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ACCESS TO LOCAL AND GLOBAL OPPORTUNITIES

CHAPTER BUSINESS

CENTURY CITY CHAPTER EXECUTIVE COMMITTEE MEMBER

Jeff Glassman

Moldo Davidson Fraioli Seror
Sestanovich, LLP

Partner – Attorney Corporate

Member Since: April 2008

Jeff Glassman, business attorney and partner at Los Angeles law firm Moldo, Davidson, Fraioli, Seror & Sestanovich, doesn't believe in limiting himself to wearing only a lawyer's hat. His clients include entrepreneurs and emerging growth companies, large manufacturing companies and Latino-owned and operated businesses. Glassman recently met with *clique* to discuss his firm and his experience in the legal community. [More...](#)

PHILADELPHIA CHAPTER EXECUTIVE COMMITTEE MEMBER

Sally Solis-Cohen

Vistage International

Regional Market Director – Consulting

Member Since: August 2007

Sally Solis-Cohen, Vistage International's Membership Development Executive, describes herself as a "matchmaker". A member of Business Forums International Philadelphia chapter, Solis-Cohen recently met with *clique* to discuss the CEO membership organization of Vistage and its impact in the business community. [More...](#)



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MEMBER NETWORKING



Holmes Osborne III – Holmes R. Osborne, III Inc.

Principal – Financial Services

Holmes Osborne, principal of Holmes R. Osborne, III Inc., not only preaches the importance of diversification, he practices it. He has branched out to become the owner and operator of his own Web site, www.stockroyalty.com, which focuses on pay-per-view interviews with top economists and hedge fund managers. Find out more about Osborne's diversification of talents and his investment philosophy. [More...](#)



Keith Fujishige – MacCorkle Insurance Service

Principal – Insurance Services

Insurance is probably not what comes to mind when thinking of the fast-paced world of Silicon Valley venture capital-based companies and its entrepreneurial stars. But Keith Fujishige, vice president of the San Mateo, California-based insurance broker MacCorkle Insurance Service, has thrived in this high-energy segment of the market. Read about Fujishige and his firm's flexibility in offering a variety of branded services and products. [More...](#)



Heather Mann – Aon Corporation

Senior Vice President – Insurance

With over 15 years of experience in the insurance industry, which includes expertise with D&O (Directors and Officers) and E&O (Errors and Omissions) insurance, Heather Mann, Senior Vice President at Aon Corporation, recently met with *clique* to discuss Aon and the Miami Business Forums. [More...](#)

p8

Exclusive
Referral
Pipeline

- Speakers
- Calendar
- The Golf Network
- New Member Growth
- Referrals

p15

In
The
Community

- *Look, Don't Touch* Holds No Ground at the Children's Museum of San Diego

p16

Member
Workshop

- Recommended Books/
Member Feedback
A selection of the industry's top business and informative publications
- New Member Recruitment
How to Invite the Right Guest

Networking Opportunities

"An ideal client would have at least \$500,000 of securities and be willing to have at least a portion of that invested in stocks. Furthermore, this client might have some concerns about the American economy, yet still want growth in their portfolio to outpace inflation. The portfolio that would be assembled for them would have investments that should do well in a down economy."

Holmes Osborne doesn't just preach the importance of diversification, he practices it.

After starting his own money management firm four years ago in Los Angeles, the Chartered Financial Analyst and former broker for Merrill Lynch & Co. has branched out to become the owner and operator of his own Web site, stockroyalty.com, which focuses on pay-per-view interviews with top economists and hedge fund managers, as well as a financial columnist and equity researcher who contributes regularly to various newsletters and magazines such as *Equities Magazine*, *The Motley Fool*, *Guru Focus*, and *Quality Stocks for Women*.

This diversification of his talents (and income) seems to be a natural extension of the kind of investment philosophy that Osborne applies to the value stock portfolios that he manages for clients, where he seeks to add growth through a variety of different investment plays.

With generally half a million dollars and above to invest, Osborne's clients are typically "retirees, professionals, people in the movie business, attorneys and doctors."

And they tend to share his concern over rising inflation in the U.S.

"I'm looking for a client who is a little bit worried about the American stock market but who still wants to get growth – doesn't want to take a whole lot

of risk, still wants to be in equities – but is looking for someone who's going to do a little something different and has the same philosophy," Osborne says. "They're concerned about the inflationary environment in the American markets."

He bases his outlook on inflation on the monetary policies of the Federal Reserve.

"I've been looking at the amount of money that the Federal Reserve has been putting into our economy, and every year the Federal Reserve puts more cash into our economy, and it's been growing at 6% a year on average for the last 10 years," Osborne says. "All this extra cash leads to inflation. You can either save more of your money or you can invest your money, but just be mindful that a dollar will purchase less in the future, as you know 10 years ago a dollar bought more than it does now with oil at \$130 a barrel."

Especially for the 80 million Baby Boomers who are retiring and looking to their investment portfolios to help sustain them through the next 20 or 30-plus years of life, that's a worrisome scenario and a reason to keep a portion of their portfolios in equities for at least some growth above and beyond inflation.

While low-cost index funds such as the ones offered by Vanguard have typically been a good choice for these investors over the past decade or so, Osborne says, the inflationary situation in the U.S. is going to eat away at the returns that such funds can offer.

continued on page 4

Holmes Osborne III, CFA
Holmes R. Osborne, III Inc.

Professional Category:
Principal – Financial Services

Member Since:
March 2008



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continued from page 3

“When you look at the blue chips like Coca-Cola and GE and other companies like that, the days of these companies making 11% or 12% a year – they’re done. If you can get 6% or 7% a year off these stocks going forward you’d be very fortunate.”

That’s not to say Osborne doesn’t own U.S. blue chips in his portfolios – he does – but to squeeze out more growth he says he has also turned his focus to smaller-cap value situations as well, where he can get to know the company management and understand the fundamentals of the business. In addition, Osborne has also been looking at activist situations at U.S. companies “where shareholders are kind of standing up against management and trying to make sure that they’re getting the best deal for them and the other shareholders.”

However, where Osborne feels he is adding the biggest growth potential to the portfolios he manages right now is through diversification into Asia, where the longer-term growth story, as anyone who follows investing now knows, has been far rosier.

“I’ve got investments in Hong Kong. I’ve got investments in companies that are doing a lot of business in Asia,” Osborne says. “I’ve got Tesco, which is opening up supermarkets all over Korea. I’ve got an old company called Jardine Matheson that’s building skyscrapers in China.”

He is quick to point out, though, that the Asian components of his portfolios aren’t in higher-risk small- and mid-cap equities.

“The companies that I’m investing in overseas, they’re not little companies, they’ve got multi-billion-dollar market caps, they’re established companies; I don’t think I have a company overseas that has a market cap of, let’s say, less than \$10 billion. So they’re all developed companies,” he says. “Some of these companies have been around for 100 years, we just haven’t heard about them because we’re so focused on what happens here in America.”

By applying his value-style of investing to U.S. equities and to big-cap companies overseas, particularly in Asia, Osborne looks to outdo a Vanguard-type index fund, which he says may bring six percent to seven percent in the coming years, with a return of somewhat closer to 9% to 10%, after accounting for his management fee of 1% to 1.5%.

“In the environment that we’re going into, if you can get 10 percent off of your equities, you’d be doing very well. And over a long period of time if you can outperform the S&P by a couple of percentage points that will have a big impact on your growth portfolio. It adds up over time.”

If you want to contact Holmes Osborne about Holmes Osborne, III and their services, call (310) 452-0910 or e-mail him at holmesosborne@holmesosborne.com.

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networking

OPPORTUNITIES