The Key to Southwest Washington Business

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The "new normal" Advice for businesses looking to to triumph over uncertainty

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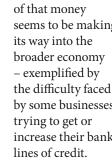
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We find ourselves living in interesting times. Though the stock market has done surprisingly well over the last eight months and Wall Street has cashed in on its latest bonus round, it's still unclear what is in store for Main Street. The markets

could be telling us one of two things: that there are better days ahead, or that there is just a lot of cash sloshing around in stocks. Generally, the stock market serves as a leading indicator. When the market moves strongly upward it's usually a signal of an improving economy.

However, we may be in for a more ominous scenario. After last year's collapse of Lehman Brothers, the U.S. Federal Reserve and other central banks worldwide dramatically increased the money supply to prevent financial collapse.

With the exception of residential mortgages, comparatively little



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seems to be making the difficulty faced by some businesses increase their bank

Welcome to the "new normal" with perhaps five to 10 years of sub-par

growth and continuing market volatility. So with that prospect in mind, here are some suggestions for business people looking to weather the storm:

Diversify. Now that your 401K has partially recovered, make sure that it is diversified among asset classes, (stocks, bonds, and cash) as well as globally. Select an out point for every investment below which you will not let its value drop.

Get connected. Network both inside and outside your industry and look for opportunity. Find new ways to tell your story. Invest in political action. As

business people we tend to ignore politics, but we need to educate the public about who creates jobs (small businesses, not the government) and what are the ideal conditions to create jobs low taxes and regulation.

Work hard. Remember, if it's tough in your industry, chances are it's tough for many others as well. The strong and hardworking will survive.

Invest in your education. Find new ways to do things - making the change to a new career, a new industry, or to pursue your dream.

Find innovative ways to market. Then get out and start selling. The last time things were like this was the 1970s, a time of economic uncertainty as well as innovation, from Disco music to microcomputers.

The good news is that hard times - like good times - do not last forever. VB

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