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To: spaglia@fsco.gov.on.ca,
gstromberg@sympatico.ca
Subject: joint forum public comment

To : Stephen Paglia C.C. Gloria Stromberg March 30,2003

I would like to make the following comment about proposals of the Joint Forum of Financial Market Regulators. Even if you are unwilling to address this now, it would be such a simple, inexpensive and crucial service to investors, you should find a way to make it happen soon.

The reality is that 90% of investors have neither the time nor accounting skills to decipher the bullshit put out by the companies.

My bottom line opinion (explained in detail below) is that there are only 2 bits of information that 90%+ of investors want to know about;

1. A standardized TRAILING P/E ratio which treats all income and expenses of all companies the same way (i.e. stock options, goodwill, off shore activities)
2. A standardized debt/asset ratio for all companies which treats all debt and assets the same way.
DON'T TELL ME THIS CAN'T BE DONE... (as a base you can start with the fairly simple standardized formula used by banks to qualify individuals for loans/mortgages)

The only reason the investment community has convinced regulators "it won't work..there are too many variables" is because right from our first days in business school we are taught "bullshit baffles brains" which means, the more bullshit information we can throw into the mix, the more stats we have to choose from in order to tailor our pitch to any particular customer and even the most intelligent client customer's thinking gets so confused, he becomes a much easier sale. This is evidenced often on CNBC when analysts readily admit they can not unravel the annual and interim reports of companies like GE.

The reason why my pension plan still holds over 20 million shares of Nortel is solely because they reported in "pro-forma" and the trustees of the plan were not capable of doing anything with that info other than trusting the plan's managers. Had the trustees had access to a simple centralized comparison of companies' TRAILING p/e ratios; since Nortel was not earning any money at all; even a novice would have seen it as a risky investment unsuitable for a large position in a pension plan.

So, my suggestion is:

A: Open a website

B: Hire one good employee

c: Publish an alphabetical list of all publicly traded companies (on Canadian exchanges) accompanied by their trailing p/e ratios and debt/asset ratios.

Derek Hill