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DATA SECURITY...MAYBE THE HOTTEST TOPIC AROUND THESE DAYS: WHAT SHOULD YOU BE ASKING ABOUT...AND DOING?

IT'S HIGH-TIME YOU RE-CHECKED THE DATA-SECURITY AT YOUR VENDORS, the Optimizer warned, in our second-quarter 2005 issue, following a truly startling cluster of major data-breaches at companies like BofA, Choice Point, Citicorp and Wachovia…and where we offered a long checklist of points to check on.

Most of our warnings appear to have fallen on deaf ears: By August of this year, the number of publicly-disclosed data-breaches, year-to-date, had already surpassed the numbers for all of 2007 - with 449 as of August 22, vs. 446 for all of '07, according to the **Identity Theft Resource Center**. And this, as a recent WSJ story pointed out, probably understates the real number to a big degree: Some business are excluded from reporting rules in the 44 states that have them; some need to disclose data breaches only when they have a 'good reason' to expect the stolen data might be used to commit a fraud. And many data breaches go unreported, the article speculated, because the penalties for non-reporting are often miniscule, relative to the costs of investigating and remediating a data breach.

And in a move that has really set the issuer community - and the supplier community in general a'buzzing…after announcing in May that 4.5 million investors were affected by a data breach, **The Bank of New York Mellon** later reported that over 12 million shareholder records were involved, when *"In late February, one of ten boxes of back-up data storage tapes was discovered missing from a third-party archiving vendor responsible for transporting the tapes…[which] included shareholder and plan participant account information, such as name, mailing address, Social Security number, and transaction activity."* BNY Mellon took a $22 million charge in the second quarter to provide credit monitoring and fraud insurance for the affected shareholders, and will spend at least another $10 million, we'd estimate, to notify the affected parties and to deal with the blowback.

In a rather ironic 'twist', the State of Connecticut's Attorney General put out a big and threatening-sounding press release about the BNY-Mellon incident ("I am appalled and outraged"…it began)… and published it on the very same webpage that reported that *ITS* fraud-protection plan had accidentally lapsed, but now was A-OK. The plan was designed, the web-page noted, to protect State residents

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after a Department of Revenue laptop with taxpayer info was stolen. (A HUGE data-security no-no, we'd note, as our earlier article also did, to allow such stuff on laptops).

So readers…if you STILL think this kind of thing could not happen to you, here's another heads-up we gleaned at a recent Wells Fargo Shareowner Services Client-Conference: There has been a HUGE increase in ACH fraud at transfer agents and other shareholder service providers… with losses being experienced due to identity theft now averaging $200,000 a quarter at the Wells unit alone… So multiply this by at least ten times to estimate losses by the industry as a whole.

Some current "hot scams" to be alert to if you are public company, a provider in that space, or a shareholder yourself:

The biggest scams these days seem to revolve around DSPPs – where fraudsters establish accounts and buy stock over T-A websites, charge the funds to an ACH account that belongs to someone else, sell the shares and disappear before the missing money is discovered by the ACH account's *real owner*.

Other scamsters steal account info – maybe from the mail, or from the trash – or maybe via hacking into or stealing info from the agent, or from one of the *agent's* agents - then change the address on-line, then make an online sale – or cash the dividend check - and abscond.

Speaking of agents – and of *agent's* agents – please don't forget our frequent warnings about employees (sometimes your own) who steal abandoned property directly, or by masquerading as the "lost holder", using info carelessly imparted to, or carelessly monitored by, or even *stolen by* "bad vendors" or their "bad employees"…or by *their* bad vendors.

Pfishing scams are another fast growing phenomenon…Especially worrisome, we'd say, when shareholder info falls into the wrong hands…and where the victims might find their way back to YOU, as the entity that had a higher-duty to protect such info. Recently, the Financial Industry Regulatory Authority (**FINRA**) warned about scamsters who are contacting buyers of stocks that have experienced big losses, offering to help them get money back…after paying an 'administrative fee". We ourselves recently experienced a raft of notices asking us to log-in to protect the "safety and integrity" of our online accounts (which we didn't have with any of them, btw) from e-mailers purporting to be from **Abbey National Bank**, **HSBC** and **Lloyds Bank** – all of them trying to pfish-up our Social Security numbers, account numbers and/or PINS – and all of them arising, we think, from a visit we made to a probably illegitimate "Lloyds Bank" site, where someone "snuck us a cookie"…and sold our e-mail address as "likely shareowners with online accounts" to scamsters.

Frauds vs. family members are still favorite family pastimes too, the WFB expert told us – where one or two heirs may keep cashing a decedent's check, maybe by having the same name as Dad, Mom or Uncle Sol to begin with, or maybe just forging the endorsement.

And theft of corporate and corporate-agent checks is still going strong, we were somewhat surprised to learn, and the thieves are mighty sharp. It took only 3 months the WFB expert said, before the signature of the Shareowner Services unit's new CEO began to show up on counterfeit WFB checks! (Here, of course, the money is usually lost by the bank that cashed the check…as long as your own cash-management and monitoring procedures are up to speed, that is.)

SO WHAT SHOULD A SMART CORPORATE CITIZEN BE DOING THESE DAYS?

For starters, whether you are a corporate issuer OR a supplier to issuers, read or re-read the ten tips in our 2005 article…with care. Call us at 732-928-6133 or email cthagberg@aol.com and we'll fax or email you a copy. (If Mellon had read and acted on tip-nine, we're sorry to note - which we also expanded on in great detail in any of the RFPs we've drafted for clients since then – they would have saved themselves some mega-millions…with miniscule expense to boot).

If you are an issuer, remember that all shareholder records belong to YOU…and that ultimately, YOU are accountable. If there is a breach, it may not be enough to say, "We hired a vendor to handle that."

Get the FACTS on FACTA…and look for suppliers with FACTA, or FACTA-Like compliance structures and procedures in place: Six federal agencies have adopted anti-identity-theft requirements covering financial institutions, creditors, credit and debit card issuers and users of consumer credit reports. The rules call for implementation of identity-theft prevention programs, including a list of "red flags" that will set-off an investigation and require not just "reporting' but various kinds of "information-sharing" within and among such institutions. While your agent may not be *officially* covered by FACTA, they SHOULD have 'red-flags'- when many accounts with similar profiles open in a short period, for eg. – and specific follow-up actions when specific red flags fly – like holding up stock sales and/or disbursements for a period following an address change, for eg.

It really IS high-time, this time, to re-inventory and to re-check any and all outsourcing arrangements that may be in place – again, whether you are a public company or a sup-

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plier - as our earlier article warned. "Trust"…of course…but also VERIFY what your vendors are saying and doing.

Check your insurance policies and those of all your suppliers…and their suppliers, we advise…

But also remember that even if the *financial risks* are well insured, the *reputational damage* can often be the biggest loss to your organization.

Lock down those "cookie jars" - or, better yet, make sure that neither YOU, nor any of your vendors, are collecting cookies in the first place…or if you must have 'em, make sure the cookies can't be swiped

Do not delude yourselves into thinking that just because no frauds have occurred yet, following a data-breach, that all's clear. Today's scamsters are smart enough to allow a fairly long cooling-off period, before "hot merchandise" is sold into the marketplace.

Watch your *own personal accounts* with added vigilance (something we ourselves have preached more than practiced 'til now, we must confess). In case you missed it, activist investor **Guy Wyser-Pratte** had almost $300,000 skimmed from his private banking account at **JPMorganChase** – by an online imposter who bought and sold computer equipment online, from **Dell**, before Guy noticed. JPMC says that, pursuant to their agreement, they'll cover only the first $50k.

SOME 'TOP OF MIND INSIGHTS' AS TO WHAT ISSUERS NEED TO THINK ABOUT, AND PLAN FOR, AFTER THE CURRENT FINANCIAL INDUSTRY MELTDOWN

Sad as your editor was to see a scheduled proxy fight disappear unexpectedly, along with all the excitement such events bring…not to mention the paycheck…he ended up *very happy* to be able to free up the time to attend the Annual Fall Conference of the Society's New York, Fairfield-Westchester and Hartford Chapters in Providence, RI. The Ohio, Pittsburgh and OKI-TriState Chapters also buddied up with us for a jam-packed day-and-a half of dialog and discussions on the incredible number of "hot issues" that are suddenly out there. Here are some of the major "takeaways":

"In case you haven't realized it yet, Self-Regulation and De-Regulation, which have been the regulatory watchwords for over a decade, are effectively dead." A *major* takeaway from the conference, courtesy of the eminent **Ben Heineman Jr**., former General Counsel, SVP Law and Corporate Affairs and Corporate Secretary of **GE**, now a Distinguished Fellow at **Harvard** and author of a must-read book, *High Performance with High Integrity*, who gave the keynote speech. Get set for a whole new world of regulatory change…for a raft of new regulations…and for coping with the death of Wall Street as we knew it…Be prepared to be a *leader* here, and to get your own company's ethics and compliance acts in better order, Heineman advised, if you want your company to generate "high performance" that will be *sustainable*.

"Corporate Governance Issues" will loom larger than ever as we begin ramping up for the 2009 Annual Meeting Season, due to the truly shocking financial losses we're witnessing, and experiencing…along with an equally shocking lack of adequate risk-management practices at companies we loved… and trusted, and where we were assured that all was A-OK… and an even more shocking (?) lack of appropriate oversight, both by Boards and by governmental agencies. ***The many proxy solicitors and advisors who were in attendance were quivering with excitement about the kind of Annual Meetings we're likely to have in 2009.***

Those "check the box" governance issues are largely passé as a result… (and in smaller part because most companies have capitulated, and checked most if not all the boxes by now - and partly, as one panel discussed, and as we noted in our last issue, the evidence is that corporate governance ratings are pure bunkum). **This, however, is probably a *bad thing* for many companies, given where the focus will shift:** Directly to the qualifications, roles and specific actions taken by individual directors. Yes, their ages, attendance records, stock ownership positions and the performance of other companies on whose boards your directors have been sitting of late, and even their "mugshots" will still be important…***But count on the questions to get tougher, the expectations to get higher…and count especially on "punitive votes" being cast in large numbers against audit committee and comp-committee members wherever there have been real or perceived "issues".***

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The number-one question at companies where there have been performance issues will be "Where WAS the Board?"…and Number-two will be "Who ARE these people anyway?" ***And the number-one question at companies that have so far stayed out of trouble will be "What, exactly, is THIS Board doing NOW to guard against similar blowups?"***

Anyone who thought that "say on pay" was passé, or would go away, given the ability of shareholders to oust *all* the comp committee members - at least where there's majority voting – has another thing, or maybe two things coming: Count on say on pay to be a bigger issue than ever…AND for comp-committee members to come under attack all the same, and maybe go down to defeat wherever there are "issues" – and, for that matter, wherever severance agreements, claw-back provisions and "golden coffins" haven't been dealt with *proactively* by comp committees. As we just saw with the so-called "bailout legislation" ordinary people are really angry about corporate executive performance these days…and even angrier at their pay. And, in case you failed to notice, *both* presidential candidates say they are in favor of say on pay! ***(On a related note, which was not discussed at this conference, but which was predicted in our last issue to be a hot issue…and 'seconded' recently in the Compensation Standards Summer newsletter, which included a roadmap of things to do…Be sure you're up to speed on your top management's "Total Wealth Accumulation" before you draft your next CD&A).***

No real surprise, Board members are becoming a lot more active…and asking a lot more questions. ***Many of the public companies in attendance said they've stepped up both the content and the frequency of their board communications programs.*** **Steve Norman**, the Corporate Secretary at **American Express**, noted that they were holding 'strictly optional' conference calls every other month, where the CEO can brief board members on 'interim developments'…and that every board member who can tune in that day does tune in.

Several panelists remarked on how much new emphasis they expect to be placed on the committees of the board…and how overworked many of the key committees are at present.

Every public company will have to rethink the wisdom of continuing to assign "risk management" to the audit committee, we say - as we've been saying for several years now. Many, we bet, will move quickly to form, or reconstitute "risk management" and/or "finance committees" (which many companies *used to use* to manage not just the *cost of capital* but the operational and reputational risks that, as we are belatedly re-learning, can *impact* a company's cost of capital – and the ability to *raise capital*, or to recapitalize in a crisis).

One panelist opined that the recent trend – cheered on by those "governance gurus" let's remember – to shrink the size of Boards - probably needs a rethinking in today's environment.

More emphasis will almost certainly be placed on the number of "financial experts" on the Board…But surprisingly, as one panelist, a top-flight Board Headhunter told us, contrary to the common wisdom, these folks are NOT in short supply, nor are they hard to recruit. "We know exactly who they are, and where they are, and how available they are to serve on a given Board" he told us.

The real "crunch" revolves around the rapidly-shrinking number of active and recently retired CEOs who are available, or whose companies will make them available to serve on other Boards. And guess what? Now that it *is* crunch time, the current "common wisdom" among governance gurus and regulators alike – that virtually every board member needs to be a "totally independent" and "totally non-related party" – which rules out so many outstanding CEOs at so many companies, in favor of academics, subject-matter experts, retired politicos, social do-gooders and others - doesn't sound like such a hot idea after all.

Ironically, as several panelists, including Ben Heineman pointed out, it is really NOT the Board, but the CEO whose job it is to manage the company, to be sure the appropriate controls and the appropriate risk-management/risk mitigation programs are in place…and, most important of all, to "set the tone at the top"…and make sure the workers sing in tune. This issue, however, has been solving itself, as CEOs are voluntarily stepping down, or being forced out by Boards…or having to sell their companies overnight… at truly startling rates. ***A fascinating panel on succession planning underscored how much more important it has become…even while most such plans are being increasingly tossed into a cocked hat, as various 'emergencies' continue to emerge that end up with a top-to-bottom reshuffling of the management team and a new CEO being helicoptered in.***

All of this, however, turns out to be *good news* for most of our readers, who, as Ben Heineman also reminded, need to be "the conscience of the corporation…and of the board"; people who can tell the powers that be what they really need to know, in a way that will cause them to listen up.

THE BEST AND WORST PRACTICES WE UNCOVERED IN OUR ANNUAL REVIEW OF ANNUAL MEETINGS AND MEETING MATERIALS

It's that time again, for one of our longest-running and most-read columns…And this year, emulating those "bests" and avoiding those "worsts" seems more important than ever.

So far in 2008 we've reviewed roughly 150 sets of Annual Meeting materials – up from our usual 100 or so – and we were involved in some way in over 50 Annual Meetings – up from our usual dozen or so – during a year, let's remember, where the value of "printed matter" came under closer scrutiny than usual, thanks to N&A - even while companies themselves came under closer scrutiny than usual, due to the still unfolding financial reporting and risk-management failures we've been witnessing. So let's lead off with some "bests" to begin on an upbeat note…

BEST ANNUAL REPORT: Hands down, we say, goes to SMUCKERS, whose Annual Report made you *want* to look…and to actually read the darned thing. Its eye-catching "Grandma Moses-style" cover - commissioned from Grandma Moses's great-grandson Will, as we learned inside - "transports us to an earlier time, at J.M. Smucker's Orrville home, where families are gathered to celebrate the goodness of the harvest"…What a welcome and reassuring message in itself in these parlous times! The financial results, while they didn't blow off the doors (and maybe *because* they didn't) were equally reassuring, at first glance…But one's attention was immediately drawn to the opening *right-hand page*, outlining "Why We Are, Who We Are…Our Culture." Talk about setting exactly the right "tone at the top" in unsettling times – this WAS the top. Other things that make this A-R stand head and shoulders above the pack: the Chairman's letter that addresses "Purpose and Strategy" and "Serving Our Constituents"; the big focus on their brands…and on their branding; the very well-written MD&A – where the performance chart is prominently located on the facing page, not buried in the proxy statement (a particular 'pet improvement' of ours…and something we lobbied the SEC to allow)… plus the plain writing and the beautifully readable layout throughout. All of this within a very non-intimidating 66 pages! ***Anyone who has doubts about the continuing value of a well-done Annual Report – or about the impact that well crafted printed pages can make on a reader - should spend the few minutes it takes to review this report.***

FIRST RUNNER-UP: YUM! BRANDS, INC**…another company that understands and profits from the value of brands and branding – and one that obviously knows how much the printed page, with good captions and good visuals, contributes to "brand" and stock-price value.** *"Yum!...winning big around the globe"* the cover proclaims. *"YUM!"* a big red cartoon-balloon exclaims - right above the delicious 2007 sales number on the inside cover-summary. Other plusses; they fully used every one of their "covers" – inside and out – to full advantage. (They sure know how skim readers read, and what they look for when they get a fat-looking booklet). And Yum! put its stock-price chart on the back inside-cover (facing page) where skimmers were sure to see it…and go *"YUM!"* (Another little detail that caught our eye right off; the KFC Logo, that appears with all the Yum brand logos on the Proxy Statement, has the Colonel saying Yum! too…via a big fat version of that cartoon-balloon).

BEST PROXY STATEMENT/BEST CD&A (how could you *not* combine the two awards in today's environment?)**…A DEAD-HEAT…BETWEEN CHEVRON** (to whom we'd give a marginal advantage for the plainest and friendliest sounding English) **and EXELON** (to whom we'd give a marginal advantage for the especially thoughtful and inviting layout – helped mucho by using blue sub-heads, in all the right places too). ***Both companies do a truly excellent job of explaining and discussing their Compensation programs…and it will be well worth your time to read and compare the two very different approaches they take.*** Chevron, for example, focuses a bit more on "explication", and on the "process", while Exelon adopts a more declarative tone, leading off with its three numbered objectives, and then moves on to its three, numbered, *primary components…*then moves on to the finer details of stock options, performance units, restricted stock and RSUs, etc. But when all is said and done, it's a dead-heat here.

BEST "TOTAL PACKAGE": IBM: While neither the A-R nor the Proxy Statement was among the very best examples we saw, the "total package" was a big winner. In fact, a reader called us to say, "Best Chairman's letter we've ever read" and to ask if we'd seen it. Having the Chairman begin his letter right on the cover page - as we've been advising for eight or nine years now…mainly to cut to the chase, and to use the most expensive glossy pages cost-effectively - helped hugely, we think – as did the very important message IBM had to impart: "a superb year for your company". Both the A-R and the proxy statement were very neatly laid-out, and written - and printed - in a very reader-friendly manner. ***We ESPECIALLY liked the way they cut straight to the chase by putting Item 1. - Election of Directors - with their picture and bios - right up front, on the first real page of the Proxy Statement.*** But IBM lost a few points with us for NOT using the glossy inside covers - OR the back cover - which they left essentially BLANK. And while both documents were easy to skim, once one got past the Chairman's letter, they were not particularly compelling to read (which, now that we think about it, is not necessarily a *bad thing* in today's environment).

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BEST "NOTICE" RE: INTERNET AVAILABILITY OF PROXY MATERIALS: WELLS FARGO: If you are looking for a good model of the Notice you'll need to send out if you choose N&A in '09 - one that's neat, well-thought-out, well-laid-out and basically un-confusing - go to the Wells Fargo website. They also posted a nice Q&A about N&A with their web-based proxy materials. (N.B. No matter how carefully one drafts this document it still confuses a lot of recipients, who think it's a proxy. At least 12 companies at a recent conference reported that Notices were being "voted" and sent to the hotels where the meeting were to be held!)

NEATEST AND NIFTIEST RESPONSES TO SHAREHOLDER PROPSALS: CHARLES SCHWAB: Schwab had a proposal from the City of New York; the usual stuff on political contributions, and another from The Free Enterprise Action Fund, asking them to amend the bylaws so that precatory proposals could not be submitted without prior Board consent. They laid out the first resolution and statement of support on 1 ¼ pages, then put their answer (twice defeated, minimal dollars spent anyway…and "concerned that stockholder proposals of this type are designed for political discussion rather than to advance shareholder value") in a nice, neat, gray-shaded box…that took up less than half a column. Proposal 2 was slightly less long-winded, but Schwab's answer was even shorter…and sweeter, thanks to proposal 1: "...there are more effective means to communicate with us other than through non-binding proposals. As noted…we are concerned that some proposals are designed for purposes other than to enhance shareholder value…However, we also believe that there may be instances where it is appropriate to submit a non-binding proposal…this proposal goes too far by seeking …to eliminate that right, and therefore, we do not support it" Short, sweet and cogent …with none of the argumentative "over-lawyering" that so many corporate responses indulge in, and that always sounds to us like "protesting too much." And a wonderfully effective use of typography to boot. Check it out.

MOST IMPROVED ANNUAL MEETING "PACKAGE": RANGE RESOURCES: What a pleasure it is NOT to have to beat them up again this year, as we did for so many years, for squandering our good money on over-the-top printing and binding shenanigans…like oversize, over-thick pages, plastic covers, "peek-a-boo cutouts", metal spiral bindings, to name just a few items that made their printing salesman richer and shareholders poorer. This year, however, they went totally to the other side – using their FORM 10-K as their only A-R…and not even bothering to insert the directors' photos in their fat and forbidding looking Proxy Statement…Ouch! But when you look at their stock price chart, there seems to be a near-perfect correlation between what they spent on proxy materials and their total returns in any given year. Stinky docs this year, for sure…but performance that was literally "off the charts" vs. peers.

A FEW NOTEWORTHY "NOBLE EXPERIMENTS": Several companies seemed to be re-thinking their approach to the paper-products they push to us…which seemed rather odd in the context of having a Notice and Access option…but hats off for trying something new: UNITED TECHNOLOGIES, which caught out attention earlier in the year when they vowed to improve their stock price by better highlighting their brands sent us TWO sets of "glossy reports" – an orange book with "Thinking" and "Results" sort of superimposed on each other…and almost slipping off the page, and a lime green one labeled "Financials," where this word too literally teetered off the edge. But United Tech's noble experiment with better branding sure worked well, just as the *OPTIMIZER* predicted it would: After modestly outperforming the Dow & S&P most years, the 2007 results ticked up *big-time* vs. both indices: $100 invested for five years yielded $267 - vs. a return of $177 on the DJIA and $182 on the S&P. CATERPILLAR, another company that blew by the S&P 500 big-time in 2007 (like $350 on $100 vs. $182 for the S&P) sent us one glossy called "BUILD"…another glossy labeled "SHAPE" (its 'sustainability report') and a big, fat, combined plain-paper Proxy Statement and A-R, where, oddly, its impressive chart was buried near the very end. ***This neatly tees up what we think is …***

THE BIGGEST AND BEST "INNOVATION" IN A-R PACKAGE-CREATION IN A VERY LONG TIME... (and something we'd like to claim a tiny bit of credit for advancing over many years)…**PUTTING YOUR PERFORMANCE COMPARISON GRAPH UP-FRONT,** where people can find it easily, and where management can address it as they should…UP FRONT…(Although admittedly, we did not find a single company that did so when their chart looked 'not so hot'…but where 'addressing it up front' is even more important). In addition to the companies cited above, our friends at BROADRIDGE also got it right, placing the performance graph on the left-inside cover of their "Wrap".

THE SCUMMIEST 2008 EXECUTIVE-COMP DISCLOSURE WE SAW: SONESTA INTERNATIONAL, which, in the course of explaining that they were no longer having to pay $100,000 a year to rent a home for their executive chairman, multimillionaire Roger Sonnabend, in Key Biscayne, said they'd continue to pay $1,200 a month to the executive's wife, to "rent" some office space her hubby could use…in the very same town (Boston) where Sonesta has its headquarters.

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THE SCUMMIEST DIRECTOR-COMP DISCLOSURE WE SAW: MORGANS HOTEL GROUP…where Director **Lance Armstrong** collected over $70,000 in fees and stock in 2007…while failing to attend a single one of the 11 scheduled meetings. Peddling one's arse off indeed…though clearly not to benefit the stockholders Lance was supposed to be watching out for. (He's since stepped down, to peddle his arse elsewhere).

WIERDEST A-R COVER IMAGE... sad to say, from your editor's alma mater, **JPMorganChase:** What were they thinking??? The *caption* read "Building a Strong Foundation" The *image* showed four ovoid rocks…with increasingly *smaller rocks* perched one upon another…to produce the shakiest 'foundation' one could possibly imagine…upon which to build ANYTHING! They should'a given this pic to **WAMU**!

OUR ANNUAL "FICKLEFINGER AWARD"... for **an *EVEN WIERDER PHOTO*…from a company that makes half its money from technology…and that should have known better, based on previous mocking from the press...GE…**for the "group shot" of their Corporate Executive Council. Doesn't *anyone* remember the ribbing GE took for the bad cut-and-paste job they did on their Board members last year…featuring over-and-undersized heads and disjointed limbs? Our nine year old nephew could do a better job at Photoshop than this year's A-R crew managed to do with the GE top execs! Getting 'fingered' a second time for fuzzy-phony-photos in one's expensive A-R seems really inexcusable…but OK, it did "make us look".

And finally…the BEST ANNUAL MEETING – by a longshot - BERKSHIRE HATHAWAY (See the article below for the reasons why).

# # #

WINING, DINING AND SHOPPING AT THE BERKSHIRE HATHAWAY ANNUAL MEETING, WHICH IS NOT JUST THE BIGGEST, BUT THE BEST

Let's take our own advice and cut straight to the chase: WHY is it the best annual meeting we've ever been to? Three big reasons; it's a huge moneymaker for Berkshire Hathaway shareholders…it treats shareholders with the total respect they deserve…and…it's a ton of fun. And please note, dear readers, that aside from being fun to go to, and to write about – and to read about too, we hope – there ARE some very important lessons that Warren Buffett can teach us about Annual Meetings, and about the way we should be treating shareowners.

Most annual meetings tend to be big time-and-money-wasters, for companies and attendees alike…But B-H meeting attendees made a modest first-score the moment they checked into their hotel rooms – to find a welcoming note, a tee-shirt, tied in a ribbon – and a prospectus, of course, from the giver, the **Gabelli Asset Fund** – prominently laid-out on the pillow. What an "instant message" it was as to how much spendable and investible money was floating around the normally quiet city of Omaha that week.

Every hotel room was booked up and every rental car was rented. Every restaurant was fully booked too…although, not to worry, we had already reserved our table at **Gorat's**, Warren Buffett's favorite eatery, many weeks in advance, as the 'preliminary proxy materials' had advised us to do. And what a great meal…and a great *value* it turned out to be. And what a surprise too, to find that nearly half the diners were from places like China, Germany, India, Japan, South Africa…all of them chomping on Gorat's awesome steaks and swilling down expensive wines at a furious pace – thanks in part to the incredibly good year B-H holders enjoyed, and also to the incredibly low markups on the wines. "Woodstock for capitalists" indeed.

We could have, and maybe should have saved our money, a la Buffett. Once we arrived at the cocktail reception - at **Borsheims** enormous jewelry store, which B-H owns, of course - and which is in a Warren Buffett-owned mall, we're sure – a HUGE "Buffet" was in full swing: Waiters were furiously carving prime beef, shareholders were balancing plates and glasses, and extra plates plied high with shrimp…while jockeying for a spot near the huge bar, which was "top shelf" all the way, thank you.

Having eaten already, your editor, and his sidekick and fellow meeting-goer, **Ray Riley**, made a beeline straight from the bar - to the already jam-packed Borsheims sales floors, where anyone with a B-H Meeting "credential" around their neck was entitled to a 25% discount. (The first thing to catch our eye…a 96-carat, graduated diamond necklace – with a center stone almost as big around as a nickel, and a price-tag of $2.9 million. "We can certainly do better than a 25% discount on this, if you're interested, the sales clerk

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WINING, DINING AND SHOPPING...

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told Ray…who DID buy something, though not this item, this time. And we sure shilled up a huge crowd of lookers, including someone who DID seem ready to buy it). With our shopping done and the bar still open 'til 10:00 or so, we parked by the enormous watch counter – where the cheapest time-piece started around $1200 and went straight to the moon from there. They were selling a watch every 45 seconds, we calculated – heavy on the platinum, gold and diamond-encrusted models, we noted. And, no surprise - as a fellow kibitzer, a reporter from *Time* magazine told us - 35% of Borsheims' annual profits are derived from this event.

Next morning we got up with the chickens, thinking to snag seats in one of the sections reserved for 'people with a question'. No such luck: By 7:00 a.m., when the doors opened, we were over a half mile away from the door we chose…and six or eight other lines were equally long. The total audience – a record-breaker for B-H, we were told – was over 32,000 people.

With an hour and a half for shopping before the meeting kick-off time, we began to make the rounds of the 34 B-H businesses that had set up shop in the huge exhibit hall, where a veritable buying-frenzy was in progress. Shareholders were grabbing armfuls of **Fruit of the Loom** socks, shorts and briefs…filling big bags with ginzu-knives, and other high-end cutlery from **Douglas Qiukut**, and from **The Pampered Chef**…browsing boats, bricks (!) RVs and modular houses for their second, third and fourth properties…ordering encyclopedias and Buffett-books, getting quotes from **GEICO**…standing in line for tins of **See's** peanut brittle – a complete sellout, and a big contributor to the $100,000 worth of candy that See's expected to sell that day - and trying on expensive **Justin** cowboy boots around a big pen, featuring long-horned cattle and a bevy of attractive young cowgirls to help you try them boots on. Shoppers grabbing up the little blue Buffett-bears were surprised - then *not so surprised* - to discover they were not freebies: "Warren does not believe in freebies" shareholders were told with a wink and a smile, as the bears flew out of the boxes and into the big shopping bags one could also buy.

The Meeting itself, truth to tell, was something of an anti-climax. The 1 hour film, written by Buffett and his sidekick Charlie Munger, and produced and filmed by Buffett relatives it seemed, featured corn-ball jokes that were not all that new…or all that funny. But Warren and Charlie made an *amazingly good comedy team* once they went "live"…with a steady stream of funny and mighty pithy ad-lib remarks…as both of them sipped Cokes and munched steadily on See's peanut brittle the entire time. (About the only excitement was when a tornado-warning horn sounded from afar…and we thought "What if the roof blows off the dome…and sucks 32,000 shareholders out the top, right where we are sitting, darn it…and where, for sure, B-H is the insurance carrier?").

Sad to say, we couldn't stay for lunch…or for the second part of the six-hour question period, much less for the "official part" of the meeting itself, which began at 3:15…or for the "Baja Beach Bash" that night at B-H's **Nebraska Furniture Mart**...or the Borsheims Sunday brunch and Shopping Day…ot the Gorat's "Shareholder Evening"…but we WILL be back next year.

QUOTES OF THE QUARTER, FROM THE BERKSHIRE HATHAWAY BOYS...and from your editor

On management succession, succession planning and employee-retention:

"I remind all my key people of 'Mrs. B'" (the founder of the Nebraska Furniture Mart). She worked the store every day, until she retired – at 103 – and died the very next year."

– Warren Buffett, at the 2008 Annual Meeting of Berkshire Hathaway

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On compensation consultants:

"I'd rather throw a viper down my shirt than hire a compensation consultant."

– Charlie Munger, in the little calendar being sold for charity at the Meeting

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On what will happen when Warren Buffett hangs up his B-H spurs, for good:

"Sure the stock will drop, and probably by a lot. I will do exactly what Warren would advise a smart person to do under the circumstances; call my broker, and tell him "Buy!"

– Your editor, as quoted in the 5/18/08 issue of *Time* magazine

AN INSIDER'S PERSPECTIVE: HOW TO AVOID A YAHOO-LIKE TABULATION NIGHTMARE

(This interview first appeared in the Fall edition of Broc Romanek's new publication, InvestorRelationships.com, which also covered another important "hot topic" in its inaugural issue, with a "Roadmap to Regulation FD under the SEC's new website guidance".)

Recently, Broc Romanek caught up with long-time independent inspector of elections, Carl Hagberg (who also edits the *Shareholder Service Optimizer*), to learn more about how the recent vote tabulation snafu at Yahoo's annual shareholders' meeting could possibly have been avoided – and how you can protect yourself from facing similar embarrassing mistakes.

As you may recall, Yahoo quickly issued a press release after its annual meeting that announced voting results – and then had to correct them soon afterwards when a large institutional shareholder complained that not all of its votes had been counted correctly. One of the reasons for the problem was that Broadridge's voting system didn't have a sufficient number of digits available to record the large number of votes withheld. Carl explains how Broadridge shouldn't be viewed as the sole culprit – and how you can take steps to avoid a similar situation happening to you.

ROMANEK: Carl, what was your first reaction when you saw the Yahoo news?

HAGBERG: When I opened the newspaper, the first thing that hit me was "this is exactly what I have been warning people about for seven years; I've been saying 'hey, the old days where management got 99.9% of the votes in their favor are fast disappearing - and to the contrary, the level of "no" votes are getting higher, higher, higher with every passing year. You really need to check with extra care before releasing results whenever there's a close or closely contested matter."

I've felt all along that people weren't really getting it – that more and more often, the results will be so close - and so closely watched - that you need to exercise more due diligence than ever before - that you really need to have inspectors who know what they're doing and who actually do inspections.

I've also been warning people that they need to prepare the meeting chair for the day that someone jumps up to ask "who inspected these results… and what exactly did they do… and how do we know that they got it right?" And now, what I'd been warning about has become front page news - exactly as I also predicted would happen when the inevitable snafu occurred.

ROMANEK: What did you think about the focus on Broadridge as the cause of the problem?

HAGBERG: I guess it was predictable that all of the emphasis was on the tabulation, since most lay people kind of get that part of the process. But as I've been trying to remind people all along, there are two parts to this: one is the tabulation process, but the second - and the far more important part, I think - is the inspection process.

Proxy tabulation is very highly automated these days. Over 90% of the vote typically is tabulated via Broadridge's online ProxyEdge platform for institutional voters. Most of the remaining votes - coming from individual investors - are tabulated via telephonic and Internet voting systems and via high-speed scanning equipment.

Thus, virtually all the votes are being tabulated untouched by a human hand - and in a way that's basically unobservable to the human eye. And yes, things can - and do - go wrong mechanically. Or the tabulating systems sometimes get set up incorrectly from the outset.

But in most cases, instances like these are caught right away by implementing routine spot-checking procedures – and Broadridge has very robust ones, by the way – or because the results suddenly veer away from the norm or seem counter-intuitive to a savvy observer.

The Yahoo meeting was a little bit unusual in that Broadridge was tabulating the results in a sub-system that was designed for proxy fights, which the circumstances leading up to this particular meeting started out to be. And that system - I'm sure because no one ever imagined that more than 99,999,999 votes would ever be cast against a director when it was built - could only accommodate eight digits.

But as Broadridge suddenly discovered, they really need nine digits…and maybe ten or eleven to be really prudent in this day and age. It reminded me of the Y2K problem that almost every computer owner in the world suddenly discovered as we prepared to enter the 21st century. I also recalled with a chuckle - being an ex banker - of the way

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we had to scramble the first time we had to issue a dividend check for more than 99,999,999 dollars.

And, as an Inspector, I still get frustrated that most pocket calculators - and many desk-top models too - can't carry the 11 digits that are needed to compute percentages for companies with 10 billion shares or more. In any event, this was clearly a "first" – and for Broadridge it was a fairly quick and easy thing to fix once the shortcoming was discovered.

So that brings us to the second – and to what I say is the major part of the vote reporting and certification process - and that's the inspection. Somebody's got to say "gee, was all the machinery clicking along in a proper manner? Are the outcomes consistent with what a savvy observer would expect? Is some additional due diligence and double checking required before we certify the results?"

ROMANEK: So if you were the Inspector at the Yahoo meeting, would you have missed the truncation error?

HAGBERG: That's the very first question I asked myself – and of course, I'd like to say no, I wouldn't have. But to be perfectly truthful, you can't really know for sure. We don't know exactly what happened behind the scenes. And - very important to note - we all make mistakes; nobody is perfect. But for sure, it's every Inspector's nightmare scenario, even at a "routine meeting."

The fact that we all make mistakes is the main reason I've been saying for ten years now that the tabulation should be conducted by one set of people and the inspection should be conducted by another set - so that somebody who is totally independent is always watching your back and doing nothing else. An inspector often needs a second inspector or somebody else to watch their own back as well as the company's back, now that more meetings are having close or potentially contested results.

ROMANEK: To get a little technical, what exactly does an Inspector review?

HAGBERG: Most people don't know this but Inspectors are not responsible for inspecting the votes that are cast by street-name holders. The Voting Instruction Forms (otherwise known as VIFs) and other forms and platforms that street-name holders use are not the legal equivalent to proxies, so they're not technically subject to inspection.

So we have a rather anomalous situation, where the inspector is certifying the final vote - but hasn't inspected the vast majority of votes that were actually cast.

ROMANEK: With that situation as background, what types of scenarios should raise red flags for Inspectors?

HAGBERG: There are quite a few situations that should lead Inspectors to conduct some extra due diligence before certifying the vote. For example, *whenever* a director starts obtaining double-digit levels of "against" or "withheld" votes.

For shareholder proposals, anything above 15-20 percentage points on one side or the other of passing or failing is a situation that probably calls for more diligence. And any proposal that comes within 5 percentage points of passing or failing requires a much higher level of due diligence and double checking.

Another major red flag is when a high percentage of the votes are cast in the last 24 hours before the meeting – particularly if there are a lot of last minute revocations and reversals – and most especially if any of the outcomes suddenly change direction.

We served as Inspector for a meeting this year for a Fortune Ten company and there was a shareholder proposal that was failing by a fairly healthy margin until 10 minutes or so before the meeting began, when it suddenly shot ahead by almost one percent, then fell to 1/4th of one percent when we asked the tabulator to take a closer look at the last minute stuff, some of which was sent to them twice. Naturally, before we certified the final numbers we wanted to go back and look over every single vote that could conceivably have made a difference one way or the other.

Last, and most germane to the Yahoo situation I think, is whenever the results are unexpected, or even slightly counter-intuitive to a savvy observer. Interestingly, all the initial press coverage I saw remarked on the surprising "vote of confidence" that the CEO Jerry Yang got in terms of the votes withheld against him compared to the votes withheld from three other directors who had been targets of vote-no campaigns (with only 15% reportedly withheld from Yang vs. the others' 20%+).

I'd like to think that this would not have passed my own 'sniff test' and would have caused me to look a little closer before certifying the results - but second guessing is easy and one can never know for sure.

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AN INSIDER'S PERSPECTIVE...
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ROMANEK: What practice pointers do you have for those that employ Inspectors?

HAGBERG: I have six practice pointers to share. The first one is ensure you don't ever rush your Inspectors to report the final results.

The Yahoo situation is actually a very good argument for my second pointer: our long-recommended practice of only announcing "preliminary results" at the meeting or shortly thereafter. After all, the "system" worked here, when a big voter said 'whoa, hold on, this doesn't look right.' If preliminary rather than final numbers had been reported, there would have been "no news" to report for this meeting.

A third - and related – point: in today's environment - and particularly if there are close or contested matters on the ballot (or if you've been receiving a lot of press coverage about anything) you really need to ask yourself - "Is there a chance we may have missed something? And what would be the consequences if we have to put out a correction later?" Make sure that all the parties involved – the tabulator, the Inspector and company representatives too - are all asking these two questions and watching each other's backs before the final report is issued. *There is no need whatsoever to report the final results the same day.*

Fourth - and, as we learned from Yahoo, I hope - there is a major downside to appear to crow about a meeting result - or to otherwise "spin" the results – even if you're 100% sure they are correct, I'd say. It's an open invitation to second-guessing and "spinning back"…and, as the saying goes: 'pride goeth before a fall.'

Fifth, you need to be sure that the Inspector actually *inspects* – and is prepared to due some extra double-checking if results are close or counter-intuitive…and has a good "sniffer" to begin with. I'll share a few trade secrets: In close situations we always ask Broadridge – and any other tabulators too – to do a last-minute "sweep" of their workplaces – especially their fax machines. In close situations, we also conduct our own review of the street-name votes - even though we are not officially 'inspecting' the street-vote – to see if all the voters we would expect to vote have indeed voted, and to see if the larger voters are voting the way we would expect them to vote.

The sixth pointer, which is actually the first commandment of tabulation and inspection - and I've got to believe that everybody failed to do this at the Yahoo meeting: you must always prove your numbers to the quorum. What exactly does this mean? If there is a majority vote standard, the Inspector needs to add all the "for" "against" and "abstain" votes together and see if they equal the reported quorum (or in other words, the total number of shares that are represented at the meeting). If there is a plurality election standard, the Inspector needs to add the "for" and the "withheld" votes together and ensure they "prove to the quorum." If someone did this at the Yahoo meeting, I've got to believe that the "missing" 200,000,000 withheld votes would have become immediately apparent.

ROMANEK: Do you want to wrap up by talking about overvoting? Is this an issue for tabulators and Inspectors?

HAGBERG: Another one of our favorite subjects. With close votes or high profile matters, you need to really raise the level of due diligence on overvotes. You need to record every time there is an apparent overvote – and exactly what was done to resolve it. Although it does not appear to have been an issue at this year's Yahoo meeting, it's an issue for many meetings because improperly handled overvotes can distort the intended outcomes significantly.

ROMANEK: Any last words?

HAGBERG: One final word for the institutional investors out there. They wait and wait until the very last second to vote. I don't think this was necessarily a big issue at Yahoo, although it probably was a factor to some degree. If you know how you're going to cast your vote, cast it when you make up your mind. Don't wait for the evening before the meeting – or even worse, the morning of the meeting. It increases the likelihood of an innocent mistake, as tabulators and Inspectors try to rush around at the last minute. And it greatly increases the chances that your vote won't get recorded at all.

ROMANEK: As always Carl, this was great. Thanks for sharing your wealth of experience with us.

# # #

ON THE SUPPLIER SCENE...

UPRR…Unclaimed Property Recovery and Reporting has been bought from its former owner ACS by the UPRR top-management team, whose option to buy it back dated from the time they sold it to ACS, seven years ago. "We did it because we could" they told us… and they will still maintain several cross-relationships. And yes, while there were "somewhat-competing interests" in that ACS's focus is on escheating money, while UPRR's is on finding owners…and yes, lots of UPRR competitors were trying to make hay at their expense, by pointing out that ACS does a big business conducting audits for various States… "there was a good Chinese Wall, and the relationship with ACS was actually keeping audits at bay for UPRR clients" they told us.

Watch this space – and watch our upcoming magazine too – for a lot more on the Abandoned Property scene, where there seems to be a tremendous amount of ferment these days.

And watch for our coverage of the NASPP panel on Oct. 23rd on the tremendous number of legal and practical issues - and actual and threatened lawsuits that seem to be coming out of the woodwork, like termites on a rampage, in the aftermath of the big Taylor v. Westly lawsuit in California.

HISTORY...

This quarter, we are pleased to be adding a very important set of chapters to our History section: A first-hand account, from our good friend **William F. Jaenike**, a former chairman of the **Depository Trust Company**, about the "Paperwork Crisis" in the securities industry that began in the mid-sixties, the formation of **BASIC**, the **Banking and Securities Industry Committee** and the formation of the Depository Trust Company, which *was* the solution to *that* paperwork crisis, and which, very clearly, solved the root-causes of such crises, as the volumes and dollar-values of securities transactions continue to grow, and sometimes to spike, at rates that no one ever foresaw back then.

Bill's article also provides some fascinating details - and a very valuable 'historical record' - of the many industry committees, programs and of the *people* who literally saved the day, many of whom, we're pleased to note, are still around to enjoy a new 'moment of fame'…and our thanks. The new sections will be posted on our website, www.optimizeronline.com – under our history tab – and, for the first time, we will post a few pictures too in this section. Bill, by the way, is the author of a truly fascinating book, *Black Robes in Paraguay*, which has drawn straight-five-star-ratings from readers. Go to www.barnesandnoble.com and type in the title for a summary, reviews, and to order.

PEOPLE:

Bob Lamm, most of whose considerable claims to fame have come from wrestling with problems at companies with behavior problems – like **W.R. Grace** and **Computer Associates** – has landed at a really good corporate citizen, as a senior manager in the Corporate Governance group at **Pfizer.**

Former SEC commissioner **Annette Nazareth,** "a thought leader across the widest possible range of financial regulation" the managing partner of **Davis Polk & Wardwell** noted, has signed-on there as a partner.

Harvey Pitt, the quixotic former SEC chairman – who seems to have been bowled over by every windmill he's ever tilted at - and now chairman of his own 'advisory firm', **Kalorama Partners** - has been appointed a **Deputy Attorney General for Alabama**. In his new, non-paid position, he'll assist the state in a case involving naked-short sellers and the impact they allegedly had in driving down the shares of Montgomery, AL **Colonial BancGroup;** news that gave rise to a big *fresh flurry* of derisive postings by bloggers. Where *WAS* Harvey, when folks like **Patrick Byrne** of **Overstock.com** (who was basically dismissed as literally being 'crazy') were saying, and showing lots of evidence too, that naked-shorters were making millions at the expense of 'regular investors' and ruining the ability of perfectly good companies to raise needed capital? He was in another state altogether; that of 'total denial' - blaming the victims instead…and doing nothing at all to investigate, if we recall correctly.

Jim Reda, founder of NYC compensation consulting firm **James F. Reda and Associates** (and someone we think **Charlie Munger** would leave off his list of vipers) has been making headlines a lot these days, for his

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PEOPLE...
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research and for his plain-speaking. His just-out study of companies in the S&P mid-cap index, and reported by the indomitable **Gretchen Morgenson**, of the *New York Times*, revealed that "only 47 percent of the companies made the required disclosures concerning short-term incentive pay, like cash bonuses" – up from 27% last year but "nonetheless distressing" she noted, in a rare display of understatement. **Reda** also made headlines in the *Wall Street Journal* recently for another survey he did, that blows the whistle on the huge amounts of money spent on bodyguards and alarm systems for execs like **Oracle**'s **Larry Ellison** ($1.7 million in '07), **Limited Brands** Chairman, **Leslie Wexner** ($1.25 million) and **Occidental Petroleum's Ray Irani,** a perennial poster-boy for outsized pay and perks (just shy of $775k for bodyguards and a 'home alarm system' in '07). Sure, there are LOTS of people who love to hate these three old guys, including a lot of their stockholders…even before *this* nasty new news poked'em in the eye. But Hey! Every one of them is a ***billionaire*** – perfectly able to pay for their own damned bodyguards if they feel they need them so badly!

Jim Volpe,who for many years was the DRP/DSPP "guru" at **First Chicago/Equiserve/Computershare**…then gurued over at Mellon for a few "Mello-years"…has hired on as the new DRP/DSPP expert at **Wells Fargo Shareowner Services.** How good to know that *someone* in the industry still cares about these badly underestimated and badly tended Plans…which can and *should* be big *value producers* for companies, and T-As, and shareholders alike!

REGULATORY NOTES...AND COMMENT

ON THE HILL:

The "bailout bill" …or the "buy-in bill" - but in any event a $700 billion bill - has hogged all the limelight of late…and public floggings of CEOs at failed companies were playing out daily as we went to press.

But in a bit of good news, new Justice Department guidelines will restore the attorney-client privilege to accused corporate citizens - and stop the practice of penalizing companies who pick up their legal fees - finally allowing them to again be treated as "innocent until proven guilty."

AT THE SEC:

A damning admission by Chairman Cox that the "self-regulation program" implemented under Bill Donaldson, coupled with the vastly increased leverage the SEC program allowed big Wall Street firms to take on – coupled, we would note, with gross understaffing and under-supervision - including the total dismantlement of the tiny "risk management office" under Cox - led directly to the current financial melt-down...plus the disappearance of Bear Stearns and Lehman, the merging of Merrill and the conversion of Goldman and Morgan Stanley to banks. It indicates to *us* that the SEC's role as a financial industry regulator is totally over.

A decade late and a few deca-billions short, as usual – or in this case LOST - the SEC is, nonetheless, planning to re-study all the financial instruments that led to the mess…including naked short sales, coupled with illegal rumor-mongering (where actual subpoenas have been issued), and even credit default swaps, which the SEC said were not securities, even while insurance regulators were saying they were not insurance policies either.

A *bit* of good news…maybe…they plan to drop Edgar – essentially a failure from the get-go – and replace it with an "IDEA" – short for Interactive Data Electronic Applications – and to "completely rethink" the way public companies should be allowed to communicate with investors.

AT THE EXCHANGES:

A section we should probably DROP from our "REGULATORY NOTES" section…Since there's been NO notweworthy "regulatory news" at all…except maybe for another obit: The Philadelphia Stock Exchange, our nation's oldest, has been bought out by NASDAQ OMX. And, in a scary development for the NYSE, on at least one day in July, NASDAQ traded more NYSE stocks than the NYSE did.

IN THE COURTHOUSE:

Prosecutors are focusing on internal e-mails that circulated at Bear Stearns, basically warning about investments the e-mailers were encouraging customers to buy. More such cases in coming months, for sure.

WATCHING THE WEB:

Yet another good reason to watch the web for news about YOUR company was underscored by the monster drop in UAL's share price – from $12.59 to $3 per share when a **Google** "web-troller" dredged-up and re-broadcasted a stale but undated story from the **Tribune Co**. on UAL's 2002 bankruptcy filing as if it was breaking news.

And make sure you don't get "Mistickerized": We heard from two of our readers last month – both of them among at least THREE "**FNB**s" they knew about. One had been the subject of a big proxy fight (where they ultimately merged with another company, and changed their name to a non-First-Nat'l-Bank-of- somewhere-derived name), and who clued us the "Mistickerizing" term…while the other happened to mention, just in passing, that he had been plagued by calls from reporters, mystified shareholders, and by SEC staffer too, asking about the *other* FNB's filings, that inadvertently got posted, or that the SEC thought *should be posted* on *his company's* website. **The big takeaway is how easy it IS to get mistickerized** – and to mistakenly mistickerize *yourselves* – especially if, like us, you're prone to making transpositions, and to 'fat-finger syndrome' when you're trying to type too fast, as we all seem to be doing these days.

COMING SOON…

OUR ANNUAL, FULL-COLOR SPECIAL SUPPLEMENT…

This year's theme - "Pulling It All Together" - strikes us as being especially relevant in these perilous times, where companies, and people, that truly had their "act" pulled together did one helluva lot better than those that did not.

Leading corporate practitioners - covering every aspect of the Corporate Secretarial, Corporate Governance, Investor Relations and Shareholder Servicing disciplines – will be offering their best advice on how to "pull it all together" going forward.

And…we'll be asking some of the smartest people we know about the most important issues they see emerging – and the most important "things to do" – as we go into 2009.

WE'RE LOOKING FOR MORE HISTORY STORIES:

Readers, if you have some funny stories to tell about "the old days" – and how we did things way back when – and what we may have learned, or failed to learn from history, please give us a call. You can write your own history story…or recount it to us, and we'll write it up for you.

And, since a good picture is often worth more than a thousand words, we'd LOVE to post some more pictures of people, places and things that will add to our appreciation of days gone by.

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Telephone (732) 928-6133   Fax: (732) 928-6136

e-mail: cthagberg@aol.com
WEBSITE: www.optimizeronline.com