderful opportunity, and reminder, to reflect on the quality of the passing year, even the quality our lives. Some dismiss it as a trivial custom, one that is likely to generate feelings of guilt and disappointment. However, it is the wise individual who takes a closer look in order to acknowledge the pitfalls and achievements that resulted from certain choices and decisions that were made along the way. The knowledge we gain through retrospect better equips us to plot a more successful course for our personal and financial futures.

One of the most important things I consider when looking for a company to invest in is its strength of its management. For example, is the CEO a well-respected, innovative leader with a record of success or a rigid, close-minded fixture with no ability to change his direction if need be? I believe in the visionary, one who recognizes mistakes, as they are never completely avoidable, and has the mind to reverse and build upon them.

A recently deceased gentleman by the name of Roberto Goizueta, comes to mind as a good example. The introduction of "New Coke" during his reign as CEO at Coca Cola was a big flop. However he turned that major error in judgment into an opportunity to re-release "Classic Coke." It was a huge success, as any lucky shareholder can attest to. During the sixteen years of his reign at Coca-Cola, its market capitalization went from 4 billion dollars to 150 billion dollars.

Our greatest political, spiritual and business leaders appear to share the ability to recognize their shortcomings and turn them into opportunities. The ability for an individual to put aside ego, look in the mirror, admit error and then summon the internal fortitude to do something about it is a true sign of greatness. Instead of looking at certain shortcomings as ultimate failure, we may instead view them as opportunities to gain the knowledge and wisdom we need to get back on track.

On that note: Here's wishing you and yours a happy and fulfilling holiday and the best for 1998!