



Feb. 6, 2012

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Meet every Monday
6:15-7:30

Irish Eyes Restaurant,
Lewes, DE

Last Meeting : **Dr. Robert Sweet**

M&T Bank Economist

Dr. Bob Sweet, Economist of Wilmington Trust Advisors, Baltimore, spoke to the Lewes/Rehoboth Rotary on Monday January 30, 2012.

He has over 40 years experience as a registered investment advisor, and his career has included assignments with various international organizations and foreign governments. This is his first time to the Lewes area, although he has had many speaking engagements on the Delmarva Peninsula.

He has a good impression of this area (with its nationally recognized beaches) ,although his heart still lies with the area of his upbringing, Cape Cod, Massachusetts.

The first part of his presentation covered the current situation in the U.S. and his projections for 2012. The recession began in America in December 2007, and ended 18 months later in June 2009. The poor jobs and housing markets continue to be a drag on the economy; the actual unemployment rate should be closer to 19%, if one includes those discouraged workers who have stopped looking for jobs. Since the consumer sector accounts for 70% of the economy, prospects for this year point toward a "glass is half empty" forecast. Although recent indications have now turned positive, the consensus expected 2.8% growth for 2012 will probably fall short;

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This week's program: Jim Clark
Efficiency Devise

Upcoming Programs

2/13/12	Mat DiSabatino Restaurateur
2/20/12	No Meeting
2/27/12	Kim Book Victims Voices Heard
3/5/12	Cheri Will, Beebe Hosp. ChildSexualAbuseAwareness

We know you're out there!

The Nominating Committee is looking for candidates for office for the Rotary year 2012-2013

If you are interested in serving our club as an officer or director, please contact any member of the nominating committee. The committee is composed of:

Blase Gavlick, Chair

Walt Bryan

Tom Byrne

Lynn Cecil

Michael Cohalan

Newsletter Editor: Blase L. Gavlick, Esq.

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early numbers for the first quarter indicate that overall growth may come in at + 1.5% to 2%. To sum up, Dr. Sweet says that although we are not in a recession, it certainly "feels" like one.

He estimates that the stock market should grow by approximately 8%. This is based on S & P corporate profits of 110 multiplied by a traditional price - earnings multiplier (p/e ratio) of 13, which results in a 2012 year - end S & P level of 1430. His p/e assumption compares conservatively with other more aggressive Wall Street p/e assumptions of as high as 19. As for the management of personal investments, he emphasizes diversification. While one can be falsely attracted by the occasional +30% returns of stock - only investments, the overall 10 year return comparisons do not seem to justify the additional risk. His "Diversified Portfolio" 10 years return of 5.81% compares favorably with those stock indices (100% stocks), which range between 2.94% to 10.54%.
John Li

The Four Way Test

Of the things we think, say or do:

- 1) Is it the TRUTH?
- 2) Is it FAIR to all concerned?
- 3) Will it build GOODWILL and BETTER FRIENDSHIPS?
- 4) Will it be BENEFICIAL to all concerned?

In case you need a laugh:

After every flight, Qantas pilots fill out a form, called a "gripe sheet," which tells mechanics about problems with the aircraft. The mechanics correct the problems, document their repairs on the form, and then pilots review the gripe sheets before the next flight. Never let it be said that ground crews lack a sense of humor. Here are some actual maintenance complaints submitted by Qantas' pilots (marked with a P) and the solutions recorded (marked with an S)

by maintenance engineers.

By the way, Qantas is the only major airline that has never, ever, had an accident.

==

P: Friction locks cause throttle levers to stick

S: That's what friction locks are for.

==

P: Left inside main tire almost needs replacement.

S: Almost replaced left inside main tire.

==

P: Test flight OK, except auto-land very rough.

S: Auto-land not installed on this aircraft.

==

P: Something loose in cockpit.

S: Something tightened in cockpit.

==

P: Dead bugs on windshield.

S: Live bugs on back-order.

==

P: Autopilot in altitude-hold mode produces a 200 feet per minute descent.

S: Cannot reproduce problem on ground.

==

P: Evidence of leak on right main landing gear.

S: Evidence removed.

==

P: IFF inoperative in OFF mode.

S: IFF always inoperative in OFF mode.

==

P: Suspected crack in windshield.

S: Suspect you're right.

==

P: Number 3 engine missing.

S: Engine found on right wing after brief search.

==

P: Aircraft handles funny. (I love this one!)

S: Aircraft warned to straighten up, fly right, and be serious.

==

P: Target radar hums.

S: Reprogrammed target radar with lyrics.

==

P: Mouse in cockpit.

S: Cat installed.

==

And the best one for last ...

P: Noise coming from under instrument panel. Sounds like a midget pounding on something with a hammer.

S: Took hammer away from midget.