

A Celebration of Life

Lordy's Christmas party held on Sunday November 7 1999 was not your usual client appreciation, good-will-and-all-that cheerful get-together to celebrate the joyous season. Lordy used this year's gathering as an opportunity to share a certain aspect of his African culture with his clients. Accompanied by the Ewe tribe dance troupe, a band of drummers and dancers dressed in traditional garb and wearing red bands to symbolize mourning, Lordy and the rest of the Numekevor family shared the funeral ceremony that is carried out



A young dancer gets Lordy's client, Barry Melski - President of Elite Bending, dancing

when a family member passes away. This year's Christmas event was in memory of Lordy's brother, Mensah, (Mensah means third boy in the family) who died in Ghana in late 1998. It wasn't the usual day of mourning that we, with our North American mindsets, would expect. There was no hysteria, no crying, no fighting! In fact, this traditional mourning ceremony was filled with music, dancing, and lots and lots of positive energy. Not a funeral as we know it, but a celebration of life. "[This is] how we celebrate it back home in Africa," Lordy explains to the packed room at the Cambridge Steelworkers Hall.

The two hour celebration of life started with a procession. The Ewe dance troupe singing in their native tongue, lead the Numekevor family into the room where each family member took a seat at the long table facing the audience. The mourners then proceeded to lay baskets of food and wood in front of the family, their gesture of support for the bereaved.

Lordy explained that these practical gifts of necessity are given to the grieving family to get them through the financial hardships ahead. These gifts are greatly needed and appreciated because there is no life insurance back home in the village to assist them in their time of need. However, in Canada the food is not needed for the family's survival. In keeping with tradition, though, the guests were asked to bring a canned food item - not to give to the Numekevors, but to donate to the Cambridge food bank. After the ceremony was explained, the music and dancing resumed.

The dances reflected African history and each told their own story. The "Husango" is performed by a small group of females



The Husango dance tells a triumphant story of freedom

and tells the story of a king who keeps a community of people in captivity. He even builds a huge wall around the palace to hinder their escape. Under the cover of darkness, these people carve out a hole in the wall through which to escape. In an attempt to trick the king and fool him into thinking all is well, they load their possessions on their backs (notice the humps in the photo!) and dance backwards out of the King's imprisonment. The Husango was only one of the many dances performed, all of which were rich in history and fun to watch.

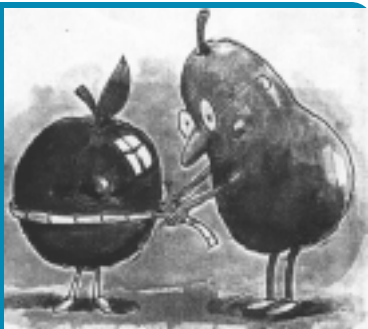
The final dance - the "Kinka" - was an open dance for which Lordy's clients were encouraged to participate (**strongly** encouraged if they sat right up front!).

The celebration of life that Lordy held in his brother's memory is thought to cause the release of the departed's spirit, so that it can find peace in its final resting place. In sharing this sacred celebration with his clients, business associates, and friends, Lordy not only strengthened family ties, he also strengthened a community right here at home. Thank you for your generosity, Lordy.

*By: Pam Lucier
Final Draft Publications*

Inside This Issue

- A Celebration of Life ... 1
- Grow Your Business ... 2
- Investing in community 2
- Life Insurance Trusts ... 3
- Apple or Pear? 3
- President's Corner 4
- Company info. 4



Four Ways to Grow Your Business

In the final analysis there are just four ways to grow your business. They are:

- Increase the number of customers of the type you want
- Increase frequency of contact with them
- Increase the average value of each transaction
- Increase the effectiveness of your business processes

When you look at profit from this perspective you can immediately see that your overall business strategy and internal operating systems must focus on these four factors.

The first three factors

If you want to build total revenue you need to focus on those items that comprise it. Doing that allows you to build an equation like this one:

Total Revenue = the number of customers you serve *multiplied by* the transaction frequency with your business, *multiplied by* the average value of each transaction

When you consider managing revenue from this perspective, you are forced to ask yourself a number of questions:

- How many customers do we have and what do we do to attract new customers?
- Do we measure new customer acquisition? If we don't measure it, how do we know whether our initiatives are cost effective?
- What is our customer defection rate and what do we do to prevent customer defection?
- Are those initiatives working and are they cost effective?
- What do we do to increase the average value of each sale transaction?
- Do we systematically measure this value and is there an upward or downward trend?
- Are we taking full advantage of the opportunities to better service our customers and consequently increase our average transaction value?

“What you can measure, you can manage” and “what gets measured, gets done.” How true these statements are.

By setting up a system to measure the critical elements that make up revenue you are better able to manage the activities that ultimately produce the results you would like to get in your business and in your life.

Business Effectiveness

The fourth element in the business profitability model concerns effectiveness. By effectiveness we mean **maximizing results you're getting from the financial resources you're investing.**

Far too many people believe that the key to business success is revenue growth. Sales at any cost is their guiding principle. It is critically important to understand that revenue growth makes no sense if it doesn't rest on the “bottom line.”

The ultimate measure of business success, or perhaps we should say management success, is the return on investment. This refers to the profit return for each dollar of invested capital. Less than 5 in every 100 business managers truly understand this fundamental management concept. In relation to this point, the four key pieces of information that every business manager must have are as follows:

- What are your profitable profits; who are your profitable customers; and, what drives your expenses?
- What resource base do you require to support the volume of business you're doing?
- What is the magnitude and timing of your cash inflows and outflows?
- What must your business get absolutely right to ensure that customers continue to come back, are willing to act as your advocate to friends or associates, and are willing to pay a price that reflects the value you bring to the table. We call these things your *Critical Success Factors*.

To effectively manage your business, we believe you must be constantly appraised of what's happening in relation to each of these areas.

In other words, you must have a system for measuring and monitoring how your business is performing in relation to the *Critical Success Factors*; the measures we're talking about are called *Key Performance Indicators (KPIs)*. Examples of KPIs include your transaction count and the average value of a transaction.

When you have control over these things, you have control over your business: You know where your business is heading, what needs to be fixed to bring it back on target, and what the result will be. Then you'll know how much importance (and money) you need to place on fixing emerging problems **before** they become irresolvable.

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Numekevor & Associates invests in the community

The Numekevor & Associates Cambridge Under 11 Comets Girls Team came out strong nipping Kitchener Spirit on penalty shots to earn a berth in the Final.



Lordy Numekevor accompanies the Comets - the soccer team his company sponsored - on their final soccer tournament of the 1999 season.

With girls' soccer rapidly growing in popularity, the opportunity of a team going to the Finals is a major boost for soccer in the Cambridge community.

Cambridge boasts a track record of 8-2-2 in the first division of the South Regional League. The girls made it to the semi-finals and received second place at the Cup Tournament in Hamilton.

The Comet team members are as follows: Ashley Tirabassi, Christina Loras, Caitlin Franck, Candice Figuaroa, Kelly Thomas, Kylie Reis, Jessica Lee, Starr Harvey, Amanda Sirio, Nicollette Di Benedetto, Asietu Numekevor, Tenescha Caddick, Brittany Hart, and Samantha Deignan, Craig Inker (coach), Doran Hart (assistant coach).

Excerpted from Cambridge Reporter

Life Insurance Trusts

Most of us have life insurance or are contemplating buying life insurance in the future. In many cases the life insurance proceeds payable on the death of the life insured are significant. Some policy owners are reluctant to have such large amounts pass directly to the named beneficiary and wish to find a way to exercise some control over the use of life insurance proceeds. In addition, some policy owners wish to designate several parties as beneficiaries of the life insurance policy.

The solution may be a life insurance trust. A life insurance trust can be established three ways: a separate Insurance Trust Agreement, an insurance trust clause within one's Last Will and Testament, or by an "In Trust Beneficiary" designation in the insurance policy itself. Whatever

the method, the key is to ensure that a valid trust is established. The intent to establish a trust must be clear; what property is being transferred into the Trust must be clearly identified and the terms and beneficiaries of the Trust must be explicit. In my opinion, the best possible method of setting up such a Trust with respect to life insurance proceeds is to establish a separate Insurance Trust Agreement.

If you do wish to establish a Trust with respect to your life insurance I would highly recommend that you consult with your insurance advisor, your accountant, and a lawyer who is familiar with personal estate planning and the preparation of Trust Agreements. Once you have consulted with your professional advisors they will tailor a Trust Agreement to satisfy your requirements. As mentioned, the Insurance Trust Agreement is the preferred method because the Trust Agreement itself will be a neatly structured document similar to a Last Will and Testament, which leaves no doubt about your intentions with respect to the dis-

position of your life insurance proceeds. The other methods of setting up an Insurance Trust, while acceptable, are not nearly as comprehensive and may result in unforeseen problems.

A properly structured Insurance Trust Agreement can achieve the following:

- multiple beneficiaries can be designated in the Agreement
- the insurance proceeds can be designated to be used for a specific purpose for each specific beneficiary, such as financing a beneficiary's education, providing for a disabled beneficiary or for charitable purposes
- tax savings for your estate in the Trust (if the insurance proceeds are invested, the resulting income may be taxed at lower rates in such a Trust)
- flexibility (the named trustee can be given a great deal of discretion with respect to the disposition of the life insurance proceeds)
- the use of the insurance proceeds are not influenced by the Will or other outside factors and are not considered to be part of your estate (therefore free from probate fees and creditors' claims)
- trustee can be given wide investment powers (and the power to encroach on capital, if necessary)
- you get to choose the trustee (choose carefully - this is the most important function)
- the deemed disposition rule (the 21 year rule applicable to other trusts) is not applicable to a Life Insurance Trust

I am surprised that Life Insurance Trusts are not used more frequently. The possibilities are endless with respect to the terms of a properly composed Insurance Trust Agreement. Perhaps anyone with a large policy of insurance should seriously consider the use of an Insurance Trust Agreement in conjunction with a his/her overall estate planning. Make sure that you structure your Life Insurance requirements so that your policy and your Insurance Trust flow together as intended by you.

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Health Clinic

Are you an Apple or a Pear?

Recently, researchers have learned that where you store excess fat on your body is a better indicator than your actual weight when it comes to assessing your risk for disease. The good news is that a few extra pounds on your hips and thighs are unlikely to harm your health. The bad news is that tummy fat may be a problem.

Apple-shaped people carry most of their extra weight in the abdomen and chest; fat in the stomach area tends to surround the internal organs.

Pear-shaped people store fat in the lower body; fat on the hips and thighs tends to be just below the surface of the skin.

Apples have a higher risk of heart disease, stroke, diabetes, high blood pressure and gall bladder disease. Even when apples and pears have similar body weights, these diseases progress faster and more seriously in apples than in pears.

To decide if you are an apple or a pear, try this simple waist-to-hip measurement.

- Measure your waist at the smallest part. Waist = ----- inches or cm.
- Measure your hips at their widest. Hips = ----- inches or cm.
- Divide your waist measurement by your hip measurement. Waist-Hip Ratio (WHR) = -----
Example: waist = 31 in; hips = 40 in, WHR = $31 \div 40 = .77$
- Assess your health risk

Low risk (Pears) High Risk (Apples)

WHR less than .8 WHR greater than .8
for women for women

WHR less than 1.0 WHR greater than 1.0
for men for men

If you're an apple, lower your risk for illness by not smoking and by practising stress management techniques. If you're a pear, accept your shape and concentrate on eating well and enjoying an active life.



President's Corner

Where Do We Go From Here?



So we have survived the Y2K hype after all, and the media pundits and scaremongers have been put to shame!

I was glued to the television watching the millennium celebration around the world with the idea that if they should survive it, then the hype would be over. There they came one by one--Japan, Australia, New Zealand, Russia, France and London--and no problems!!

As soon as the clock struck midnight in our time zone, I dashed straight to the kitchen and tested our ancient and antique microwave, and it functioned!! I looked around me and the lights were on. I asked my daughter, Asietu (who turned 11 on December 3, 1999) to flush the toilet and it worked!! We leaped into the air with joy and thanked God for helping us triumph over a fear that should not have been there in the first place. Other than one extra large bottle of water, we did absolutely nothing to respond to the hype. I heard that some people bought generators and re-wired their houses, and others, who are a bit more business minded, stocked up on generators with the hope of making a killing **when** (not if) Y2K came. In fact, I heard somewhere that somebody urged her friend not to pay her hydro bill until the new year, since there was a good chance that the billing records would be destroyed **when** the dreaded Y2K arrived!! With millenium hysteria over, we need to get our brains ready for the challenges and opportunities that the millenium will bring us.

Do our employees work for us or with us?

I venture to state here that one of the main challenges that we, as employers, will be facing in this millennium is how to effectively motivate our employees so that they will give their best. Thus, we harness their talents and skills for the benefit of all. Employers' most important, but complex, resources are personnel and machines. But, we cannot treat employees the same way we would treat machines because humans have feelings and need to be handled differently than an inanimate object.

The subject of human behaviour in the work environment has been an interest of mine since my university days. As employers we may characterize

the relationship with our employees as "them against us," but if we hold onto this attitude it will become evident in all aspects of our relationship with them. They, in turn, will react in like manner. Employers look for hard-working, trustworthy, and dedicated employees. We must remember, though, that our employees look for the same qualities in us.

While Group insurance benefits and raises are valuable to the employee, these bonuses will not be the only deciding factor in an employees' decision to stay on the job. In my opinion, a major factor that will make them put in extra time at the end of the day and not rush to clock out is if we, the employers, are caring and show genuine interest in our employees' well being. Showing genuine concern for our employees and their families and providing them with jobs that give intrinsic satisfaction and the opportunity for self-actualization go a long way in demonstrating concern. A client of mine has a policy of filling vacant positions with internal promotions. This has had a very positive effect on morale of the promoted employee so much so that he/she work extremely hard to meet the expectations of the new job position.

The challenge for every employer is how to maintain an employee's level of motivation so that they can continue to be happy and give their best. Our country is being touted as the best place on earth to live in this millennium by the United Nations and other economic think tanks and, therefore, the problem is going to get more complicated. But we can lessen the problem by relating to our employees on a more personal level.

I wish you all good health in your individual and family lives. May your businesses take up the challenges and opportunities of the millennium with courage and innovation and bring prosperity to you, your employees, and our communities.

We are proud to announce our association with PPI Financial Group. PPI is a very prestigious insurance and tax consulting firm in the insurance industry. In addition to collaborating with them on complex tax and estate planning cases, PPI will assist us in facilitating the design, implementation, and ongoing management of our large (over 50 employees) Employee Group Benefit Programmes. With PPI, we are able to provide benefits to clients whose employees are located in the United States and elsewhere. We are glad to have PPI on board as associates.

ABOUT THE COMPANY Need help through the insurance planning maze?

We at Numekevor & Associates can help your company through business succession planning, disability and health risk management, creative group benefit plan design, and individual estate creation and preservation ideas.

ABOUT THE NEWSLETTER

This newsletter belongs to our clients. We at Numekevor & Associates hope that **NewsForum** will foster an opportunity for discussion which will enrich your business and family lives. This newsletter is published twice a year.

Publication dates are the third week of January and July. We welcome submissions from our readers in the form of original articles, photos, or original artwork. Submission deadlines are the last week of December and the last week of June. Submissions may be typewritten, supplied on disk (saved as a RTF file, please), sent via E-mail to numassoc@golden.net, or sent via traditional post to the office at 193 Pinebush Rd. Suite 200, Cambridge, Ontario N1R 7H8. We reserve the right to edit articles for length and clarity.



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