

## S-Curves in Finance, Business and Technology

Produced by The Kenos Circle on February 5-6, 2009 in the Parkhotel Schönbrunn.

**Please note: The lectures are delivered in English.**

Please contact the hotel directly for a room reservation:

Parkhotel Schönbrunn, Hietzinger Hauptstrasse 10-20, A-1130 Vienna.

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Early Registration (before January 1) EUR 750,-

Registration after January 1 EUR 1000,-

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E-mail: [angelika.voetsch-rosenauer@gmx.at](mailto:angelika.voetsch-rosenauer@gmx.at)

By Mail: Merit, Schottenring 17, 1010, Vienna Austria

**Registration for the conference ends February 1, 2009.**

Please note that capacity is limited. Your registration will be confirmed within 2 days by return fax or by e-mail.

**You may either receive an invoice or pay via bank transfer.**

**Payment must be made so that the amount reaches our account at least 14 days prior to the conference.** In case of cancellation, registrants will receive an immediate refund of the sum already deposited less a service fee of EUR 80,- if your written cancellation reaches us at least 2 weeks prior to the conference. After that and/or in the event of the registrant not attending the conference, there will be no refund. However, a registrant who cannot attend may designate a replacement participant at no extra charge.

## THE KENOS CIRCLE CONFERENCE 2009

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## S-Curves in Business, Finance, and Technology

Vienna, Austria  
February 5-6, 2009



The venue for the conference, the Parkhotel Schönbrunn, Vienna, Austria is located across from the historic Schönbrunn Palace, in the interesting and varied Hietzing area, near the Vienna Zoo.



Park Hotel Schönbrunn,  
Hietzinger Hauptstrasse  
10-20, A-1130  
Vienna, Austria

### The Kenos Circle (<http://www.kenos.at>)

The Kenos Circle was founded in Vienna in 2005. It is a society of professional academics, business practitioners, journalists and commercial consultants sharing a common interest in the concepts, tools, and methods of modern complexity science and management for understanding “the future”.

The name of the society is taken from the mythological South American God Kenos, creator of the world. The Kenos Circle aims to create many possible worlds of the future, and explore the relative likelihood of each of them coming to pass.

The society's goal is to provide information, insights, and methods to foresee and assess future events on all time scales, ranging from relatively short-term (months to a few years) shifts in cultural trends in popular fashion, music, and film to intermediate-term (several years) movements in political and economic activities, such as elections and demographic shifts, to long-term (decades) events such as the outbreak of wars and long-range economic and other trends.

## S-Curves Meeting Speakers

**Theodore Modis**—physicist, futurist, strategic analyst, and international consultant. In 1994 he founded Growth Dynamics, an organization specializing in strategic forecasting and management consulting. He employs cross-disciplinary techniques to analyze data and provide innovative answers to questions concerning the future with emphasis on market trends, business strategy, and change management.

**John Casti**—Senior Research Scholar at the Int'l Institute for Applied Systems Analysis (IIASA) and cofounder, The Kenos Circle. He has authored many technical monographs on complexity and computer simulation, as well as a number of popular-science expositions.

**Bill Sarubbi**—financial manager who has spent 14 years working in the Middle East, and has been operating his own money management and consulting service from Vienna since 2004. Sarubbi is noted for his work in applying the cyclical methodologies learned in the market to historical events and to industry analysis.

**Alain Debecker**—management science consultant since 1983. he founded Decision Engineering and Consulting Sàrl, Geneva, to build Business and Forecasting Models on customer requests. Currently, he utilizes Pentaho, the Commercial Open Source alternative for Business Intelligence (BI), and their Datamining product, WEKA.

**Cesare Marchetti**—Italian physicist and systems analyst noted for his path-breaking work in modeling long-run patterns of energy substitution, carbon dioxide sequestration, and the production of energy from hydrogen. As a senior scientist at the International Institute for Applied Systems Analysis (IIASA), in 1975 Marchetti developed the first mathematical models of the long-run pattern of energy substitution in industrial economies, i.e., from wood fuel, to coal, to petroleum, to primary electricity.

## S-Curves in Business, Finance, and Technology

### SUPPOSE, you could predict

- When the peak of oil production and its price will take place
- Where on the curve is the Internet
- The next major change in communication technology
- How the US dollar will fluctuate over the coming years
- The ups and downs of the global economy
- The growth potential of the US, European, and Chinese economies
- The peaks in popularity for major sports like basketball and football
- The next “big thing” in fashion
- When a country would be peaceful and when it would be beset with labor strikes, protests, demonstrations and war
- Future trends in energy consumption and industrial growth (the development of miracle drugs and the course of diseases like AIDS and tuberculosis)
- When the accelerating pace of change in our lives will ease
- How long you will live

### How much would this ability be worth to every person, firm, and government affected by such events?

The *S-Curves* conference of The Kenos Circle will present such forecasts, demonstrating the use of tools developed by researchers in the worlds of finance, political science, technology and mathematics over the past two decades for creating these types of predictions.

The internationally-renowned speakers at the conference will show how *S-curves* describe *all* growth processes where there is a limited resource available, and thus competition for that resource. Tools for identifying exactly where we currently sit on a given growth process allow us to forecast when that growth will “top out”. This information provides the basis for anticipating the next “big thing”, be it in business, popular culture, personal achievement, political ideology or war and peace.

## Program—Day 1:

8:45AM-9:00AM : John Casti,  
Opening remarks and introduction to the conference

9:00AM-10:15AM: Theodore Modis  
The future and how S-curves comes into the picture – (the US and Chinese economies)

10:15AM-10:45AM: Coffee Break

10:45AM-12:00PM: – Cesare Marchetti  
*A Personal Memoir*. Historical perspective of logistic curves and their uses

12:00PM-1:30PM: Lunch

1:30PM-2:45PM: – Bill Sarubbi  
Cycles perspective on the future: economy, markets and war?

2:45PM-3:00PM: Coffee Break

3:00PM-4:15PM: – John Casti  
Social mood and its impact on the stock market and other social events

4:15PM-4:30PM: Coffee Break

4:30PM-5:45PM: – Theodore Modis  
The energy picture and the price of oil

Evening Event: Cocktail Party



Stephansplatz  
at night

## Program—Day 2

8:45AM-10:00AM: – Cesare Marchetti  
S-Curves and ideas on the hydrogen economy (nuclear production, nuclear-waste disposal, etc.)

10:00AM-10:30AM: Coffee Break

10:30AM-11:15AM: Alain Debecker  
Money-making stories from using S-curve forecasts in industry

11:15AM-12:30PM: – John Casti  
Chaotic processes and the S-Curve

12:30PM-2:00PM: Lunch

2:00PM-3:15PM: – Theodore Modis -  
*A Second Lease on Life* and the dollar's decline

3:15PM-3:45PM: Coffee Break

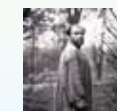
3:45PM-5:00PM: Discussion and closing remarks

### Points of interest



Birth place of  
Sigmund Freud  
(1856- 1939)

Mozart, Wolfgang Amadeus  
(1756 - 1791)



Klimt, Gustav (1862 - 1918)

Ludwig Wittgenstein  
(1889-04-26 - 1951-04-29)





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much income you would like to begin receiving from the assets. Finally, you determine whether you want the income amount or the income percentage to remain constant each year.

This last choice addresses the difference between the two kinds of charitable remainder trusts. An annuity trust pays you, year after year, the same dollar amount you choose at the start. A unitrust pays you, each year, a fixed percentage of the net fair market value of the trust's assets, which are revalued annually.

Which is better? Again, it's up to you. If you want to receive a predictable dollar amount regardless of any fluctuation in the trust investments, then choose an annuity trust. But, if you think the value of the trust assets is more likely to

increase than decrease over the years, a unitrust is for you.

Naturally, you would like the dollar or percentage figure for your trust to be as high as possible. This value is negotiable within limits. But keep in mind that under IRS rules your income tax charitable deduction is higher if you opt for a lower payout arrangement that lets you enjoy a larger tax savings at the start.

### Substantial Advantages

Both an annuity trust and a unitrust allow you an immediate charitable deduction.

Assuming you itemize your deductions, you can take a sizable federal income tax deduction in the year you establish your trust and carry over any excess for up to five years.

The deduction represents the present worth of the philanthropic organization's remainder interest as determined by U.S. Treasury tables.

Here are examples of the charitable deduction when \$100,000 is transferred to an annuity trust paying \$5,000 annually for life.\*

## Quiz on Lesson Five

Select the answer you believe is most nearly correct. You'll find the correct answers below.

1. A retirement plan that allows you a charitable deduction is
  - a. an IRA.
  - b. a 401(k) plan.
  - c. a unitrust.
2. A portion of the sum paid each year from a charitable gift annuity may be
  - a. tax free.
  - b. double taxed.
  - c. deferred.
3. To get a current tax deduction, your life income gift must be
  - a. revocable.
  - b. amendable.
  - c. irrevocable.
4. A charitable remainder annuity trust pays the beneficiary
  - a. a percentage of market value.
  - b. a fixed dollar amount.
  - c. its net income.
5. The greater the annual payout of a charitable remainder trust,
  - a. the greater the deduction.
  - b. the smaller the deduction.
  - c. the higher the capital gain.
6. You can get a current income tax charitable deduction for your home if you
  - a. deed it to a charitable organization.
  - b. will it to the IRS.
  - c. move out now.
7. Your most important reward from a life income gift is
  - a. a tax deduction.
  - b. increasing your income.
  - c. the joy of helping others.

Answers to Quiz on Lesson Five: 1. c; 2. a; 3. c; 4. b; 5. b; 6. a; 7. c

The information in this publication is not intended as legal advice. For legal advice, please consult an attorney. Figures cited in examples are based on current rates at the time of printing and are subject to change. References to estate and income tax include federal taxes only; individual state taxes may further impact results.



LESSON  
five



**Los Angeles Mission**  
303 East 5th Street  
Los Angeles, CA 90013  
Tel: (213) 629-1227

# Creative Estate Planning Course

## Lesson Five—How to Boost Income and Cut Taxes Now

One in a series of lessons designed to help you understand the benefits of smart estate and gift planning

**M**any people underestimate the extent of their wealth. Without an inventory of your assets and personal property you may not realize how much you have to give away. Your children may no longer need as much financial help as you are capable of giving. Perhaps there are charitable causes you would like to support in order to leave a legacy and perpetuate your values.

You could, of course, put a bequest in your will. There are other ways, however, to make contributions that promise lifetime benefits.

You can actually increase your income and reduce your taxes by making a life income gift. The recipient of your benevolence can't use your contribution now, but after your lifetime the organization will receive a welcome sum for its important work. This kind of gift is sometimes called a charitable remainder gift because the organization's use of the money or property is deferred and will consist only of what remains after your lifetime.

In addition to generous benefits from an increased income and reduced income taxes, you receive other valuable benefits from a life income gift, including these:

- income, if desired, for a surviving spouse or other beneficiary;
- a way to diversify appreciated assets;
- reduced investment worries;
- potential estate tax savings.

### Uncle Sam Sets the Ground Rules

In order to secure current income tax benefits from a life income gift, you must observe strict IRS rules.

If the remainder interest is in a trust, you are not allowed an income tax deduction now unless the trust is one of two types: an annuity trust or a unitrust.

Other tax deductible life income gifts are available without requiring a trust, such as a charitable gift annuity or an irrevocable assignment of a future interest in, for example, a personal residence, farm or vacation home.

In this lesson, you'll discover how you can take advantage of these attractive plans without getting lost in the regulatory maze.

### How You Can Benefit From an Annuity Trust Or Unitrust

When you create a charitable remainder trust, you establish a gift in the future to your preferred charitable

organization. In return, you receive an income for life and an immediate and valuable income tax deduction.

Example: Martha transfers securities to a trustee who agrees to pay her an income for as long as she lives. These payments are either a fixed amount of money or a fixed percentage of the annually determined value of the assets, whichever she chooses at the outset. On her death, the remaining principal is payable to the organization she has chosen.

You can fund the trust with cash or just about any other asset you wish, subject to the trustee's willingness to accept it. Moreover, you can increase your income by funding the trust with appreciated property that now yields a low return. You do this by arranging for a payout that assures you a higher level of income.

If you sold the property you would generally pay up to 15 percent federal tax on the capital gain. But the transfer to a charitable remainder trust escapes this tax.

### How These Trusts Work for You

You determine how you want your life income trust to work.

First, you decide how much to put into the trust. Next, you consider how



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## PARKHOTEL SCHOENBRUNN

The venue for the conference will be the Parkhotel Schoenbrunn, Vienna, Austria. Located across from the historic Schoenbrunn Palace, in the interesting and varied Hietzing area, and nearby the Vienna Zoo. Visitors will have the weekend following the conference free to visit Vienna.



Parkhotel Schoenbrunn,  
Vienna, Austria.

° Yes, I want the latest information about the future and wish to order \_\_\_\_ tickets\* (EUR 1000) for the two-day seminar "Predictive Analytics: Cycles And Patterns In Business And Finance" of the The Kenos Circle on 8th and 9th November 2007 in the Parkhotel Schoenbrunn.

Please note: The lectures are delivered in English.

If you require German translation, kindly check here: \_\_\_\_

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Registration EUR

1000,-

Students EUR

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10,000,-

\*1 Company logo included in conference promotion plus 5 entrance tickets.

\*2 Company logo included in the conference promotion, 10 entrance tickets, plus a 1 year membership to the FSC.

° Please send information about the Kenos Circle and The Foundation for The Study of Cycles.

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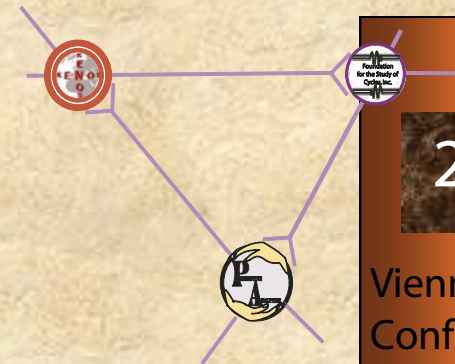
Angelika Voetsch-Rosenauer: Tel: + 43 -1-317-3500

E-mail: [igelak@gmx.at](mailto:igelak@gmx.at)

# Predictive Analytics

## CYCLES AND PATTERNS

## IN BUSINESS AND FINANCE



2007

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Conference  
November 8-9,  
2007

Park Hotel  
Schoenbrunn  
Hietzinger  
Hauptstrasse  
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"A reasonable probability is the only certainty."

-Edgar Watson Howe



Predictive Analytics  
is a follow -up to  
the successful  
Oil Puzzle  
Conference



# PREDICTIVE

## Beyond Fortunetelling

Real-time information is now a commodity. Small companies process data as fast as large companies, while decision makers communicate over broadband networks as if they were in the same office. Sheer speed isn't the advantage it once was. The future lies in the ability to forecast the direction of trends, and then to make informed decisions based on that assessment. Predictive analytics, the scientific name for using a data warehouse as a crystal ball, is where business intelligence is going. It involves running historical data through mathematical algorithms to identify trends and patterns and predict future outcomes. The ability to make such educated guesses is the key to anticipating future trends. The main ingredients are business data, mathematical algorithms, and forecasting models

As we are going through the various phases of a cyclical pattern it becomes crucial to adapt our behavior to each phase. As Machiavelli put it, "He who acts according to the spirit of the times will be successful." The challenge is to identify where one is on the curve and then to act in consequence.

## The speakers will address:

### Global Trends

**China**-when will spectacular growth level off?

**Energy**-Oil prices at \$20, \$200, or without oil altogether?

**Interest Rates**- When will the rate slide end?

**The economy**- Accelerating or slowing?

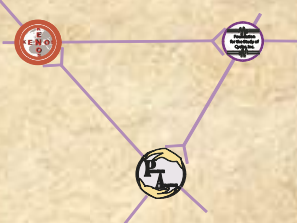
**Gold**- Barbaric relic or viable investment?

**The East/West Swing**- How far east will economic growth swing?

**Equity markets**- Will the bull market continue?

**Commodity markets**- Can this bull market peacefully co-exist with the equity bull market?

**Kondratieff Wave**- Expansion or contraction?



## Four Speakers Describe Methodologies and Make Projections:

- **Dr. John Casti**, Founder of the Kenos Circles. Professor of system theory and formerly researcher in complexity science at the Santa Fe Institute and currently a Senior Research Scholar at the International Institute for Applied Systems Analysis in Vienna. Author of many technical monographs on complexity and computer simulation, as well as a number of popular-science expositions on the subject, including *Paradigms Lost*, *Would-Be Worlds*, and *Complexification*.
- **Dr. Theodore Modis**, is a physicist, futurist, strategic analyst, and international consultant. He is author/co-author to about 100 articles in scientific and business journals and six books including *Predictions and Conquering Uncertainty*, and holds a Masters in Electrical Engineering and a Ph.D. in Physics, both from Columbia University, New York.
- **Richard Moge**y, former Executive Director of the Foundation for the Study of Cycles (FSC), current board member of FSC, Creator of the TechSignal predictive software.
- **William P. Sarubbi**, Fund Manager, Market strategist, has utilized predictive analytics for 30 years, current board member of FSC and fellow of the Kenos Circle.

Day 1	Day 2
<b>Mogey</b> <ul style="list-style-type: none"> <li>Measuring and Detecting Cycles</li> </ul>	<b>Mogey</b> <ul style="list-style-type: none"> <li>Cycle Synchronies</li> </ul>
<b>Sarubbi</b> <ul style="list-style-type: none"> <li>Predicting with Cycles, Part 1: Stocks, Industrial Production, Rates</li> </ul>	<b>Sarubbi</b> <ul style="list-style-type: none"> <li>Predicting with Cycles, Part 2: Gold, Copper, Oil, Inflation</li> </ul>
<b>Modis</b> <ul style="list-style-type: none"> <li>China and US Projections, Future Energy Mix, Part 1</li> </ul>	<b>Modis</b> <ul style="list-style-type: none"> <li>China and US Projections, Future Energy Mix, Part 2</li> </ul>
<b>Casti</b> <ul style="list-style-type: none"> <li>Socionomic Measures of Current and Future Society</li> </ul>	<b>Casti</b> <ul style="list-style-type: none"> <li>Roundtable Q&amp;A: Projections for Decade</li> </ul>

# ANALYTICS



**The Kenos Circle** (<http://www.kenos.at/>) was founded in Vienna in 2005. The Kenos Circle is a

society of professional academics, business theorists, and commercial consultants sharing a common interest in the concepts, tools, and methods of modern complexity science and management for understanding "the future". The name of the society is taken from the mythological South American god Kenos, creator of the world. The Kenos Circle aims to create many possible worlds of the future, and explore the relative likelihood of each of them coming to pass. The society's goal is to provide information, insights, and methods to foresee and assess future events on all time scales, ranging from relatively short-term (months to a few years) shifts in cultural trends in popular fashion, music, and film to intermediate-term (several years) movements in political and economic activities, such as elections and demographic shifts, to long-term (decades) events such as the outbreak of wars and long-range economic and financial trends.

## Foundation for the Study of Cycles, Inc.

### The Foundation for the Study of Cycles

<http://www.foundationforthestudyofcycles.org/>

was founded in 1940 by Ed Dewey. For more than 60 years, the Foundation has been cataloguing cycles in many phenomena. The FSC is based in Albuquerque, New Mexico, USA. The [Foundation for the Study of Cycles, Inc.](#), is an international research and educational institution established in 1941 as a nonprofit corporation. The Foundation is dedicated to the interdisciplinary study of recurring patterns in the physical world, including the economy, the natural and social sciences, and the arts. Dewey was a Harvard economist who had identified a number of cycles in the U.S. economy. In 1940, he learned of a 1931 Canadian conference on biological cycles. Under the guidance of Dewey and the conference leader, Copley Amory, the conference's [Permanent Committee](#) was reorganized into the Foundation for the Study of Cycles, and its scope was enlarged to encompass all disciplines. In 1941, the Foundation was incorporated with nonprofit status. It became a membership organization in 1943 to allow individuals to become affiliated with its research projects. In 2006, offices were opened in Albuquerque, New Mexico. Today, the Foundation has more than 2,500 members in 42 countries.



# *37 Things People “Know” About Wills....That Aren’t Really So*

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One of the most important documents you will ever make is a Will – your last chance to remember loved ones and make sure your assets are distributed as you want. Then why is it that more than 50% of individuals die without a Will or even a simple estate plan?

- Perhaps the reason so many people do not have a Will is based on a lack of knowledge. But, it may be that lack of knowledge is not the problem at all.

- The real problem could be that people believe they know “facts” that simply aren’t true.
- In our FREE booklet, “37 Things People “Know” About Wills,”...That Aren’t Really So,” we examine a number of common sense ideas and opinions about Wills that are often wrong and attempt to shed light on these myths and misconceptions.





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☐ I have already made provisions for The Salvation Army in my estate plans.

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☐ I would like to include **The Salvation Army** in my will or Trust arrangement.

Visit our website at **www.uss.salvationarmy.org** for additional information on planning your Will.

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# HIDDEN PLEASURES, HIDDEN TREASURES

A MEMOIR FROM ANOTHER LIFE

**JULIET C. VERDI**

THE WAVES OF CHANGE OILS ON LINEN 22" x28"

**The Ethan Huang Gallery** cordially invites you  
to a wine reception featuring Juliet C. Verdi's  
"Hidden Pleasures, Hidden Treasures"

Date: January 17, 2004 Time: 6:00 pm to 9:00pm

Place: Ethan Huang Gallery Phone: 301-986-4860

Address: 4918 Ferment Avenue, Bethesda, MD. .20814



Playing MahJongg in Nanking

Oils on Linen 22" X 28"

## Artist's Biography

Juliet C. Verdi worked as a fine artist, sculptor and designer in New York City and as a sculptor at the Washington Cathedral. She moved to Taiwan in 1987 where she continued to work as a designer, sculptor, painter and writer.

Through her work she had the opportunity to live and travel in China, Malaysia, The Philippines, Singapore and Thailand. She came back to the U.S.A. in 1997.

"Hidden Pleasures, Hidden Treasures" are the fond memoirs of people and places representing a decade of the artist's life vividly painted in oils.



# What Taxes Apply to Your Estate?

When you write your Will, you need to consider the taxes that might be levied on your estate after your death. We will deal solely with federal taxes; know, however, that your state also has taxes it will impose.

The *estate tax* is an excise tax on your right to pass your holdings to someone else after your death. It is assessed on the fair market value of what you own at your death, with certain exceptions. The tax applies only to taxable estates larger than \$1.5 million (in 2005).

There are several ways you may reduce the taxation of your estate. The *marital deduction* is a superb tool for lowering or eliminating estate taxes. It allows you and your spouse to make unlimited, tax-free transfers of assets to each other, either during your lifetime or at your death.

You may also reduce your estate taxes by *making charitable gifts* through your Will. Charitable contributions reduce your taxable estate, dollar for dollar. You may use your Will to make outright gifts of money, securities or property, or — as we mentioned earlier — you may use it to establish trusts.

*This publication is designed to provide accurate information in regard to the subject matter covered. The information is offered with the understanding that the publisher, editors and contributors are not — insofar as this publication is concerned — engaged in rendering legal, accounting or other professional service. Therefore, the contents should not be applied as legal or financial advice. If legal service or other expert assistance is required, the services of a competent professional should be sought. All examples are for illustrative purposes only and are based on the IRS tables and regulations in effect at the time of printing.*

# Frequently Asked Questions about Wills

- Who can make a Will?** Anyone over 18 who is of sound mind.
- Who should make a Will?** Everyone should have a Will, regardless of the size of the estate.
- Can a Will be revoked once made?** Yes, at any time by destroying the document or writing a new Will that expressly revokes the old.
- Can you say anything you want in a Will?** Yes, as long as it's true. But unkind statements about surviving individuals or institutions could result in your estate's being sued for libel. Consequently, your lawyer will advise against making such statements in your Will.
- Can you choose who will take care of your children?** Generally, yes. In your Will, you may specify not only a guardian for your children, but also how their inheritance must be handled (e.g., in a trust). The guardian you select will have custody of your minor children unless changed circumstances make him/her unsuitable in the eyes of the court.
- Do you have to leave your property to your family?** Basically, you can leave your assets to anyone you please. Most states, however, will not allow you to disinherit your spouse, and at least one state monitors the extent to which you can disinherit your children.
- Do you and your spouse both need Wills?** Definitely.
- Can your Will expire?** No. However, it should be reviewed periodically — at least every five years — to make certain it still reflects your desires and still is efficient under state and federal tax laws.



## The Importance of a Will in Your Estate Plan



Los Angeles Mission  
303 East 5th Street  
Los Angeles, CA 90013  
Tel: (213) 629-1227

You have the right to decide who receives your estate after your death. The vehicle used to accomplish this is a Will. This issue of the newsletter will provide an overview of Wills: what information should be included, some of the benefits of having a Will, the taxation you can expect on your estate, and more.

For more information, or to receive a free booklet on this newsletter topic, please use the enclosed reply envelope or contact:

# THE KENOS CIRCLE CONFERENCE 2009

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## S-Curves in Business, Finance, and Technology

Vienna, Austria  
February 5-6, 2009



The venue for the conference, the Parkhotel Schönbrunn, Vienna, Austria is located across from the historic Schönbrunn Palace, in the interesting and varied Hietzing area, near the Vienna Zoo.



Park Hotel Schönbrunn,  
Hietzinger Hauptstrasse  
10-20, A-1130  
Vienna, Austria

### The Kenos Circle (<http://www.kenos.at>)

The Kenos Circle was founded in Vienna in 2005. It is a society of professional academics, business practitioners, journalists and commercial consultants sharing a common interest in the concepts, tools, and methods of modern complexity science and management for understanding “the future”.

The name of the society is taken from the mythological South American God Kenos, creator of the world. The Kenos Circle aims to create many possible worlds of the future, and explore the relative likelihood of each of them coming to pass.

The society’s goal is to provide information, insights, and methods to foresee and assess future events on all time scales, ranging from relatively short-term (months to a few years) shifts in cultural trends in popular fashion, music, and film to intermediate-term (several years) movements in political and economic activities, such as elections and demographic shifts, to long-term (decades) events such as the outbreak of wars and long-range economic and other trends.



## S-Curves Meeting Speakers

**Theodore Modis**—physicist, futurist, strategic analyst, and international consultant. In 1994 he founded Growth Dynamics, an organization specializing in strategic forecasting and management consulting. He employs cross-disciplinary techniques to analyze data and provide innovative answers to questions concerning the future with emphasis on market trends, business strategy, and change management.

**John Casti**—Senior Research Scholar at the Int'l Institute for Applied Systems Analysis (IIASA) and cofounder, The Kenos Circle. He has authored many technical monographs on complexity and computer simulation, as well as a number of popular-science expositions.

**Bill Sarubbi**—financial manager who has spent 14 years working in the Middle East, and has been operating his own money management and consulting service from Vienna since 2004. Sarubbi is noted for his work in applying the cyclical methodologies learned in the market to historical events and to industry analysis.

**Alain Debecker**—management science consultant since 1983. He founded Decision Engineering and Consulting Sàrl, Geneva, to build Business and Forecasting Models on customer requests. Currently, he utilizes Pentaho, the Commercial Open Source alternative for Business Intelligence (BI), and their Datamining product, WEKA.

**Cesare Marchetti**—Italian physicist and systems analyst noted for his path-breaking work in modeling long-run patterns of energy substitution, carbon dioxide sequestration, and the production of energy from hydrogen. As a senior scientist at the International Institute for Applied Systems Analysis (IIASA), in 1975 Marchetti developed the first mathematical models of the long-run pattern of energy substitution in industrial economies, i.e., from wood fuel, to coal, to petroleum, to primary electricity.

## S-Curves in Business, Finance, and Technology

### SUPPOSE, you could predict

- When the peak of oil production and its price will take place
- Where on the curve is the Internet
- The next major change in communication technology
- How the US dollar will fluctuate over the coming years
- The ups and downs of the global economy
- The growth potential of the US, European, and Chinese economies
- The peaks in popularity for major sports like basketball and football
- The next “big thing” in fashion
- When a country would be peaceful and when it would be beset with labor strikes, protests, demonstrations and war
- Future trends in energy consumption and industrial growth (the development of miracle drugs and the course of diseases like AIDS and tuberculosis)
- When the accelerating pace of change in our lives will ease
- How long you will live

### How much would this ability be worth to every person, firm, and government affected by such events?

The S-Curves conference of The Kenos Circle will present such forecasts, demonstrating the use of tools developed by researchers in the worlds of finance, political science, technology and mathematics over the past two decades for creating these types of predictions.

The internationally-renowned speakers at the conference will show how S-curves describe all growth processes where there is a limited resource available, and thus competition for that resource. Tools for identifying exactly where we currently sit on a given growth process allow us to forecast when that growth will “top out”. This information provides the basis for anticipating the next “big thing”, be it in business, popular culture, personal achievement, political ideology or war and peace.

## Program—Day 1:

8:45AM-9:00AM : John Casti,  
*Opening remarks and introduction to the conference*

9:00AM-10:15AM: Theodore Modis,  
*The future and how S-curves comes into the picture, (the US and Chinese economies)*

10:15AM-10:45AM: Coffee Break

10:45AM-12:00PM: Cesare Marchetti,  
*A Personal Memoir. Historical perspective of logistic curves and their uses*

12:00PM-1:30PM: Lunch

1:30PM-2:45PM: Bill Sarubbi,  
*Cycles perspective on the future: economy, markets and war?*

2:45PM-3:00PM: Coffee Break

3:15PM-4:15PM: John Casti,  
*Social mood and its impact on the stock market and other social events*

4:15PM-4:30PM: Coffee Break

4:30PM-5:45PM: Theodore Modis,  
*The energy picture and the price of oil*

Evening Event: Cocktail Party



At night a stroll on the Stephansplatz is always entertaining

## Program—Day 2

8:45AM-10:00AM: Cesare Marchetti,  
*S-Curves and ideas on the hydrogen economy (nuclear production, nuclear-waste disposal, etc.)*

10:00AM-10:30AM: Coffee Break

10:30AM-11:15AM: Alain Debecker,  
*Money-making stories from using S-curve forecasts in industry*

11:15AM-12:30PM: – John Casti,  
*Chaotic processes and the S-Curve*

12:30PM-2:00PM: Lunch

2:00PM-3:15PM: Theodore Modis,  
*A Second Lease on Life and the dollar's decline*

3:15PM-3:45PM: Coffee Break

3:45PM-5:00PM: Discussion and closing remarks

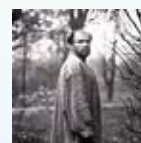
### **Points of interest**

#### **Birth place of**



Sigmund Freud  
(1856- 1939)

Mozart, Wolfgang Amadeus  
(1756 - 1791)



Klimt, Gustav (1862 - 1918)

Ludwig Wittgenstein  
(1889-1951)





## **S-Curves in Finance, Business and Technology**

Produced by The Kenos Circle on February 5-6, 2009 in the Parkhotel Schönbrunn.

**Please note: The lectures are delivered in English.**

Please contact the hotel directly for a room reservation:

Parkhotel Schönbrunn, Hietzinger Hauptstrasse 10-20, A-1130 Vienna.

Phone: +43 (1) 87 804 | Fax: +43 (1) 87 804-3220

E-mail [parkhotel.schoenbrunn@austria-trend.at](mailto:parkhotel.schoenbrunn@austria-trend.at)

Website: <http://www.austria-trend.at/paw/>

Early Registration (before January 1) (EU) 750,-

Registration after January 1 (EU) 1000,-

Students (EU) 250,-

Company Sponsors\*1 (EU) 5000,-

Patron\*2 (EU) 7500,-

\*1 Company logo included in conference promotion plus 5 entrance tickets.

\*2 Company logo included in the conference promotion, 10 entrance tickets.

**Please send me information about the Kenos Circle.**

**Name:** \_\_\_\_\_

Occupation/Function:

Firm/Industry:

Address/ZIP Code:

Telephone/Fax:

Email:

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Please completely fill out the answer fax and send it to:

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For further information please phone:

Angelika Voetsch-Rosenauer: Tel: + 43-1-317-3500 (only for payment enquiries)

or send an E-mail to: [angelika.voetsch-rosenauer@gmx.at](mailto:angelika.voetsch-rosenauer@gmx.at)

By Mail: Merit, Schottenring 17, 1010, Vienna Austria

**Registration for the conference ends February 1, 2009.**

Please note that capacity is limited. Your registration will be confirmed within 2 days by return fax or by e-mail.

**You may either receive an invoice or pay via bank transfer.**

**Payment must be made so that the amount reaches our account at least 14 days prior to the conference.** In case of cancellation, registrants will receive an immediate refund of the sum already deposited less a service fee of (EU) 80,- if your written cancellation reaches us at least 2 weeks prior to the conference. After that and/or in the event of the registrant not attending the conference, there will be no refund. However, a registrant who cannot attend may designate a replacement participant at no extra charge.

**Planetary Economic Forecasting**  
Revised Second Edition

**New: 200-Year Study of Inflation & Interest Rates,  
Plus the Development of Economic Thought  
by Bill Meridian**

Economic forecasting through the use of planetary cycles comes of age with the publication of this book. Planetary cycles have been analyzed in two ways.

First, quantitative cycles have been computed based upon 200 years of American industrial production data. This unique data series became available in 1963, and has been maintained by the author since that time.

The secondary analysis qualitative - through observing commercial cycles, recessions, and booms in each individual and specific cycle are presented. Each cycle has been classified from 1800. Some of the results are contrary to conventional assumptions.

The major results are:

- The lag time through the Kuznets cycle has been the most precise cycle for forecasting changes in production.

- The longer Kuznets cycle has been one of the least accurate cycles for forecasting production.

- Jupiter-Saturn conjunctions and oppositions divided into long-term and short.

- Saturn 120 degrees from Neptune brings economic crises.

Planetary Economic Forecasting offers unique perspective to the future. Discover when the next Jupiter is likely to crop.

Bill Meridian has been pioneering planetary forecasting for financial markets since the 1970s. He authored Planetary Stock Trading, now in its 4th edition. This book introduced the concept of the first track chart. He has designed and developed software for financial economic analysis of financial markets.

For more information visit:



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BILL MERIDIAN PLANETARY ECONOMIC FORECASTING Revised Second Edition

**Bill Meridian's**

# **Planetary Economic Forecasting**

**Revised Second Edition**

**New: 200-Year Study of Inflation & Interest Rates,  
Plus the Development of Economic Thought**

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## PREDICTIVE ANALYTICS

Cycles and Patterns In Business & Finance

## 2007 Vienna Conference, November 8-9, 2007

Park Hotel Schoenbrunn, Hietzinger Hauptstrasse 10-20, A-1130, Vienna, Austria

Sponsors  
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The Foundation

### • Dr. John Casti,

Founder of the Kenos Circle. Professor of system theory and former researcher in complexity science at the Santa Fe Institute.

### • Dr. Theodore Modis,

A physicist, futurist, strategic analyst, and international consultant.

### • Richard Moge,

Former Executive Director of the Foundation for the Study of Cycles (FSC), current board member of FSC.

### • William P. Sarubbi,

Fund Manager, Market strategist, has utilized predictive analytics for 30 years, current board member of FSC and fellow of the Kenos Circle.

### The speakers will address:

#### Global Trends

**China**- When will spectacular growth level off?

**Energy**- Oil prices at \$20, \$200, or without oil altogether?

**Interest Rates**- When will the rate slide end?

**The economy**- Accelerating or slowing?

**Gold**- Barbaric relic or viable investment?

**The East/West Swing**- How far east will economic growth swing?

**Equity markets**- Will the bull market continue?

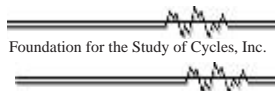
**Commodity markets**- Can this bull market peacefully co-exist with the equity bull market?



### The Kenos Circle

(<http://www.kenos.at/>) was founded in Vienna in 2005. The Kenos Circle is a society of professional academics, business theorists, and commercial

consultants sharing a common interest in the concepts, tools, and methods of modern complexity science and management for understanding "the future".



Foundation for the Study of Cycles, Inc.

### The Foundation for the Study of Cycles

<http://www.foundationforthestudyofcycles.org/> was founded in 1940 by Ed Dewey. For more than 60 years, the Foundation has been cataloguing cycles in many phenomena.

° **Yes, I want the latest information about the future and wish to order \_\_\_\_\_ Tickets\* (EUR 1000)** for the two-day seminar "Predictive Analytics: Cycles and Patterns In Business And Finance" of the The Kenos Circle on 8th and 9th.

**Please note:** The lectures are delivered in English.

If you require German translation, kindly check here: \_\_\_\_\_

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**E-mail:** [parkhotel.schoenbrunn@austria-trend.at](mailto:parkhotel.schoenbrunn@austria-trend.at)

**Website:** <http://www.austria-trend.at/paw/>

**Registration** **EUR 1000,-**

**Students** **EUR 250,-**

**Company Sponsors** **EUR 5000,-**

**Patron** **EUR 10,000-**

Please completely fill out the answer fax and send it to:

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**For further information please phone:**

**Angleika Voetsch-Rosenauer: Tel: + 43-1-317-3500**

**E-mail:** [igelak@gmx.at](mailto:igelak@gmx.at)

**By Mail: Merit, Schottenning 17, Vienna, 1010, Austria**

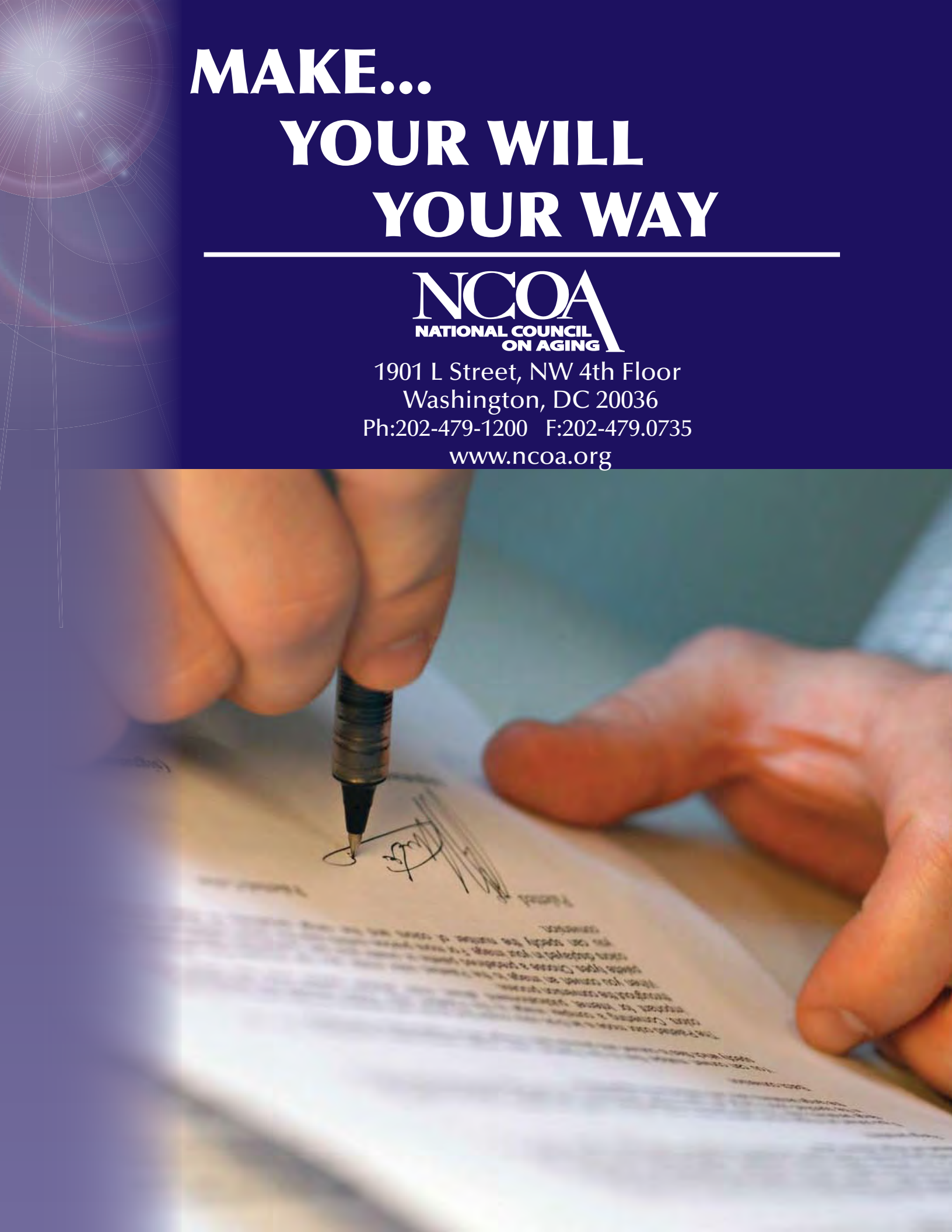


# MAKE... YOUR WILL YOUR WAY

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**NCOA**  
NATIONAL COUNCIL  
ON AGING

1901 L Street, NW 4th Floor  
Washington, DC 20036  
Ph:202-479-1200 F:202-479.0735  
[www.ncoa.org](http://www.ncoa.org)



## Make...Your Will Your Way

---

General bequests, of course, are not the only way you can make gifts to the *NCOA*. You can make a specific bequest of a work of art, for instance, or shares of stock.

You can also make a charitable bequest of all or part of your residuary estate, or name the *NCOA* as an alternate beneficiary if your primary beneficiary predeceases you.

### DYING WITHOUT A WILL.

---



Each state has its own intestacy laws that direct exactly how and where your assets will go if you die without a Will. Sometimes this is not too different from what you would have wanted anyway. More often, however, the chance that you want precisely what the state prescribes is slim.

For example, many married couples prefer that at the death of the first spouse, everything goes to the survivor. Under the intestacy laws of some states, though, if there are any children, the estate automatically passes partly to the surviving spouse and partly to the children. If any of the children are minors, a guardian sometimes has to be appointed and the money held in

## Make...Your Will Your Way

---

a special account until the child reaches the age of 18 or 21. This can be an administrative burden and create unnecessary expenses for your estate.



Not having a Will can also cause problems for the estate of a single person — including widows, widowers and divorced people. In many states, if you die unmarried without a Will and without children, your estate passes entirely to your parents — if either one is still living — or to your brothers and sisters. Close friends, companions and other relatives will probably not share in your estate.





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- **TANGIBLE PERSONAL PROPERTY.** You can specify who is to receive what articles of your furniture, automobiles, jewelry, books and other items classified as “tangible personal property;” or you can deal with this class of property as a whole, and authorize your executor to divide it among specified beneficiaries.
- **SPECIAL PROVISIONS FOR RESIDENCE OR OTHER REAL ESTATE.** You may wish to arrange in your Will to leave your residence or other real estate in a special manner.
- **CASH BEQUESTS.** You may wish to leave cash amounts to friends, family members or favorite charities like NCOA.
- **THE RESIDUE OF YOUR ESTATE.** Generally the most important part of your Will, this specifies how the rest of your assets are to pass at your death. Here, tax considerations can play a major part in your decision if your estate is large enough to be subject to estate taxation.
- **TRUST PROVISIONS.** Trust provisions for beneficiaries who are minors are particularly important. Without them, property left to minors must be managed by a guardian. Guardianship is generally a cumbersome and expensive procedure, requiring court approval and supervision, and the posting of bonds. Trusts can be used in a similar fashion to care for beneficiaries who are - or who you expect may become - incapacitated due to illness or age.
- **DISINHERITANCE.** In most states, you cannot totally disinherit your spouse. In some states, a surviving spouse can renounce the Will and take instead a statutory share of the estate - generally one-third. Your lawyer can advise you.

- **TRUSTEES.** In most modern Wills, trustees are selected carefully and then given broad administrative and management powers.



## BEQUEST LANGUAGE

We are indeed grateful for your continuing financial support of NCOA.

Through your will, you provide direction for the distribution of your earthly possessions. After providing for loved ones, you can distribute the remainder to causes you care about like NCOA.

Because of your meaningful commitment to us, we respectfully invite you to include NCOA, as part of your estate plan.

We have a special “**Financial and Personal Property Record**” brochure that can assist you in completing your plans. We would like to send this to you without cost or obligation. Please call us or return the enclosed card.

In response to many inquiries, we are pleased to provide sample bequest language for your use that you may review by going to our website at [www.ncoa.org](http://www.ncoa.org).

Visit our website at  
**[www.ncoa.org](http://www.ncoa.org)**  
 for additional information.

# FREQUENTLY ASKED QUESTIONS ABOUT WILLS

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[www.ncoa.org](http://www.ncoa.org)



**W**hat would you like to know about Wills? You probably have the same questions other Americans have. To many, the prospect of preparing a Will is intimidating. It really shouldn't be. We're going to present some basic information about Wills, by answering the questions attorneys hear most often. We hope this will help you when you do visit your legal advisor.

**WHY DO YOU NEED A WILL?** If you die without a Will, the laws of your state will distribute your property in the manner the state deems fit... whether or not the laws coincide with your wishes.

**WHO CAN MAKE A WILL?** Anyone over 18 who is of sound mind.

**WHO SHOULD MAKE A WILL?** Everyone should have a Will, regardless of the size of the estate.

**DO YOU AND YOUR SPOUSE BOTH NEED WILLS?** Definitely.

**HOW MUCH WILL IT COST TO WRITE YOUR WILL?** The cost depends upon the amount of research your lawyer has to do. If you have compiled a list of your assets, debts and beneficiaries before you visit your lawyer, you'll save money. Return the enclosed card to receive your FREE copy of "Financial and Personal Property Record."

**CAN YOU SAY ANYTHING YOU WANT IN A WILL?** Yes, as long as it's true. Unkind statements about surviving individuals or institutions, however, could result in your estate's being sued for libel. Consequently, your lawyer will advise

against making such comments in your Will.

**DO YOU HAVE TO LEAVE YOUR PROPERTY TO YOUR FAMILY?** Generally speaking, you can leave your assets to anyone you please. Most states, however, will not allow you to disinherit your spouse, and at least one state monitors the extent to which you can disinherit your children. Your lawyer will be able to apprise you of the applicable laws in your state.

**CAN YOU CHOOSE WHO WILL TAKE CARE OF YOUR CHILDREN?** Generally, yes. In your Will, you may specify not only a guardian for your children, but also how their inheritance must be handled (e.g., in a trust). The guardian you select will have custody of your minor children unless changed circumstances make him/her unsuitable in the eyes of the court.

**CAN YOU MAKE CHARITABLE GIFTS IN YOUR WILL?** Yes, quite easily. You may make charitable gifts outright or through several types of testamentary trusts. When you make a charitable gift in this manner, your estate can realize some excellent tax breaks. When you make charitable gifts during your lifetime, the income tax laws restrict the amount of charitable deduction you may claim in any one year. In contrast, there is no ceiling on the estate tax deduction for charitable gifts made under your Will.

**CAN A WILL BE REVOKED ONCE MADE?** Yes, at any time by destroying the original document or writing a new Will that expressly revokes the old.

**CAN YOUR WILL EXPIRE?** No. However, it should be reviewed periodically at least every five years to make certain it still reflects your

desires and it still is efficient under state and federal tax laws. This is especially important if you have moved to another state or if your marital or financial situations have changed.

**HOW WILL THEY KNOW THE WILL IS YOURS?** Generally, your Will must be in writing, and you must sign it. If you are incapable of signing, you may direct someone to sign it on your behalf in your presence. You will need at least two, possibly three, disinterested witnesses to your signing, depending upon state law. Unwitnessed Wills that are entirely in the handwriting of the testator are valid in some states. It is much wiser, however, to have a Will prepared by your lawyer and executed before witnesses under his/her supervision to be sure that all legal requirements are met.

**WHAT SHOULD YOUR WILL CONTAIN?**

- **YOUR IDENTITY.** This, of course, tells who you are, and occasionally describes your relationship to the individuals named in your Will.
- **WHERE YOU LIVE.** You declare your state as your domicile, or place of permanent residence. Your place of residence at your death generally will determine which state laws apply when your Will is probated.
- **REVOCATIONS.** Generally, a properly executed Will expressly revokes any previous Wills codicils.
- **DEBTS, COSTS AND TAXES.** You may specify how certain obligations are to be paid, such as funeral expenses, general debts, administrative costs and estate taxes (if any).



Neither the author, the publisher, nor NCOA is engaged in rendering legal or tax advisory service. For advice and assistance in specific cases, the services of an attorney or other professional advisor should be obtained.





# BLUE RIVER TEXTILE ENTERPRISES

By

Juliet Verdi

# B RTE

**BLUE RIVER TEXTILE ENTERPRISES PLC.**

## **FEASIBILITY STUDY FOR THE TEXTILE INDUSTRY**

**BY  
BLUE RIVER TEXTILE ENTERPRISES PLC.**

**PROJECT LOCATION: ADDIS ABABA, REGIONAL STATE**



**JULIET C. EMMELM**

**JCE\_BLUERIVERTEXTILE@YAHOO.COM**

**ASTER SHIFERAW**

**AS\_BLUERIVERTEXTILE@YAHOO.COM**

# Introduction

- Ethiopia is the third largest country in Africa. In terms of population it has 71 million people, 85% of which live in rural areas. The Ethiopian Population is growing at a rate of 2.7% per annum.
- Ethiopia is a typical agricultural country, with 45% of its GDP arising from the agricultural sector. More than 85% are agricultural products.
- 70% of the raw materials for medium of Ethiopian exports and small enterprises are supplied by agriculture.



- 56% of Ethiopia's total territory is arable land, only 16.85 million hectares, which translates to only 15% of the arable land has been cultivated so far. The country has 3.7 million hectares of land suitable for irrigation of which only 5% is currently irrigated.
- The Ethiopian manufacturing sectors are in the early stages of development, currently accounting for approximately 11% of the GDP and 9.5% of employment. Therefore
- If agriculture is the backbone of the Ethiopian economy, then industry which bases its supplies on the agriculture is mandatory.





- The Country has introduced a “Free Market” economy policy in general and agricultural-led industrial policy in particular. Economic policies are formulated to encourage exports of industrial and agricultural products to maximize foreign exchange earnings. These policies have created a very conducive environment for export and investment. According to the policy, projects are exempted from income tax payments for 3 to 5 years and from payments of customs duties for the import of machinery and equipment, as well as spare parts worth up to 15% of the value of the imported investment of capital goods to be used for export-oriented projects to create favorable conditions in the international trade environment. More importantly, expansion of manufacturing textiles and apparel are one of the current goals of the government. In this area Ethiopia has a favorable advantage. The country’s climactic conditions and land resources favor growing Cotton. More private cotton plantations are being established in the southern and northern parts of Ethiopia indicating the existence of significant potential of cotton production in the country.
- Large textile factories to consume cotton and in turn to supply yarn and fabric products are being rehabilitated and growing. These facts clearly indicate that Ethiopia possesses the adequate raw material resources potential for the development of a thriving textile industry.
- The country has a large labor pool given its population of nearly 70 million, and growing at 2.7% per annum. The unemployment rate is estimated at 40%, and labor is readily available and inexpensive. The legal minimum wage rate is 150 Birr per month. The average wage in textile and apparel sector is 368 Birr per month. The salaries of fresh university graduates normally range from 500 Birr per month to 800 per month depending on the level of expertise and education.

## 2. Historical Development of the Textile and Garment Sub Sector



- Ethiopia has a long history of traditional cotton textile and garment industries.
- Traditional Ethiopian clothes have been made by traditional wares satisfying clothing needs of the population for centuries, remaining at a low technical level and greatly underdeveloped.
- The short history of the modern textile industry as we know it today only dates back approximately 70 years, with the establishment of the Dire Dawa textile factory in 1939. With the exception of the Augusta Shirt factory established in 1958 not much progress was made until the 1990's when boosted by the development of a market economy, both private and foreign investors became aware of the potential textile and garment market.

### 3. Status of the Textile and Garment Sub-Sector

- The textile and garment industries in Ethiopia only represent approximately 7.7% of the total factory enterprises. The contribution of the textile and apparel industry is presently a mere 8.2% which we hope to greatly increase. The Ethiopian textile and apparel manufacturers are the third largest industries following the food & beverage industry and the leather industry.
- The major products of the garment sub-sectors are shirts, knitwear, sportswear, working garments and uniforms. The Ethiopian textile and apparel sub-sector mainly produces 100% cotton textile products using locally grown cotton. We are sure we can improve on cotton textiles from the looms to the finished product, medium to high end bedding.
- Labor-intensive production techniques in the textile and apparel industry have made this sector the second largest employer in the manufacturing industry, employing some 23,000 workers. (This represents one-quarter of all the workers in the manufacturing sector.)



## 4. Project Objectives

- We have set the following project objectives:
- The aims of the Blue Nile Enterprises Ltd. Group are to promote, stimulate and produce local economic opportunities, through sustainable agriculture and the manufacturing of Cotton, Silk and Linen textiles while bringing educational opportunities and introducing Cottage Industries to the farming villages, supporting the development of cultural and creative enterprises and creating manufacturing jobs, sponsoring educational programs to any and all Blue Nile Enterprise Employees while bringing career opportunities in the Country.
- \* To deliver a flagship project that is a unique resource and has the potential to make a significant positive contribution to the economic life of Ethiopian Women and their families.



- We intend to develop Ethiopian business opportunities by cultivating the farming of cotton, silk and linen for the purpose of manufacturing and exporting textile products locally and worldwide, thereby increasing the social capital of Ethiopian women and their families.
- To develop the facility so that it will act as a catalyst for economic development initiatives and investment in Ethiopia. To attract business and assist in the expansion of employment, to improve literacy, add value to the local economy and develop links with the world, which will contribute to the foreign exchange earning capacity of the country by exporting high-end, value added products.
- To create employment, both full-time and part-time (creation of 110 direct jobs in our manufacturing facility and indirectly 5000 through farming and cottage industries and 1000 in our manufacturing facility and thousands indirectly through farming, cottage industries and related joint projects or more with in a five year period) (These include Jewelry, Apparel accessories and other various and sundry Home Décor Products.)

- **To provide modern, safe, productive and world competitive manufacturing facilities affording Ethiopian women good-paying jobs while providing health and educational benefits for their whole families.**
- **To build upon Ethiopian artistic sensibilities and develop the manufacturing of Cotton, Silk and Linen products for export.**



- **To provide additional value to manufacturing that will enhance the present form of support and services currently available to women workers in Ethiopia.**
- **To generate enough profit for the long-term survival for the promoter's company.**
- **To enhance the government through a profitable enterprise generating taxable profits.**
- **According to ISO, international standardization of goods and services is required to ensure**
  - **(1) the production and sale of high quality product at a reasonable price;**
  - **(2) Improved health, safety and environmental protection;**
  - **(3) reduce waste;**
  - **(4) greater compatibility of goods and services across the globe;**
  - **(5) product simplification and improved usability; reduce the number of models and cost; and**
  - **(6) increased distribution efficiency and ease of maintenance.**

- We will implement ISO 9000 standards. Confirmed by independent studies, based on a survey of companies that were ISO registered, the National Quality Institute of Canada has identified the following tangible benefits that accrue from registering for ISO 9000 standards:
- Improved management, control, and/or organizational planning
- Better customer service
- Increased consistency across different parts of the organization
- Enhanced efficiency and productivity due to reduced waste
- Improved staff morale and motivation.
- Improved quality
- Increased competitive advantage
- Increased customer demand
- Increased customer loyalty
- Increased revenues and market share
- Better cost control and more efficient use of resources
- Enhanced organizational capability to respond to changing market conditions
- Improved employee participation and involvement in achieving organizational goals.



- According to the International Organization for Standardization, having firms in developing countries get ISO certification has several benefits. These include the following:
- Preventing resource waste by enabling to learn from the best practices of those that have achieved specified standards.
- Making current technological know-how available to them
- Giving them access to evaluation criteria to use in selecting technology, consumer goods, etc.
- Protecting public health by utilizing basic ISO standards to local or imported goods.
- Using international standards in developing, manufacturing and marketing of local goods and services which will enhance the ability of the developing country to compete in the global market. (ISO Programme for Developing Countries 2001-2003", ISO/Gen 17:2001).

# **BLUE RIVER TEXTILE ENTERPRISES, PLC.**

## **Mission Statement**

- **DEVELOPING ETHIOPIAN BUSINESS OPPORTUNITIES BY CULTIVATING THE FARMING OF COTTON, SILK AND LINEN FOR THE PURPOSE OF MANUFACTURING AND EXPORTING TEXTILE PRODUCTS WORLDWIDE, THEREBY INCREASING THE SOCIAL CAPITAL OF ETHIOPIAN WOMEN AND THEIR FAMILIES.**
- **We have set the following objectives:**
- **The aims of the Blue Nile Enterprises Ltd. Group are to promote, stimulate and produce local economic opportunities, through sustainable agriculture and the manufacturing of Cotton, Silk and Linen textiles while bringing educational opportunities and introducing Cottage Industries to the farming villages, supporting the development of cultural and creative enterprises and creating manufacturing jobs, sponsoring educational programs to any and all Blue Nile Enterprise Employees while bringing career opportunities in the Country.**
- **To deliver a flagship project that is a unique resource and has the potential to make a significant positive contribution to the economic life of Ethiopian Women and their families.**

# Mission Statement

## (continued)

- To develop the facility so that it will act as a catalyst for economic development initiatives and investment in Ethiopia. To attract business and assist in the expansion of employment, to improve literacy, add value to the local economy and develop links with the world.
- To create employment, both full-time and part-time (creation of 110 direct jobs in our manufacturing facility and indirectly 5000 through farming and cottage industries and 1000 in our manufacturing facility and thousands indirectly through farming, cottage industries and related joint projects or more with in a five year period) (These include Jewelry, Apparel accessories and other various and sundry Home Décor Products.)
- To provide modern, safe, productive and world competitive manufacturing facilities affording Ethiopian women good-paying jobs while providing health and educational benefits for their whole families.
- To build upon Ethiopian artistic sensibilities and develop the manufacturing of Cotton, Silk and Linen products for export.
- To provide additional value to manufacturing that will enhance the present form of support and services currently available to women workers in Ethiopia.
- We intend to provide these services by manufacturing and producing fine cotton sheets and towels, Chenille for Bed Spreads, Terry Cloth for Towels and fine Damask Linen for Table Cloths, Napkins and Table Runners for Hotels, Restaurants, Day and Health Spas.



# ABOUT COTTON

*For other uses, see [Cotton \(disambiguation\)](#).*



Cotton ready for harvest. Photo courtesy of USDA Natural Resources Conservation Service.

**Cotton** is a soft fiber that grows around the seeds of the cotton plant ([Gossypium](#) spp.), a shrub native to the tropical and subtropical regions of Africa and the Americas. The fiber is most often spun into thread and used to make a soft, breathable [textile](#), which is the most widely used natural-fiber cloth in clothing today. The <sup>English</sup> name descends from the Arabic word "al qutun", (hence also came the Spanish word "algodón") meaning cotton fiber. Africa and South America are large providers of cotton.

Cotton fiber (once processed to remove seeds and traces of wax, protein, etc.) consists of nearly pure [cellulose](#), a natural [polymer](#). Cotton production is very efficient, in the sense that, ten percent or less of

the weight is lost in subsequent processing to convert the raw cotton bolls into pure fiber. The cellulose is arranged in a way that gives cotton fibers a high degree of strength, durability, and absorbency. Each fibre is made up of twenty to thirty layers of cellulose coiled in a neat series of natural springs. When the cotton boll (seed case) is opened the fibres dry into flat, twisted, ribbon-like shapes and become kinked together and interlocked. This interlocked form is ideal for [spinning](#) into a fine [yarn](#).



## Cultivation

Harvested cotton in [Tennessee](#) (2005)

Successful cultivation of cotton requires a long growing season, plenty of sunshine and water during the period of growth, and dry weather for harvest. In general, these conditions are met within tropical and warm subtropical latitudes in the Northern and Southern hemispheres. Production of the crop for a given year usually starts soon after harvesting the preceding autumn. Planting time in spring varies from the beginning of February to the beginning of June.

# The Cotton Plant

- Main article: [Gossypium](#)
- Cotton fiber originates from the cotton plant, an important [crop](#) in [tropical climates](#) and warm [temperate climates](#). Commercial species of cotton plant are *Gossypium hirsutum* (U.S.A. and Australia), *G. arboreum*, *G. herbaceum* (Asia), and *G. barbadense* (Egypt).
- History
- Cotton plant as imagined and drawn by [John Mandeville](#) in the [14th century](#)
- Cotton has been used to make very fine lightweight [cloth](#) in areas with tropical climates for millennia. Evidence has been found of cotton in [Mexican](#) caves (cotton cloth and fragments of bloody fibre interwoven with [feathers](#) and [fur](#)) which dated back to approximately 7,000 years ago. There is clear archaeological evidence that people in India and South America domesticated different species of cotton independently thousands of years ago.
- The earliest reference to cotton was in [India](#), where cotton cultivation began in the [Old World](#). Cotton has been grown in India for more than 6,000 years since the [pre-Harappan period](#), and it is later referred to in the [Rig-Veda](#), composed around 1500 BC. Cotton was known to the [Egyptians](#) from around 3000 BC. The famous [Greek](#) historian [Herodotus](#) wrote about Indian cotton:



- "There are trees which grow wild there, the fruit of which is a wool exceeding in beauty and goodness that of sheep. The Indians make their clothes of this tree wool." (Book III. 106)
- In Peru, cotton was the backbone of the development of coastal cultures such as the Moche and Nazca. Cotton was grown upriver, made into nets and traded with fishing villages along the coast for large supplies of fish. The Spanish who came to Mexico in the early 1500s found the peoples there wearing cotton clothing and growing it.
- During the late mediaeval period, cotton became known as an imported fibre in northern Europe, without any knowledge of what it came from other than that it was a plant; noting its similarities to wool, people in the region could only imagine that cotton must be produced by plant-borne sheep. John Mandeville, writing in 1350, stated as fact the now-preposterous belief: "There grew there India a wonderful tree which bore tiny lambs on the ends of its branches. These branches were so pliable that they bent down to allow the lambs to feed when they are hungry." This aspect is retained in the name for cotton in many European languages, such as German *Baumwolle*, which translates as "tree wool".



- By the end of the 16th century, cotton was cultivated throughout the warmer regions in [Asia](#) and the [Americas](#).



- Picking cotton in Oklahoma in the 1890s
- India's cotton-processing sector gradually declined during [British](#) expansion in India and the establishment of [colonial rule](#) during the late 18th and early 19th centuries. This was largely due to the [East India Company](#)'s de-industrialization of India, which forced the closing of cotton processing and manufacturing workshops in India, to ensure that Indian markets supplied only raw materials and were obliged to purchase manufactured textiles from Britain.
- The advent of the [Industrial Revolution](#) in Britain provided a great boost to cotton manufacture, as textiles emerged as Britain's leading export. The invention of the [spinning jenny](#) in [1764](#) and [Richard Arkwright](#)'s [spinning frame](#) in [1769](#) enabled British weavers to produce cotton yarn and cloth at much higher rates. The [UK](#) city of [Manchester](#) even became known as [Cottonopolis](#) because of its pre-eminence as a world centre of cotton-spinning. Production capacity was further improved by the invention of the [cotton gin](#) by [Eli Whitney](#) in [1793](#). Improving technology and increasing control of world markets allowed British traders to develop a commercial chain in which raw cotton fibres were (at first) purchased from colonial plantations, processed into cotton [cloth](#) in the mills of [Lancashire](#), and then re-exported on British ships to captive colonial markets in [West Africa](#), [India](#), and [China](#) (via [Shanghai](#) and [Hong Kong](#)).
- By the [1840s](#), India was no longer capable of supplying the vast quantities of cotton fibres needed by mechanised British factories, while shipping bulky, low-price cotton from India to Britain was time-consuming and expensive. This, coupled with the emergence of American cotton as a superior type (due to the stronger fibres of American plants) encouraged British traders to purchase cotton from slave plantations in the [United States](#) and the [Caribbean](#). Due to the enormous quantities of raw cotton required to make cheap bulk exports, British [industrialists](#) quickly abandoned expensive raw cotton produced in [India](#) in favour of mass-produced cotton from the southern [United States](#), which was much cheaper as it was produced by unpaid [slaves](#). By the mid 19th century, "[King Cotton](#)" had become the backbone of the southern American economy. In the [United States](#), cultivating and harvesting cotton became the leading occupation of [slaves](#).

- During the American Civil War, American cotton exports slumped due to a Union blockade on Southern ports, prompting the main purchasers of cotton, Britain and France, to turn to Egyptian cotton. British and French traders invested heavily in cotton plantations and the Egyptian government of Viceroy Isma'il took out substantial loans from European bankers and stock exchanges. After the American Civil War ended in 1865, British and French traders abandoned Egyptian cotton and returned to cheap American exports, sending Egypt into a deficit spiral that led to the country declaring bankruptcy in 1876, a key factor behind Egypt's annexation by the British Empire in 1882.
- During this time cotton cultivation in British Empire, especially India, greatly increased to replace the lost production of the American South which had been the main supplier to the English mills. Through tariffs and other restrictions the English government discouraged the production of cotton cloth in India; rather the raw fiber was sent to England for processing. The Indian patriot Gandhi described the process:
  - 1. You English buy Indian cotton in the field, picked by Indian labor at seven cents a day, through an optional monopoly.
  - 2. This cotton is shipped on British bottoms, a three weeks journey across the Indian Ocean, down the Red Sea, across the Mediterranean, through Gibraltar, across the Bay of Biscay and the Atlantic Ocean to London. One hundred per cent profit on this freight is regarded as small.
  - 3. The cotton is turned into cloth in Lancashire. You pay shilling wages instead of Indian pennies to your workers. The English worker not only has the advantage of better wages, but the steel companies of England get the profit of building the factories and machines. Wages; profits; all these are spent in England.
  - 4. The finished product is sent back to India at European shipping rates, once again on British ships. The captains, officers, sailors of these ships, whose wages must be paid, are English. The only Indians who profit are a few lascars who do the dirty work on the boats for a few cents a day.
  - 5 The cloth is finally sold back to the kings and landlords of India who got the money to buy this expensive cloth out of the poor peasants of India who worked at seven cents a day. (Fisher 1932 pp 154-156)
- In the United States, cotton remained a key crop in the southern economy after emancipation and the end of the civil war in 1865. Across the south, sharecropping evolved, in which free black farmers worked on white-owned cotton plantations in return for a share of the profits (although in reality, the system was little changed from the days of slavery). Cotton plantations required vast labour forces to hand-pick cotton fibres, and it was not until the 1950s that reliable harvesting machinery was introduced into the South (prior to this, cotton-harvesting machinery had been too clumsy to pick cotton without shredding the fibres). During the early twentieth century, employment in the cotton industry fell as machines began to replace labourers, and as the South's rural labour force dwindled during the First and Second World Wars. Today, cotton remains a major export of the southern United States, and a majority of the world's annual cotton crop is of the long-staple American variety.

- chemicals such as fertilizers and insecticides, although a very small number of farmers are moving towards an organic model of production and organic cotton products are now available for purchase at limited locations.
- 



- Hoeing a cotton field to remove weeds, Greene County, Georgia, USA, 1941
- Historically, in North America, one of the most economically destructive pests in cotton production has been the [boll weevil](#). Due to the US Department of Agriculture's highly successful use of synthetic insecticides.



- Offloading freshly harvested cotton into a module builder in Texas. Previously built modules may be seen in the background.
- Most cotton in the United States, Europe and Australia is harvested mechanically, either by a [cotton picker](#), a machine that removes the cotton from the boll without damaging the cotton plant, or by a [cotton stripper](#) which strips the entire boll off the plant. Cotton strippers are generally used in regions where it is too windy to grow picker varieties of cotton and generally used after application of a [defoliant](#) or natural defoliation occurring after a freeze. Cotton is a perennial crop in the tropics and without defoliation or freezing, the plant will continue to grow.
- The logistics of cotton harvesting and processing have been improved by the development of the [cotton module builder](#), a machine that compresses harvested cotton into a large block, which is then covered with a tarp and temporarily stored at the edge of the field.



# Research and promotion

- Beginning as a self-help program in the mid-1960s, the Cotton Research & Promotion Program was organized by U.S. Upland cotton producers in response to cotton's steady decline in market share. At that time, producers voted to set up a per-bale assessment system to fund the Program with built-in safeguards to protect their investments. With the passage of the Cotton Research & Promotion Act of 1966, the Program joined forces and began battling synthetic competitors and re-establishing markets for cotton. Today, the success of this Program has made cotton the best selling fiber in the U.S. and one of the best selling fibers in the world.
- Administered by the Cotton Board and conducted by Cotton Incorporated, the Cotton Research & Promotion Program is the program that is continuously working to increase the demand for and profitability of cotton through various research and promotion activities. The Program is funded by U.S. cotton producers and importers.
- Uses



- Cotton bath towels
- Cotton is used to make a number of textile products. These include terrycloth, used to make highly absorbent bath towels and robes, denim, used to make blue jeans, chambray, popularly used in the manufacture of blue work shirts (from which we get the term "blue-collar"), along with corduroy, seersucker, and cotton twill. Socks, underwear, and most T-shirts are made from cotton. Bed sheets are also often made from cotton. Cotton is also used to make yarn used in crochet and knitting. Fabric can also be made from recycled or recovered cotton that would otherwise be thrown away during the spinning, weaving or cutting process. While many fabrics are made completely of cotton, some materials blend cotton with other fibers, including rayon and synthetic fibers such as polyester.



- In addition to the textile industry, cotton is used in fishnets, coffee filters, tents and in bookbinding. The first Chinese paper was made of cotton fiber, as is the modern US dollar bill and federal stationery. Fire hoses were once made of cotton.
- The cottonseed which remains after the cotton is ginned is used to produce cottonseed oil, which after refining can be consumed by humans like any other vegetable oil. The cottonseed meal that is left is generally fed to livestock. In the past, cotton seeds were used by women as an abortifacient.
- Cotton linters are fine, silky fibers which adhere to the seeds of the cotton plant after ginning. These curly fibers are typically less than 1/8in, 3mm long. The term may also apply to the longer textile fiber staple lint as well as the short fuzzy fibers from some upland species. Linters are traditionally used in the manufacture of paper and as a raw material in the manufacture of cellulose.Pests
- The greatest ecological threat to cotton plants is the boll weevil. During the late nineteenth century and early twentieth century, boll weevil infestations caused significant damage to annual cotton crops in the southern United States, resulting in frequent economic depressions in rural areas

# Fair Trade

- Cotton is an enormously important commodity throughout the world. However, many farmers in developing countries receive a low price for their produce, or find it difficult to compete with developed countries.
- This has led to an international dispute:
- On 27 September 2002 Brazil requested consultations with the US regarding prohibited and actionable subsidies provided to US producers, users and/or exporters of upland cotton, as well as legislation, regulations, statutory instruments and amendments thereto providing such subsidies (including export credits), grants, and any other assistance to the US producers, users and exporters of upland cotton.<sup>[1]</sup>
- On 8 September 2004, the Panel Report recommended that the United States "withdraw" export credit guarantees and payments to domestic user and exporters, and "take appropriate steps to remove the adverse effects or withdraw" the mandatory price-contingent subsidy measures.<sup>[2]</sup> The international production and trade situation has led to 'fair trade' cotton clothing or footwear (Veja Sneakers) being available in some countries. The fair trade system was initiated in 2005 with producers from Cameroon, Mali and Senegal.<sup>[3]</sup>



# Critical Temperatures

- Favorable travel temperature range - no lower limit  $\leq 77^{\circ}\text{F}$  ( $25^{\circ}\text{C}$ )
- Optimum travel temperature -  $68^{\circ}\text{F}$  ( $20^{\circ}\text{C}$ )
- Autoignition temperature (for oily cotton) -  $248^{\circ}\text{F}$  ( $120^{\circ}\text{C}$ )
- Glow temperature -  $401^{\circ}\text{F}$  ( $205^{\circ}\text{C}$ )
- Fire point -  $410^{\circ}\text{F}$  ( $210^{\circ}\text{C}$ )
- Autoignition temperature -  $765^{\circ}\text{F}$  ( $407^{\circ}\text{C}$ )
- Cotton dries out, becomes hard and brittle and loses all elasticity at temperatures above  $25^{\circ}\text{C}$ . Extended exposure to light causes similar problems.
- A temperature range of  $25^{\circ}\text{C}$  to  $35^{\circ}\text{C}$  is the optimal range for mold development. At temperatures below  $0^{\circ}\text{C}$ , rotting of wet cotton stops. Damaged cotton is sometimes stored at these temperatures to prevent further deterioration.
- Old British cotton yarn measures
- 1 thread = 54 inches (about 137 cm)
- 1 hank = 7 skeins (840 yards or about 768 m)
- 1 spindle = 18 hanks (15,120 yards or about 13,826 m)

# Very Large Sustainable Market

- The average Hotel buys new Bed Sheets and Pillow Cases every one to two years. So accordingly an average hotel (like the one listed below) would buy 2,520 sheets and 4,340 pillow cases every one or two years

- Current Pricing for Hotel Sheets

- This is there pricing for a 1 -2 year contract

## **Ocean Sultan 69 Rooms**

no. sheets per bed	3 @ \$13.50 ea	one par	207
no. pillowcases per room	5 @ \$1.46 ea.	one par	345

- 

## **Bayside Sultans 74 Rooms**

no. sheets per bed	3 @ \$13.50	one par	222
no. pillowcases per room	5 @ \$1.46	one par	370

- 

## **Viceroy's 35 Rooms**

no. sheets per bed	3 @ \$13.50	one par	105
no. pillowcases per room	5 @ \$1.46	one par	175

- 

## **Rajas 25 Rooms**

no. sheets per bed	3 @ \$13.50	one par	75
no. pillowcases per room	5 @ \$1.46	one par	125

- 

## **Penthouses 7 Rooms**

no. sheets per bed	3 @ \$13.50	one par	21
no. pillowcases per room	10 @ \$1.46	one par	70

They buy 4 par per room.

# **Requirements and monies needed to implement this proposal.**

- The following assumptions have been made to calculate the production demand for 1,000,000 square yards of sheeting material per month:
- 1. Range of thread counts - 250-600 per square inch
- 2. Fabrics weights - 3.5 - 4.5 ounces per square yard (up to 130 inches in width)
- 3. 100% Cotton ring spun yarns (ring spun with polyester will present a pilling issue in sheeting products)
- 4. Yarn Counts - 35/1 to 60/1
- 5. Spinning specifications: these are heavily dependent on yarn count, ring size, and spindle speed of the machine. Based on 60/1 count (the finest yarn), we will need 70,000 pounds per week of yarn capacity in spinning to produce 1 million square yards of sheeting material. This, with modern machine, translates into 28,800 spindles of ring spinning.
- 6. Weaving Specifications: for a weft insertion rate of 2600 yards per minute, you will need 70 looms to weave 1 million square yards of sheeting per month. It must be noted that for thread counts above 300,
- Special considerations must be made for the type of weaving machine.
- 7. For the dyeing and finishing, the most important issue here is that our purchase ranges with “wide” capability. We will have to discuss further what details (preparation, dyeing, chemical and physical finishing) we will desire before stating the number of machines we may need.

Please remember, these numbers are only good for the assumptions I made to estimate the products. There are hundreds of variables and factors that I had to assume an industry standard. Any changes in these assumptions will change the calculated results. These are in the general area.



# Budget

## (For Factory with 70 looms)

- Machinery Textile Mill capable of producing 100,000.00 sq. yards per week (70 Looms, 4 Jacquard Looms, 4 Dying machines, 4 Finishing machines and 4 sewing machines, 3 Industrial Steam Irons, 2 Vacuum Ironing boards, 1 Poly bag sealing machine and 1 Sheet folding machine.
- \$4,000,000.00 USD, \$34,000,000.00 Birr
- Land and Location- Oromia
- 15,000 square meters at USD 0.06 per. square meter for One year period
- \$900.00 USD \$7,650.00 Birr
- Production and Office Furniture equipment
- \$8,235.30 USD \$70,000.00 Birr
- Motor Vehicles (2 Autos, 2 Mini-busses and 3 Vans)
- \$58,823.53 USD \$500,000.00 Birr
- Annual Salaries (includes 100 Employees, Execs, Foreign Designers and Tech Support.)
- \$224,517.65 USD \$1,908,400.00
- Annual Cost for Electrical, Phone, Internet, Fuel, Water and Lubricating Oil.
- \$23,529.42 USD \$200,000.00 Birr
- Cleaned, Ginned Cotton (first Year Depending on Market Price Approximate)
- \$20,000.00 USD \$170,000.00 Birr
- Building Cost
- \$117,647.06 USD \$1,000,000.00 Birr
- Marketing, Airfares, Hotels, Trades Shows and Trade Show Booths
- \$200,000.00 USD \$1,700,000.00 Birr
- Total Start-up Cost
- \$4,653,765.00 USD \$39,551,902.50 Birr

## **Revised for 18 Looms (and Finishing Machinery)**

**The following assumptions have been made to calculate the production Demand for 250,000 square yards of sheeting material per month:( Please tell me if this is correct)**

- 1. Range of thread counts - 250-600 per. square inch.**
- 2. Fabrics weights - 3.5 - 4.5 ounces per square yard (up to 130 inches in width)**
- 3. 100% Cotton ring spun yarns (ring spun with polyester will present a pilling issue in sheeting products)**
- 4. Yarn Counts - 35/1 to 60/1**
- 5. Spinning specifications: these are heavily dependent on yarn count, ring size, and spindle speed of the machine. Based on 60/1 count (the finest yarn), we will need 17,500 pounds per week of yarn capacity in spinning to produce 250,000 square yards of sheeting material. This, with modern machine, translates into 7,200 spindles of ring spinning.**
- 6. Weaving Specifications: for a weft insertion rate of (I think) 2,600 square yards per minute? We need 17 or 18 looms to weave 250,000 thousand square yards of sheeting per month. It must be noted that for thread counts above 300, special considerations must be made for the type of weaving machine, and what are the considerations?**
- 7. What machines will we need for the dyeing and finishing, preparation, dyeing, chemical and physical finishing) we will desire before stating the number of machines we may need?**
- 8 We still will need a Jacquard loom. With-in the next two years we hope to produce 1 million sq. yards per month, and will need of course to triple the amount we are ordering now.**

# Continued

## Revised Budget for 18 Looms (and Finishing Machinery)

- Machinery Textile Mill capable of producing 17,500 pounds per week of yarn capacity
- (18 Looms, 1 Jacquard Loom, 1 Dying machine, 1 finishing machine and 1 sewing machine. 1 Industrial Steam Iron, 2 Vacuum Ironing board, 1 Poly bag sealing machine and 1 Sheet folding machine.
- \$505,882.35 USD \$4,300,000.00 Birr
- Land and Location- Oromia
- 15,000 square meters at USD 0.06 per. square meter for One year period
- \$900.00 USD \$7,650.00 Birr
- Production and Office Furniture equipment
- \$8,235.30 USD \$70,000.00 Birr
- Motor Vehicles (2 Autos, 2 Mini-busses and 3 Vans)
- \$58,823.53 USD \$500,000.00 Birr
- Annual Salaries (includes 100 Employees, Execs, Foreign Designers and Tech Support.)
- \$224,517.65 USD \$1,908,400.00
- Annual Cost for Electrical, Phone, Internet, Fuel, Water and Lubricating Oil.
- \$23,529.42 USD \$200,000.00 Birr
- Cleaned, Ginned Cotton (first Year Depending on Market Price Approximate)
- \$20,000.00 USD \$170,000.00 Birr
- Building Cost
- \$117,647.06 USD \$1,000,000.00 Birr
- Marketing, Airfares, Hotels, Trades Shows and Trade Show Booths
- \$200,000.00 USD \$1,700,000.00 Birr
- Total Start-up Cost
- \$1,159,647.00 USD \$9,856,050.00 Birr



# **Companies and Buyers**

- **Neman Marcus**
- **Home Décor and Accessories Buyer: Ms. Lucy McCabes**
- **Scarves: Ms. Kimberley Connety**
- **Creations by Alan Stuart**
- **Buyer: Stuart Kalinsky**
- **Marriott International, Inc.**
- **Buyer: Mr. Jim Young in Corporate Facilities**
- 
- **Starmark Global Ltd.**
- **Buyer: Mr. Michael Workman**
- **Ten Thousand Villages**
- **Buyer: Ms. Elena Wilkerson**