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Coping With Changing Environments

Maximization of Your Results, Staying Within Your Abilities and Not Stubbing Your Toes.

In an innovative approach, Chapman Spira and Carson has established an offsite evaluation and systems department for small to mid-sized companies. The purpose of this division is to provide management with all of the necessary tools to facilitate decision making in our ever-evolving business scene. The day of the local cabinetmaker who only had to concern himself with where to buy the best wood to build his product are over. We are overwhelmed with innovation, which allows today's business the ability of expanding beyond anything before dreamed possible or in the alternative falling prey to competitors that are not even visible.

Technological innovations such as the Internet have changed the way products are marketed. No longer is your only competition the guy next door. Today he can be across the continent and tomorrow he may reside half a globe away.

Banking has also altered its face as the era of dropping by the local office and refinancing the business over lunch has gone the way of the dinosaur. The financial business has become institutionalized and loans are made more by being a candidate that the computer recognizes as a good risk than good a good dining companion. Dealing with the banking community now requires new expertise totally contrary to the requirements of the past.

American industry has learned well from the Japanese, and we have taken their "just in time" inventory methodology and lowered the average amount of time that the product is kept on the shelf from a two month supply to that of one month. This has caused suppliers to look for less expensive and more exact ways of shipping

product, more centralized manufacturing facilities and alternative raw material suppliers.

The minimum wage has been raised recently and payroll expenses continue to climb. Unemployment has reached almost at historic lows while immigration has been cut off. Green cards are no longer issued by the Passport and Emigration Service upon request and the union movement has regained strength. Insurance costs have risen unmercifully and social security rates continue to climb. It would take a Ph.D. just to follow what is happening on a daily basis. It is not conceivable that a smaller business can do this and grow their business, the number of hours in a day has remained at a constant twenty-four.

The rules and perceptions regarding corporate reorganizations have changed dramatically over the last several years and the stigma of using the regulations covering these actions has literally evaporated. Many of the practices that historically were considered immoral are in today's climate considered "good business". All business has good and bad times. There are alternatives to cover the rough spots that were not viable just short years ago.

During the Republican years, many of the government agencies that were charged with aiding businesses had much of their funding diminished severely. The Clinton Administration has taken a 180-degree turn and resurrected many of the old programs while simultaneously aiding new ones. There are programs geared to assist all businesses, not just minorities. It is only a matter of knowing what they are and how to go about utilizing them. The states have also installed economic development programs that can be of great value to the entrepreneur if you just know where to find them.

Roll-ups have become the new Wall Street fad. A roll-up is simply the combination of a large number of small businesses within the same general business category for the purpose saving money through greater purchasing power, sharing general and administrative expense, keeping up with government regulations, analyzing current business trends and creating solid marketing plans to cope with the ever changing marketplace and ultimately to go public at a combined price earning ratio far higher than the local business would ever have received by itself. Car agencies, doctor's practices, franchised food takeout stores, hardware stores and funeral parlors are just a few of the recent "roll ups" that have "worked" for owners and investors alike.

The only way for many to survive would be the acquisition on other competitors so that you can receive the benefits of quantity discounts in materials and shipping. Centralized manufacturing and low tax and available labor areas are also important consideration. The quest for financing, location and acquisition is time consuming and an art form that takes a lifetime of experience.

These are some of the areas that our management experts cover. Let our people come in and make recommendations on everything from the ground up. We will also individualized management assistance on an ongoing basis for as long as it may be required under a number of unique plans.

Call us at your convenience.

