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A C C E S S

I N V E S T M E N T
A D V I S O R S
I N C O R P O R A T E D

21 Maritime Drive
Manitowoc, WI
54220-4624

www.access-advisors.com

920.683.9901

toll free

888.426.8426

fax

920.332.0004

Earplugs Please

"Too much information running through my brain, too much information driving me insane..." Sting

Recession. Ask the man on the street to define it and you'll probably get an answer that it has something to do with tides and hairlines. I saw CNN news the other night and counted the word recession used 30 times in a half hour. What exactly is a recession? The technical definition is two consecutive quarters of negative growth (read drop) in Gross Domestic Product (GDP). Gross domestic product is the measure of goods and services generated by an economic unit – in this case the U.S. Last week I actually heard a prominent financial "expert" predict that this recession would only last for one quarter. Huh? With this kind of claptrap foisted on Americans daily, the search for relevant information seems as elusive as Bigfoot.

In 1995 U.S. Gross Domestic Product was \$7.34 trillion. In 2000 it was \$9.1 trillion. This is close to a 25% increase in five years. I don't know about you, but I think this economy has earned some time off. Recessions can be serious business, but after a period of economic expansion like we've had in the past decade they are inevitable. I believe that they are also essential for economic health.

When prosperity runs high, inefficiencies go unnoticed. Companies invest in people and technology to fill current needs, often without taking much time to monitor the effectiveness of this spending. When demand starts to soften, belts tighten, pencils get sharpened and fat is cut. In the end, what emerges is a more efficient company that keeps its best workers and best technology to start the next business expansion cycle.

There will be casualties. Not all workers, technologies and businesses survive recessions, but those that act quickly and prove their worth will flourish, while the others wait for the next cycle to sweep them along. The key is to identify those companies that will lead the charge, and avoid the ones with hoof prints on their backs.

In the lemons to lemonade category, Yahoo! gets my vote. I did a word search on "recession" on the Internet. The first returned match was: *Buy recession products on Yahoo! Shopping.*

Ain't capitalism a kick?