**Cincinnati Model Investment Club Minutes**

**July 21, 2012**

**Call to Order:** At 9:32 a.m. Jackie Koski, Presiding Partner called us to order. She welcomed three guests. Jane, Sandy, Kent.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Name | Here | Proxy | Name | Here | Proxy |
| Jackie Koski, Presiding Partner | Yes |  | Michelle Grinoch | No | Mary |
| Ian Barnes, Recording Partner | No | Marty | Frank Bicknell | No | Craig |
| Betsy Eller, Financial Partner | Yes |  | Mary Thomas | Yes |  |
| Craig Jacobson, Education Partner | Yes |  | Cliff Turrell | Yes |  |
| Dene Alden | No | Jackie | Larry Averbeck 1/20/09 | No | Marty |
| Gerry Geverdt 7/17/04 | Yes |  | Mark Carrozza | Yes |  |
| Mike Griffin | Yes |  | Kugi Chauhan 9-19-09 | No | Marty |
| Don Bunnell | Yes | Gerry |  |  |  |

**Recording Partner’s Report:** Ian posted the minutes on Bivio. Mary made a motion to accept the minutes as posted. Mike seconded. The motion passed

**Financial Partner’s Report:** Betsy posted the report on Bivio. We have two limit orders. 10 shares of Rio at $45.33. Stop loss of Pepsi - 50 shares at $68. Marge made a motion to file the financial report for audit. Marty seconded. The motion passed

**Old Business:** Please visit website for latest announcements at [www.betterinvesting.org/okitri](http://www.betterinvesting.org/okitri)

Jackie mentioned that Cinmic is featured in the August issue of Better Investing Magazine. She read a thank you note from Kamie Zaracki, CEO of BI.

Update from Anniversary Committee—Mary reported that in October we will have a party to celebrate our Tenth Anniversary. There will be food and presentations. Invitations will be sent out to the Chapter Board, previous members, and other guests.

**New Business:**  Education Schedule/Stock Presentation Schedule--Craig.

**Education Segment:** Mary Thomas—Evaluating Management Section 2B Return on Equity. She showed how to use simple spreadsheets to dig deeper into the information shown in SSG Page 2 , Lines 2A, 2B and 2C. She checked data from the Annual Report and from Value Line to understand changes in the SSG.

**Stock Study** Marty Eckerle presented on COH Coach. To be diversified he looked at Consumer Cyclicals. He used used 11% Sales projection. He used the Price Variant Quotient. Out of our buy range.

Gentex GNTX – produces mirrors for vehicles. If congress requires back-up cameras on all cars in 2014, this would be a boost for these. Night vision mirrors, mirrors with information displayed. Also reflective glass for commercial buildings. Same CEO as who brought them through the recession. Marty used 8% projection for Sales and 6% estimated Earnings. Depends on new car sales. He used Alt M to determine PE’s. It may have reached the end of its cycle and be heading upward.

Marty suggested we put these two on HOLD and review these next month after they report their earnings.

Gerry presented on Tungsten. China has 85% of the world’s tungsten and also rare earth that is used in green manufacturing. They are using the format developed by OPEC (oil) to control the supply and price. China wants to sell the tools, manufactured products, rather than just selling the ore for others to manufacture tools and products. This is a trend to watch.

**Portfolio Review:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Stock FYE** | **Watcher** | **Reco** | **Comments:** | **Next Earnings :** |
| ABT 12/31 | Dene | Hold |  | 7/16/12 |
| AFL 12/31 | Gerry | Hold | Look for a replacement | 7/24/12 |
|  |  |  |  |  |
| CAT 12/31 | Larry | **Buy** | *Buy 10 shares* | 7/25/12 |
| CRR 12/31 | Ian | Hold |  | 7/23/12 |
| CVS 12/31 | Mary | **Sell** | *Take profits* | 8/7/12 |
| DHR 12/31 | Kugi | Hold |  | 7/19/12 |
| GOOG 12/31 | Marty | Hold |  | 7/19/12 |
| HELE 2/28 | Mike | Hold | *Gerry thinks we should sell* | 7/1/12 |
| ORCL 5/31 | Marge | Hold |  | 6/17/12 |
| PEP 12/31 | Don | **Sell** | *Move the stop limit to 69* | 7/25/12 |
| PRAA 3/31 | Cliff | Hold | *Very low PAR* | 7/23/12 |
| QSII 3/31 | Craig | **Buy** | *Hold – lost hospitals to competitors-at 52 wk low* | 7/26/12 |
| RIO 12/31 | Michele/Frank | **Buy** | *Limit order 10 at $43* | ? |
| RUE 1/31 | Mark | **Buy** |  | 8/20/12 |
| SLB 12/31 | Kugi | Hold | *In the sweet spot* | 7/20/12 |
| TEVA 12/31 | Dene | Hold |  | ? |
| UTX 12/31 | Jackie | Hold |  | 7/26/12 |
| WAG 8/31 | Mary | **Buy** | *Up 12.2% after settling dispute with Expresscripts* | 9/28/12 |

**Investment Decisions:**  Mary moved, Marge seconded, that we buy 25 shares of WAG at $30 Limit order. Yes 7 no 8 It failed.

Larry moved we buy 10 shares of CAT at window. Marty seconded. Yes 14 no 1 It passed.

Mark moved and Craig seconded, we buy 25 shares RUE at window. Yes 10 no 4 It passed.

Gerry moved we sell all (25) HELE at window. Mary seconded. Yes 12 no 3 It passed.

Marge moved we sell all CVS (25) at window. Jackie seconded. Yes 11 no 4 It passed.

Don moved and Gerry seconded that we move the stop loss on PEP up to $69. YES 13 no 2

It passed..

Betsy will make the transactions.

**Future Education Schedule**

|  |  |  |
| --- | --- | --- |
| **Month** | **Topic** | **Presenter** |
| Aug | 401K The old and the new | Jackie Koski |
| Sept |  |  |
| Oct |  |  |
| Nov |  |  |
| Dec 8 |  |  |
| Jan |  |  |
| Feb |  |  |

**Future Stock Presentation**

|  |  |  |
| --- | --- | --- |
| **Month** | **Topic** | **Presenter** |
| Aug |  |  |
|  |  |  |

**Better Investing Announcements:** See the list of classes on our chapter page of [www.BetterInvesting.org/OKITRI](http://www.BetterInvesting.org/OKITRI) and on the newsletter in August.

**Next Meeting:**

Next meeting will be the third Saturday at 9:30 a.m. in the West Chester Library. Future meetings: **Aug 18th (booked)**, Sept 15th, **Oct 20th (10th Anniversary)in Aud A/B,** Nov 17th, Dec 8th (**Potluck)**

Respectfully submitted by

Marge Daniels, substitute Recording Partner, 513-825-3756