

**Check out the Third
Tuesday Forums!**

HAVE YOU MOVED?

CAPITAL IDEAS is sent to all NAIC members appearing on the NAIC list within certain zip codes in south central Wisconsin. An additional mailing list of interested investors in the surrounding area and others who are NAIC members outside the designated area is maintained by the chapter for mailing of CAPITAL IDEAS and other publicity of council events.

IF YOUR ADDRESS HAS CHANGED :

South Central Wisconsin NAIC member - Inform NAIC by mail, fax, phone (1-877-275-6242) or email the change. Have your membership number available which is on the BETTER INVESTING mailing label. SCWC will receive notification of this change from NAIC. This is valid for zip codes 53500 through 53999.

Interested investor - Inform SCWC about the change in your address by sending the information to P.O. Box 44682, Madison, WI 53744-4682. This applies to those receiving CAPITAL IDEAS but not in the above category.

IF YOU WANT TO REMOVE YOUR NAME FROM MAILING LIST OR ADD A NAME TO OUR MAILING LIST:

Write to above address and specify your preference.

Your cooperation will keep communications from NAIC coming your way on a timely basis without additional charges. Or if you prefer, eliminate unwanted mail, save time and postage.

Capital Ideas

Newsletter of the South Central Wisconsin Chapter, NAIC

Winter 2002/2003

PRESIDENT'S CORNER

Greetings from the SCWC Board of Directors:

The South Central Chapter, NAIC is your regional all volunteer non-profit educational organization bringing low cost investment education to you.

The last couple of years have been trying times for new investors, but corrections always come to an overpriced market while we get back to reality. While some stocks are still overpriced, at the time of this writing more stocks are selling at bargain prices than there have been for many years.

Steve Halverson, our speaker at the Chapter's annual meeting in November, spoke on the topic "Weathering a Stormy Market". He emphasized that a Bull market always follows a Bear and thought that the time is ripe for buying.

These are exciting times for stock investors. No one can predict with certainty what the future will bring, but optimism has brought an upturn at the time of this writing. Volatility remains, but barring a national disaster, history shows that the market always recovers and continues to grow over the long haul. We have to take a long term approach

to investing and not be upset by market downturns. If you didn't sell low your losses are only on paper and not real. If these investments show good fundamentals and are attractively priced they may warrant additional investment. If you sold some overpriced stocks before their prices fell, pat your back, but remember that no one gets it perfect all the time.

A wise shopper using NAIC methods should be able to sort out bargains. Remember to try to buy low and sell high. Don't chase stocks that are overpriced, or ones which have high debt, inconsistent earnings, or poor management. Choose criteria which should be characteristic of a growing company to help narrow down the number of stocks to study. Use NAIC guidelines, do your SSGs, and learn as much as you can about a company before deciding whether or not to buy. Use a Stock Comparison Guide to compare two or more leading companies in the same industry to increase your odds of choosing the best one to invest in. And diversify your portfolio.

Probably the best advice I can give is what Steve Halverson urged at the annual meeting. That is to attend your chapter classes and forums.

It is a new year and the Chapter has a great selection of classes and Third Tuesday Forums to help you improve your skills at investing. Please take some time to look over the selection, and send in the registration form for the programs which you might benefit from.

As an attempt to improve our service to clubs the chapter directors have contacted club contacts in order to determine which programs would be most beneficial. As a result, there will be more opportunity for club visits by Directors.

All of us on the SCWC Board of Directors wish you the best in investing for the future, and look forward to seeing you at our events.

Russ Helwig, President

WANT HELP?!

You are receiving this newsletter because you are an individual or club member of the National Association of Investors Corporation and you live in the zip codes served by the South Central Wisconsin Chapter. The mission of this chapter, like the other 100+ chapters of NAIC is to provide education and support for NAIC members in that geographic area. The board of directors of the SCWC has planned a series of educational events to enhance your investing knowledge. Please take a look at the classes offered and register for those that interest you. We also want to make you aware of the support services offered by

your chapter. Here is a list of what's available to you with the newsletter page for further information.

Classes - Third Tuesday Forums and Beginning SSG offered in Madison (page 4)

Club Visits - Board members are available to visit clubs and answer questions (page 3)

SC Neighbor Network - A new venture to meet and greet fellow members (page 3)

Monthly Email News Page - An emailed list of upcoming events (page 2)

Website - Updated info about current and future SCWC events (page 2)

SCWC NEWS AND YOUR E-MAIL

Attention South Central Wisconsin Chapter Investors ...if you use a computer, please consider signing up for the South Central Wisconsin FREE e-mail announcement list. The sendings will be few but important!

Subscribers will receive an e-mail with advance notice of each newly published issue of Capital Ideas when it is posted on our web site where it may be read or downloaded. Announcements of our classes will be also be sent over this list from time to time, plus we may send occasional items of interest to you, our investing members.

Subscribers will continue to receive a paper copy of Capital Ideas via the US Postal Service, although eventually, we may encourage "e-mail only", in the interest of less paper in your mailbox and making more of your Chapter's capital available for improved services to you.

We are enthusiastic about this new means of communication with YOU, and do encourage you to subscribe your e-mail address to receive this exciting free service.

To subscribe from your Internet browser (Internet Explorer or Netscape), follow one of the two following:

VIA WEB SITE: Enter the following URL in your browser, and go to:

<http://lists.better-investing.org/cgi-bin/lyris.pl?enter=scwc-naic-news>
-Choose "Join scwc-naic-news". Click on it. On the next screen enter your e-mail address and your full name. You will be sent a special confirmation message to verify your e-mail address. Be sure you reply to this message promptly to complete your subscription.

or

VIA E-MAIL: Send a one-line message to:
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In the body of the message, type: subscribe scwc-naic-news FIRST LAST (replace FIRST LAST with your First and Last Name - not your e-mail address).

Example: subscribe scwc-naic-news John Smith

You must subscribe from the e-mail address where you want to receive the messages. Be sure you replace (your name) with your real name; please do not use a "handle" or nickname.

Whichever way you subscribe, you will be sent a special confirmation message to verify your e-mail address. Be sure you reply to this message promptly to complete your subscription.

Should you wish to unsubscribe, you may click on the same URL to do so.

We believe you will be pleased with the SCWC-NAIC-NEWS and look forward to your joining.

HELP WANTED!

At the annual meeting in November, directors were elected to the SCWC board. Welcome back Scott Smith. At the January board meeting the 2002 officers were re-elected and Patti Berkan joined the board as an associate director. We welcome all members at our monthly meetings (usually the 3rd Monday of each month at 6:30 pm) and encourage all to come and participate at this level. Specifically, the South Central Wisconsin Chapter needs someone to work with the media to publicize our upcoming events. If you would be interested or have any questions, contact one of the board members listed below or check our website (www.better-investing.org and click on chapters in the left column) for the time and place of the next meeting and just show up!

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SOUTH CENTRAL WISCONSIN CHAPTER - NAIC SPRING 2003 REGISTRATION FORM

Please complete a separate form for each person. Please check the box(es) of classes for which you wish to register: Advance Registrations with payment should be mailed in one week prior to the event. We will cancel classes if we do not have the minimum enrollment before the class date.

All sessions will be at Promega's BioPharm. Tech Center in Madison

Stock to Study-Feb.18, \$10

Beginning SSG-March 1 and 8, \$40.00

Beyond the SSG-March 18, \$10.00

Mutual Fund Investing-April 15, \$10

How to Run an Effective Investment Club-May 20, \$10

Check enclosed for \$ _____

Please make checks payable to: SOUTH CENTRAL WISCONSIN CHAPTER

Name _____ NAIC # _____
(Please type or print clearly) (on Better Investing label)

Address _____

Phone No. _____

E-mail Address _____

Individual Member Club Member Club name (if any) _____

Mail to: 3218 W. Forest Lane
Janesville, WI 53545

Questions: 608-755-1283
susan1283@aol.com
beezer1@charter.net

A Survey of SCWC-NAIC Membership

A survey was done to see if the chapter could be of more help to members. Thanks to all who took the time and shared their thoughts with us. The following is a sample of requests.

Help with PERT

Help with choosing an industry

Portfolio management

Adding judgement to the SSG

Help with a simplified approach to the SSG

Annual Reports

Financial Companies and the SSG

Help with understanding Value Line

Help members keep informed about changes and offerings within the chapter.

Please keep in mind the board would like to encourage anyone to contact a director to share ideas for the chapter.

In response to some concerns aired during our conversations with members, the following will be offered.

South Central Neighbor Network - A new pilot program

Here's a chance to meet members of other clubs in your area and directors of the chapter. Those members with certain zip codes will be invited to a particular program. To assist the directors in planning this meeting, we are asking members to submit any topics of interest, questions or concerns prior to the meeting to facilitate preparing an agenda. If all goes well, such programs in five regions of the chapter

will be given on a scheduled basis.

The first local area selected was the northern area of SCWC. Every member will be invited through mailing an invitation to the club contacts. It's scheduled for Sat. Feb. 22, 2003, 9:30 to 11:30 at DeForest Library. If you plan on attending, please contact Patti Berkan at pberkan@charter.net with the number of people attending from your club by Feb. 15.

Club Visits

There will be more opportunity for visits from chapter directors and associates. They will be available to answer questions or concerns. The Coordinator for Club Visits is Janet Miller. Please contact her if interested.

The Money Conference

The 2nd annual Beloit/Janesville Personal Finance Conference, The Money Conference, will be held on Saturday, March 8, 2003 at Blackhawk Technical College in Janesville. The event will include a variety of speakers and workshops including one led by SCWC's education director Susan Maciolek. The registration fee is \$10 for adults, \$5 for youth over age 6 and includes a continental breakfast and lunch. Pre-registration is mandatory.

For more information call Teresa Walker at the WI Department of Financial Institutions (608) 267-1713 or check the Asset Builders website: www.assetbuilders.org

A similar conference will be held in Madison in August.

Registration Form

Please enclose a check or money order payable to: Asset Builders of America, Inc. - the money Conference and mail to: **The Money conference, P.O. Box 259681, Madison, WI 53725-9681**

Name _____ Youth _____ Adult _____

Name _____ Youth _____ Adult _____

Name _____ Youth _____ Adult _____

Address _____

Organization _____

City, State and Zip _____

Phone _____ Email _____

Bus Pickup: Janesville Beloit

Registration Fees: \$10 for adults, \$5 for youth over age 6.

Participant Information & Special Services

Limited child care is available for children under six on a first-come first-served basis. Call Sandy Hough at (608) 757-7603.

Pre-registration is mandatory.

Bus transportation to the Money Conference will be available. Pick-ups will be at the Janesville Downtown Transfer Center (123 South River Street) at 7:30 am and at the Merrill Community Center (Beloit) at 8:00 am. The bus will leave Blackhawk Technical College immediately after the conclusion of the Conference. Please indicate on your registration form if you'd like to use this service.

A sign language interpreter for the hearing-impaired will be available upon request, if received by Asset Builders of America, Inc. by February 21, 2003.

All adults at the Conference may request a free copy of their credit report. The first 50 adults to arrive at the Conference will receive a coupon for a free credit counseling session.

(Adult basic finance sessions will be offered in Spanish beginning at 9:30 a.m.)

THIRD TUESDAY FORM CONTINUES!

Phil Keating predicted in a recent issue of *Better Investing* magazine that this is "the best time to be an investor in 15 years"! To help you to be an informed investor, your chapter is offering forums/classes for the beginner and well as the seasoned investor. Well-qualified guests from the community and presenters from our chapter will be part of the varied presentations.

Each third Tuesday of every month from February until May a topic of interest to investors will be offered by the SCWC as a part of the Third Tuesday Forum.

The sessions will be at Promega's BioPharmaceutical Center (BTC) 5445 East Cheryl Parkway, Madison. The two-hour sessions will begin promptly at 6:30pm. Please plan to arrive a few minutes early to check in. Advance registrations with \$10 payment should be mailed in one week prior to the event. Admission at the door will be \$15.

Feb. 18 Stock to Study Using Toolkit: Learn the basics of adding judgment and confirm that your projections are accurate. The emphasis will be on understanding the Stock Selection Guide and applying judgment. The meeting will begin with an open discussion of the Stock to Study from the March *Better Investing* magazine. Fill out the SSG and bring it to the class for the discussion of judgement choices. Time for a question & answer session. Come learn and have some fun too!

Beyond the SSG will be held on **March 18**. It has been said that 80% of what an investor needs to know can be found in the SSG. For those who want to dig into more depth on companies than what is on the SSG, this class will look at income statements, balance sheets and cash flow ratios. We will use annual reports to analyze this information. Bring pencil, eraser and calculator to class.

On April 15, our session will be on **Mutual Fund Investing**. Information on the different kinds of funds available and how to evaluate them using NAIC's checklist (a kind of SSG for Mutual funds with no graphing (!) and very little computation!). See how yours stack up or how to find funds for purchase.

Bring pencil and eraser to class.

How to Run an Effective Investment Club is the topic for **May 20**. Open discussion of how a good club functions. Open discussion of club problems, how to fix them. Meet with other club members/chapter directors to brainstorm your way to a more profitable and fun club!

INVESTING CLASSES-2003

The South Central Wisconsin Chapter of the NAIC offers classes and events in the area each year. This spring, in addition to the Third Tuesday Forums, the directors are offering a beginning SSG class to be held at Promega's state-of-the-art facility in the BioPharmaceutical Technology Center (BTC), located at 5445 East Cheryl Parkway in Madison.

Please register in advance so that materials can be prepared for each person. Mail in your registration with payment at least one week before the scheduled class. Contact Susan Maciolek at 608-755-1283 or email susan1283@aol.com for current information. Also check the chapter web page at www.better-investing.org for any additional classes and/or changes or cancellations.

Beginning SSG

Two consecutive Saturday sessions to be held at Promega on March 1 and March 8, starting at 8:30am until 12:30pm, will introduce concepts for completing the Stock Selection Guide, where the numbers come from and why we use them. Attendees will learn to use Value Line to complete the SSG (front and back) with emphasis on where and why judgment is added. To prepare, read the chapters about income statement, balance sheet and the SSG in the NAIC Official Guide, Starting and Running a Profitable Investment Club, prior to class.

This class is a must for the beginner and a good review for the more experienced hand. Cost for both sessions is \$40 for NAIC members, \$50 for non-members. Be sure to bring pencils, eraser, colored pencil, highlighter, ruler and calculator to class. Advance registration is due by Feb.21, 2003.

TO BIOPHARMACEUTICAL TECHNOLOGY CENTER, BPTC, 5445 EAST CHERYL PARKWAY, MADISON, WI

FROM THE BELTLINE - HWY 12/18

Take exit 260 A-B for SOUTH FISH HATCHERY ROAD. Continue south for about 2 miles. Turn left onto EAST CHERYL PARKWAY (note Fitchburg Center sign, just past La Paella restaurant.) The SCWC sessions are held in the building on the right hand side at 5445 East Cheryl Parkway. Park in the lot and enter at the front door.

FROM HWY 151 SOUTH - VERONA ROAD

Turn east on COUNTY ROAD PD (MCKEE ROAD). Turn right onto FISH HATCHERY ROAD and continue south, then turn left onto EAST CHERYL PARKWAY (see above).