



Bay Area Bulls Investment Club

Minutes for June 18, 1998

Attendees: Earl Cory, Jim Hickey, David Nakamura, John Florence, Jean Cherbeneau, Robert Weeks, Pipi Ray Diamond, Rubee Taylor

Absent: Sandra Dellafiora John Boring, Christina Cory, Evelyn Washington,

Resignations: John Boring

Location/Time: 7165 Cutting Blvd. El Cerrito at 7: 08 pm

Minute Corrections:

1. The notes from the last minutes, in the first New Business section were really old business. Earl got happy cutting and pasting!
2. Chase made the offer to buy Merrill Lynch.
3. In New Stock Buys, Pipi was ambivalent about Merrill Lynch. The abstinence had nothing to do with her job.

Treasurer's Report:

10 shares of Chase and 20 shares of Corrections Corp were bought.

John Boring has resigned and has 77.9 units for sale. There was conversation on how to cash John out with \$\$\$ or Stock. We have 60 days to pay or the end of the current fiscal quarter, which ever is longer. Pipi motioned and David seconded a payout with cash. John Florence will find out how his wife's club handles it.

There was also discussion on what's the price of his shares. Is it based on the day of resignation or the last day of the month? It was noted that buying the units and paying a departing member are two separate issues. It was also noted we could give a combination of cash and securities. This will be worked out so next time we know what to do. What if we have no cash? What to do? What to do! Earl suggested we decided next month.

Portfolio Review:

Details, details, Earl and John F. provided details enough to choke a horse! John reviewed the PERT Portfolio Trend Report on the securities we hold. It gives great detail noting just about everything you would find in the Stock Selection Guide

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[SSG] including Total Return, if it's in the buy range etc. John F. suggested that a SSG should be done in the quarter the new Value Line comes out.

Earl created a handy Portfolio Spread Sheet that has the \$ amount we gained or lost and rate of return based, I believe, on the number of years we have held the stock. Other detail included our Investment Distribution in a pie chart. Three cheers for the Men Of Detail!

Who cover's what is listed below:

Biomet	John Florence	
Catalina	Jim Hickey	WSJ June 18 section B noted they are offering coupons on the internet
Corrections Corp	Robert Weeks	
Donnelley (R&R)	David Nakamura	
EMC	Rubee Taylor	IBM and EMC are the players in this arena!
Merck	Pipi Ray Diamond	Astra may pay Merck to get out of a joint venture.
Oracle	Jeanne Cherbeneau	They tried to sell the Network Computers [dumb terminals] to no avail to their large accounts but they are not going for it. Larry Ellison has got to come up with something better. They purchased Activa Software [tracks cost and performance] from Price Waterhouse
Chase	Jeanne Cherbeneau	Working on a cure for ovarian cancer. If it works it will be a huge seller!

American Benefactor magazine lists the top 25 socially conscious companies according to Pipi. Merck and Chase were both listed.

New Stock Buys

John F. motioned and Robert seconded the purchase of 20 shares of AirBorne Freight. The attending members vote was yes.

Member Activity

None

Old Business

The annual barbecue will be at Earl and Christine's August 15, 1998.

Petty Cash Fund:

John F. copied a lot of material and would like to be reimbursed which we all agreed to. There was discussion of reimbursing Sandra and David for the refreshments they kindly provide.

New Business

Jim Hickey was voted in. Welcome aboard Jim! David will be his buddy.

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The May issue of NAIC has details on figuring out the return on investment. This was triggered more than like from the Beardstown Ladies revelation.

Stock Review:

REITS - BRE Properties - Pipi

What: Buy's real estate. BRE Properties is a local SF based company. The trend is down. They are in the hold range. Late last year mutual funds bought a lot of REIT's, then sold them due to the stock market doing so well. BRE bought the developer Trammell to grow their company. Jeanne provided additional info in the article Land Lovers.

Competitors:

MerryLand:	Upscale garden apartments, Robert will look into this one.
Security Pacific:	John F will look into this.
New Plan Realty:	They are old and stable.

Issues: Conservative, fixed income like bonds, subject to interest rate volatility.

Benefits: No tax to pay. 95% of the profit must be released in dividends. It's a hot category.

New Industry Stock Study

Internet Industry - Qwest - Earl Cory

The Glider Report made them sound good. Their web site had the best info. They are a new company, less than 3 years old. The stock went up then flattened. Their technology is good. Trading at 30 5/8 with a 12 month low of \$13 and the high \$41. The PE is 457, yikes! Their financial statement looks unhealthy.

Industry's To Study

According to our Dec. 97 notes, the industries to study in 1998 included:

Banking,	Insurance,	Software, Hardware,	Transportation,
Dataware House,	Restaurants,	Oil	Internet

Two months on each area.

John F. will look into Applebee's.
Robert will look into Amazon.com

Next Meeting: Thursday, July 16

Location: Sandra's and David's home, 7165 Cutting Blvd. El Cerrito, CA @7:00PM