



Yes, There is always Opportunity!

How to Find it

“Necessity is the Mother of Invention and/or
Innovation”

Fred Richards



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Fred Richards.

Brief History

- Richards Electro Fence
- Aluminum strips for windows
- Various types of electronic switches
- Carter Phone / ATT / Western Electric
- ECM devices including Radar Correlator
- Interchangeable locking cylinders
- Ving[©] Card ... mechanical or electronic



Major Trends

- Demographics & Societal Shifts
- Productivity
- Cyclical
- Human
- Nature



Scope

- Creative Innovation or Improvement
- Broadbased or Niche
- Cost/Benefit ratio
- Acceptability
- Regulatory

Does it have potential?

- Radio/TV/Radar/Sonar
- Transportation
- Medicine/Fitness
- Productivity – Xerox – Walmart
- Food – McDonald's

Visicalc vs. Lotus 123 vs. Excel



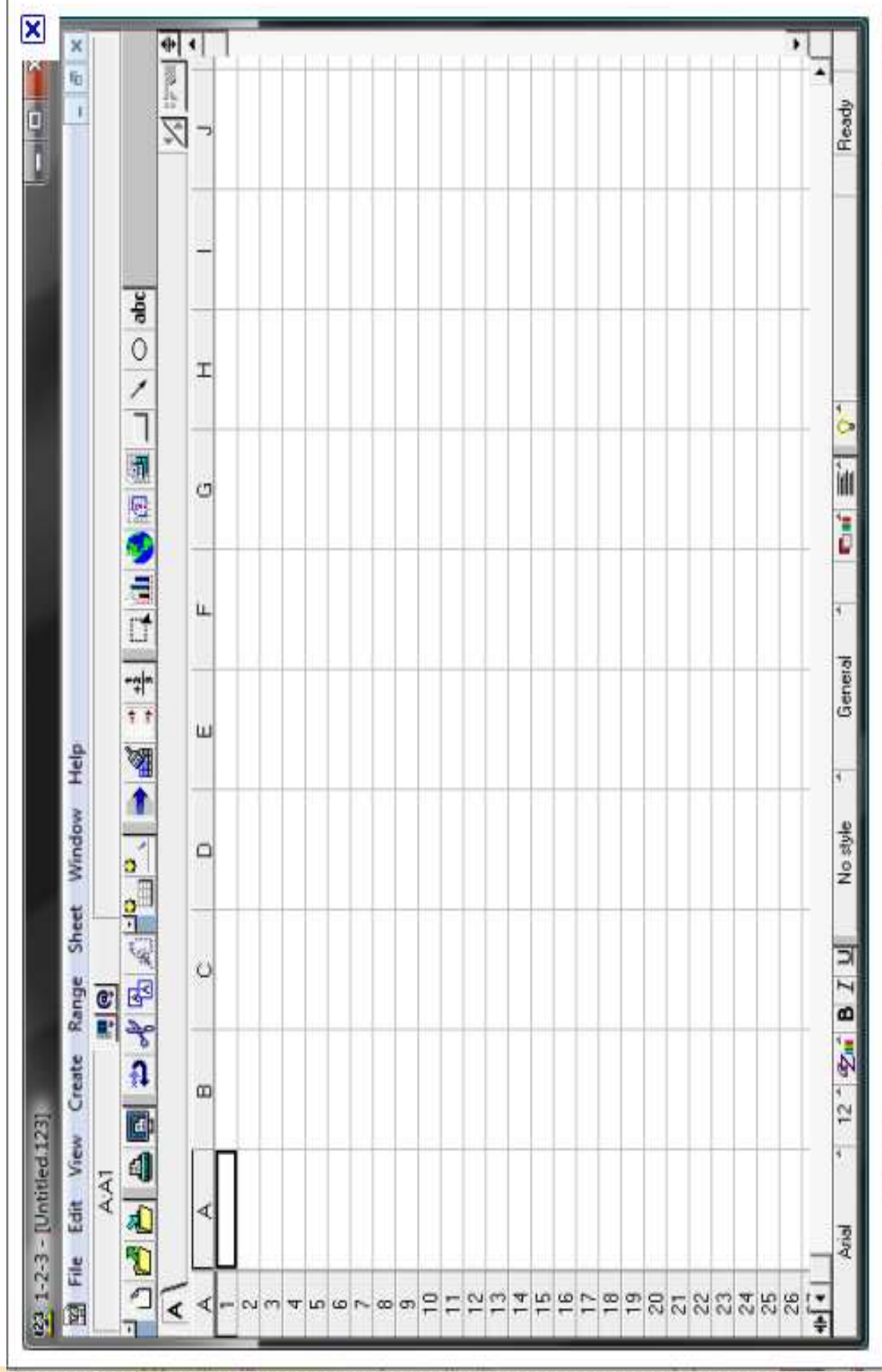
INNOVATION OR ADAPTATION

Visicalc

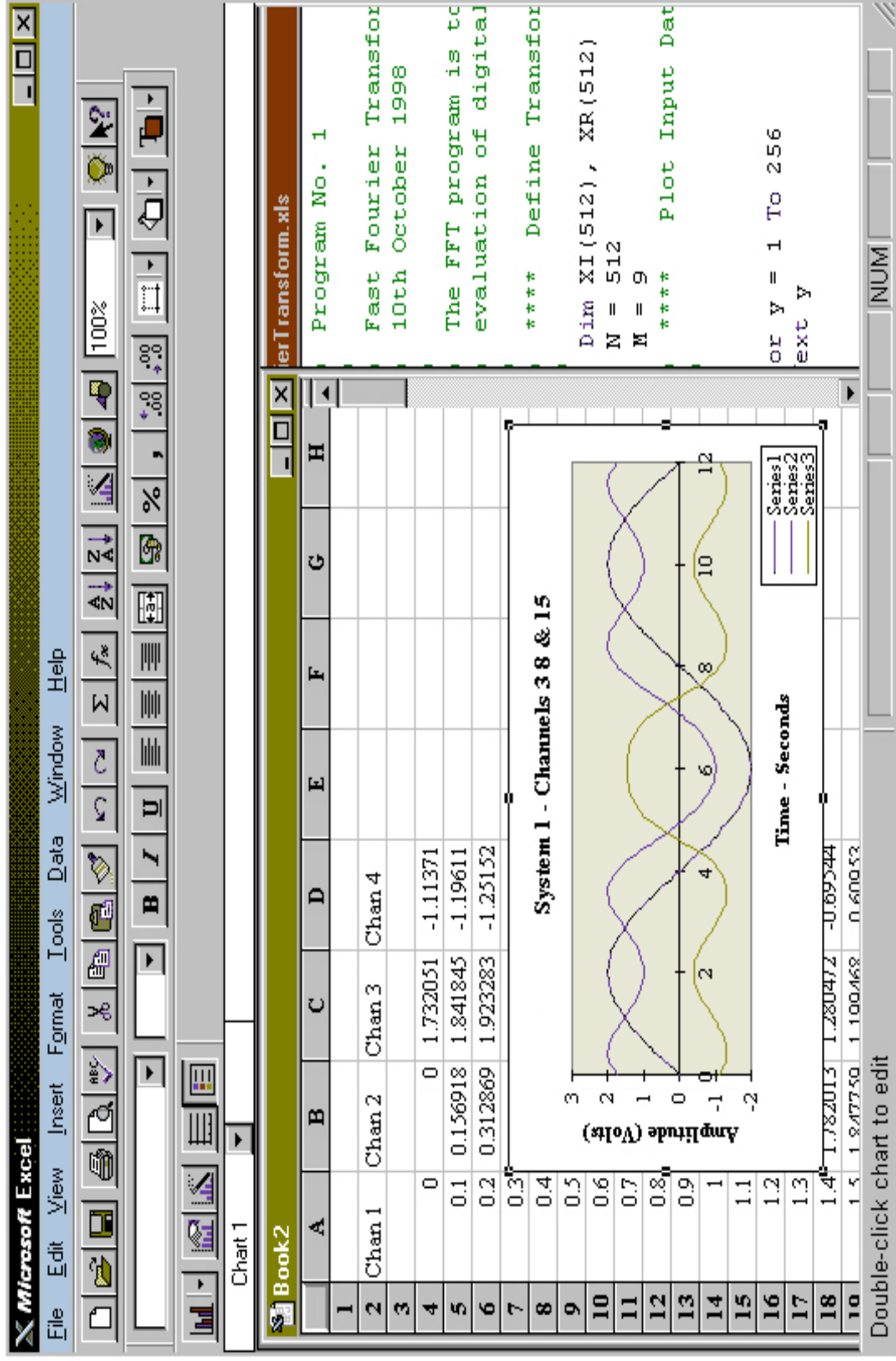
A	B	C	D
ITEM	NO	UNIT	COST
MUCK BAKE	4	3.95	15.80
MUNE TONER	25	4.95	124.25
SUBTOTAL			140.05
9.75% TAX			13.66
TOTAL			153.71

An example VisiCalc spreadsheet on an Apple II.

Lotus 123



Excel



Looking for the next Google

- Trade publications & Shows
- Trend newsletters
- DARPA – MIT & Caltech + McKinsey
- University research
- Angel investing
- Observing what's happening!
- The New America pages in IBD®

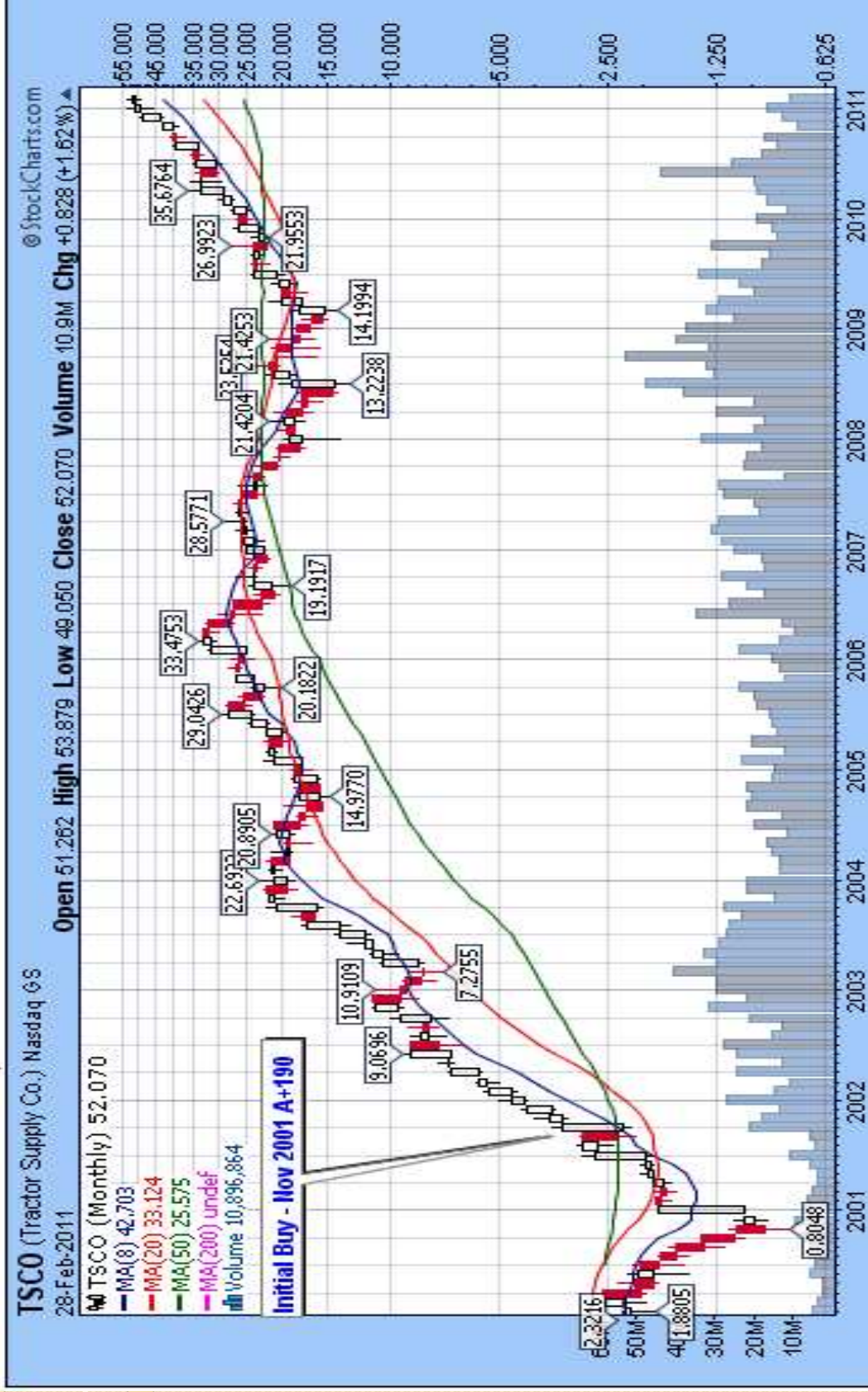
Why was MSFT attractive?

- Increasing popularity of personal computers
- Every computer needed an operating system and MSFT was the leader

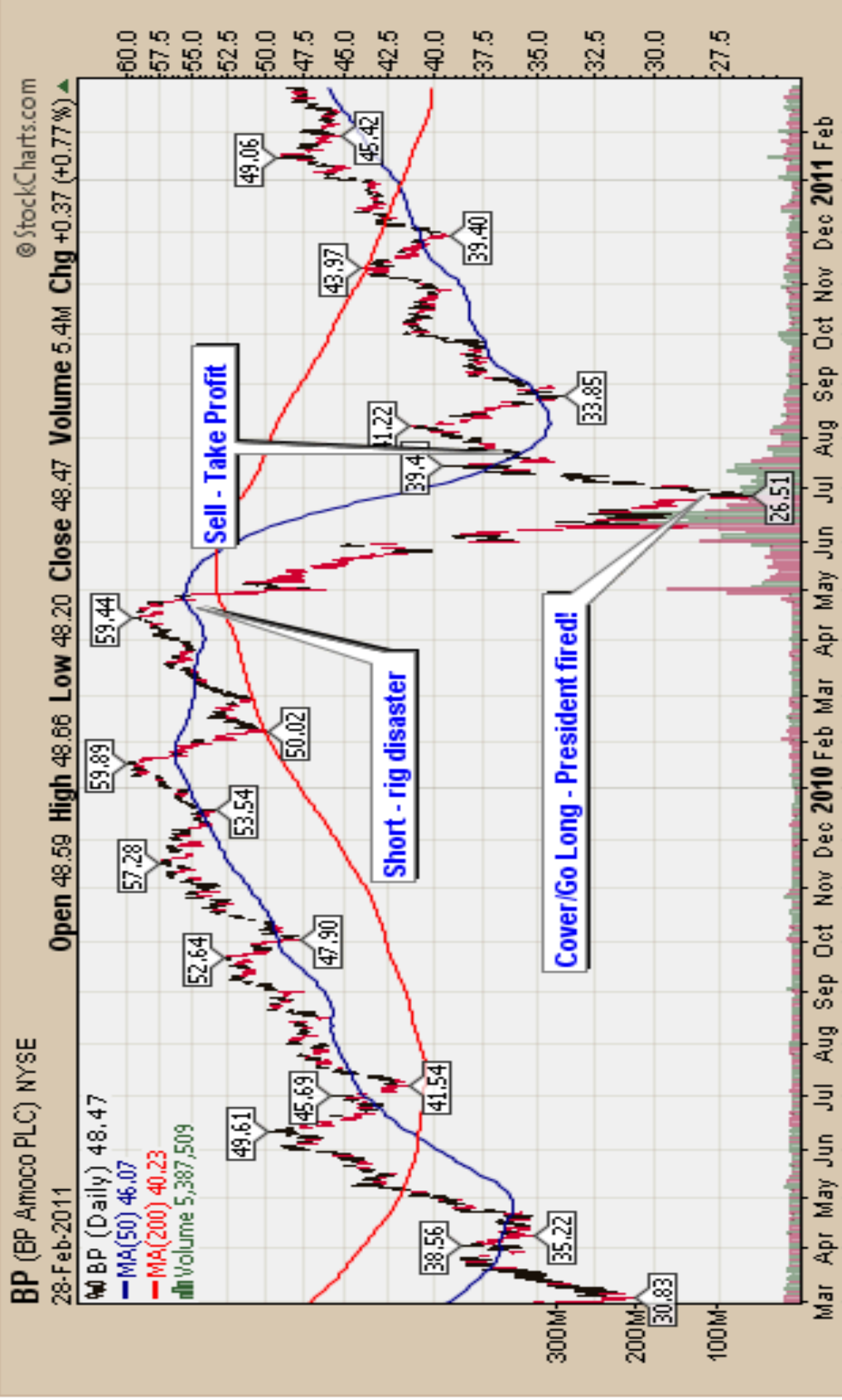
Why VISA and MASTERCARD?


- You get a small percentage on a large, growing transaction base!
- Cost of infrastructure limits competition
- Buffet's Moat Theory!

Tractor Supply Co.



British Petroleum



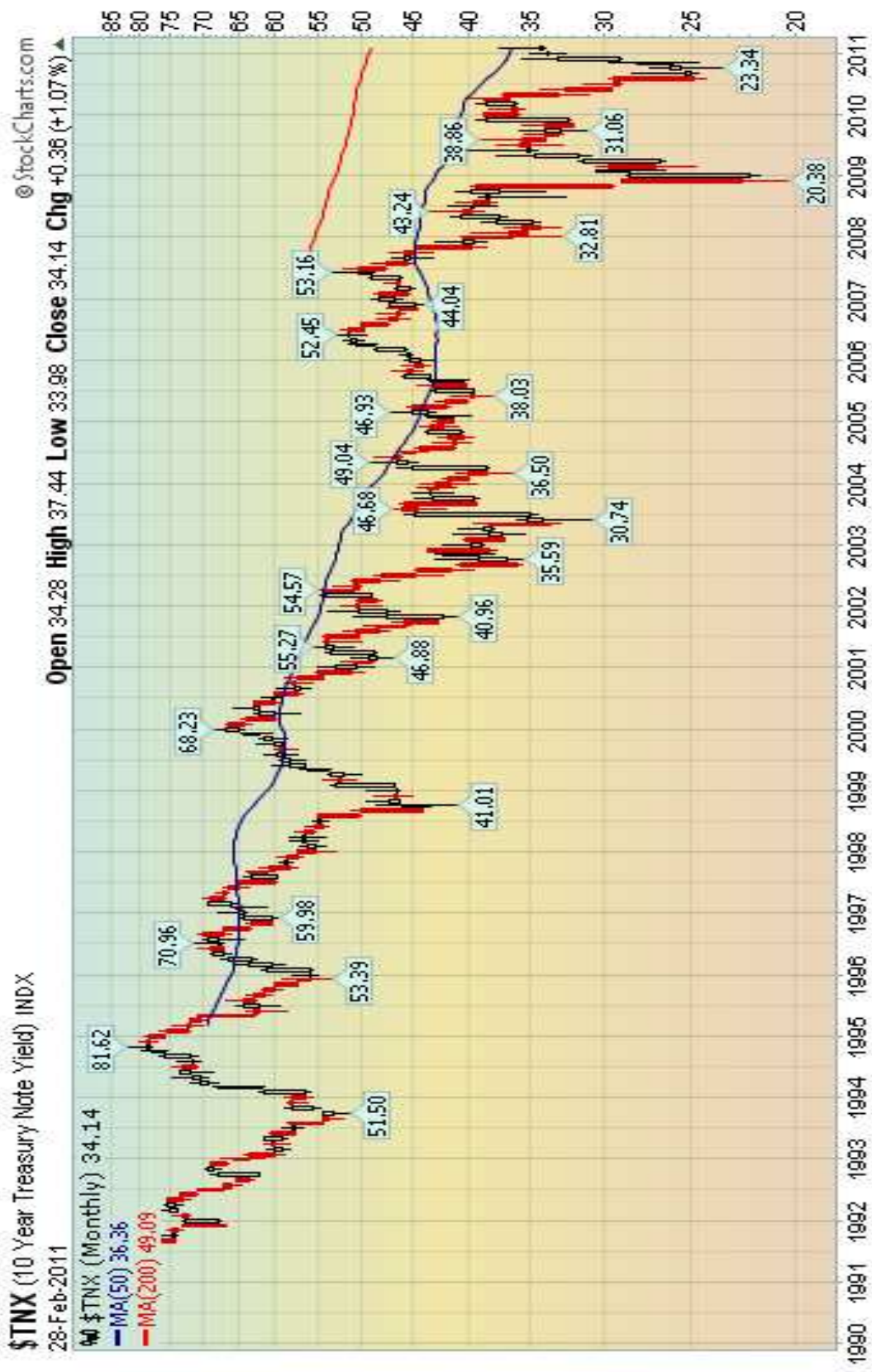


**The only thing
that matters
is
purchasing power!**

FY 2011 Financing Needs

FY 2011 Federal Financing Requirements	
	\$ Trillions
FY 2011 CBO Federal Budget Deficit	\$ 1.55
Tax Compromise Bill	\$ 0.27
Rollover of Federal O/S Debt	\$ 2.54
Obamacare Cost addition to FY 2011 Deficit	\$ 0.25
1% increase in Average Interest on Federal Debt	\$ 0.15
Supplemental War Costs - Afghanistan, Iraq, etc.	\$ 0.75
Fannie, Freddie deficits	\$ 0.10
Total Requirement (preliminary)	\$ 5.61

US Treasury Yields – 10 Year



Leading the Charge

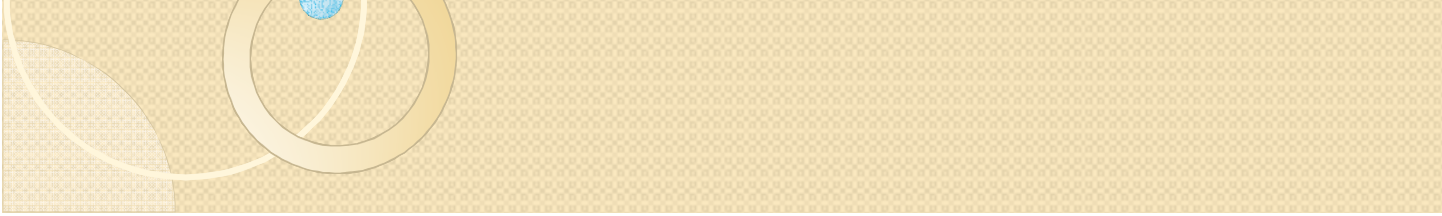
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Peter G. Peterson Foundation

O'Neil Center for Global Markets and Freedom



That's All!