

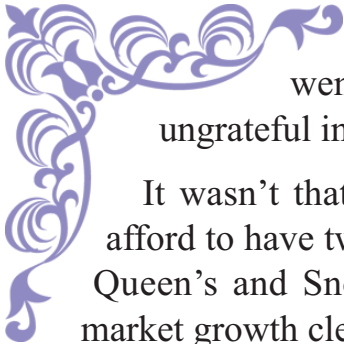


A Fiscal Fairy Tale

Snowed White

By Tom Brown

There were plenty of businesses in the kingdom. So Snowed White's decision — right after she graduated from Forest University — to enter into direct competition with her stepmother, the vain and wicked Queen, was nothing less than front-page news for weeks. The interview with Snowed White on *Larry's Kingdom Live* was the last straw for the Queen. "That



wench! That upstart! That ungrateful ingrate! She must *die!*”

It wasn't that the kingdom couldn't afford to have two fruit distributors, the Queen's and Snowed White's. Natural market growth clearly mandated the need for a second fruit vendor. Indeed, Snowed White had started her research on this need while still in school.

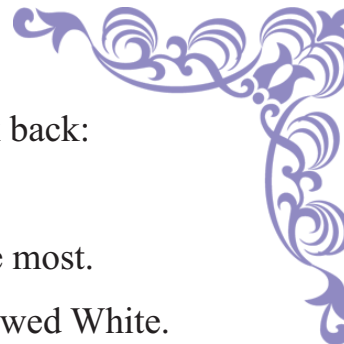
Perhaps they recalled Snowed White's playfulness and happy tunes when she was growing up.

Such research wasn't rocket science. Queen Bee Fruit had not improved its channels of distribution over the years, and this fact was widely known and griped about. Many in the southern part of the kingdom had been getting mushy apples for years. Further, an overpaid management crew at Queen Bee Fruit was deaf to the increasing demands for different varieties of fruit. Until Snowed White opened Apple-A-Day Fruits, customers had to have fresh kiwi flown in at an exorbitant cost.

The Queen, however, wasn't placated by sayings macroeconomical. Her advisers were peeved that the Queen was always peeved. What her top advisers didn't know (how could they?) was that a magical mirror in the Queen's bedroom shared the ability to advise the Queen. “Tell me true lest magical glass break and fall!” commanded the Queen each morning.

“Who's the fairest of them all?”

And, each morning,



she heard the same microchip voice squeak back:

Of market share,

Your company has the most.

But watch out for Snowed White.

Her savvy will make you toast.

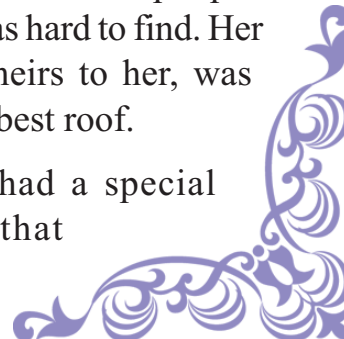
One morning, the Queen had had enough. “I've had enough,” she screeched at her advisers. “I want Snowed White dead. I order you to initiate...” She stopped, noticing that all her top aides were shaking at the thought of her next words. Perhaps they recalled Snowed White's playfulness and happy tunes when she was growing up. Perhaps fond memories were blocking decisive action, the Queen thought. Thus she spewed her next words with venomous delight.

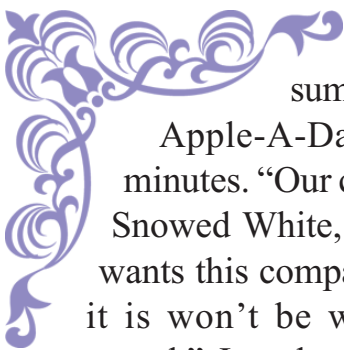
“I order you to initiate a hostile takeover!”

Snowed White knew bad news was imminent when the calls started coming in from “anonymous” sources to see if she would allow any part of her 37% holdings in Apple-A-Day to go on the open market. She could also see that the volume of trading in Apple-A-Day shares was far greater than for any other stock in the market.

Luckily, Snowed White could share her concern. Apple-A-Day was run by a top-level team composed of herself and seven dwarfs, whom she met when start-up capital for her new company was hard to find. Her loyalty to them, and theirs to her, was thatched as tight as the best roof.

Her cellular phone had a special programmed code that





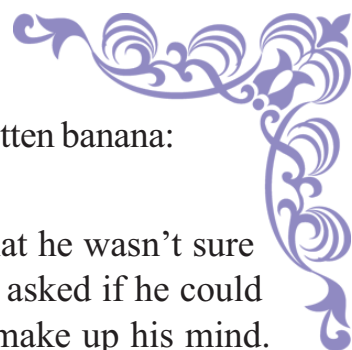
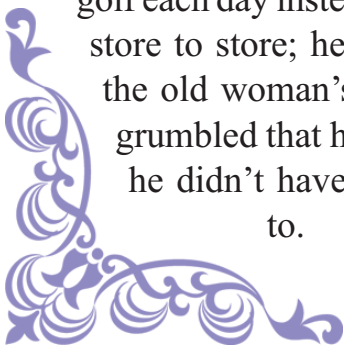
summoned the dwarfs to the Apple-A-Day conference room in minutes. “Our company’s in play,” said Snowed White, “that’s plain. Someone wants this company badly, and whoever it is won’t be wanting *us* if they get control.” Just then, there was a knock on the door.

In came an old, bent woman whose crippled gait caused two of the dwarfs to rush to her assistance. Only the old woman’s threatening cane staved off their advances, and she started speaking before they could get back to their stools.

“It’s *my* holding company that has been buying your stock. Now, if you agree to sell out right now, I’ll pay double the market price for all your personal shares, which I know combine to give you majority control. That would buy a lot of designer belts and combs! But you have to sell me *all* your shares and then agree to abandon the company and the kingdom and not to compete in this market for 27 years.” At that she left, indicating she would be back in an hour.

The dwarfs all started talking at once. They knew that Snowed White critically needed their collective advice. The trouble was that they couldn’t agree!

One dwarf, a physician by training, pointed out how nice it would be to play golf each day instead of rushing pears from store to store; he was inclined to accept the old woman’s offer. A second dwarf grumbled that he would be lost in life if he didn’t have Apple-A-Day to come to.



“Tell her,” he said, “that her offer is like a rotten banana: no appeal.”

Another dwarf said that he wasn’t sure what all this meant and asked if he could call his broker to help make up his mind. Still another said he had an opinion but

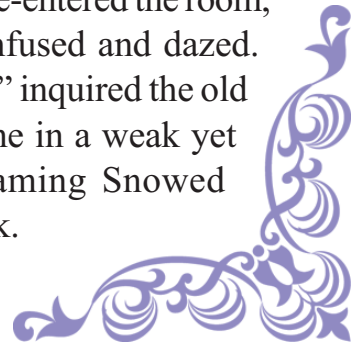
When the old woman re-entered the room, Snowed White was confused and dazed.

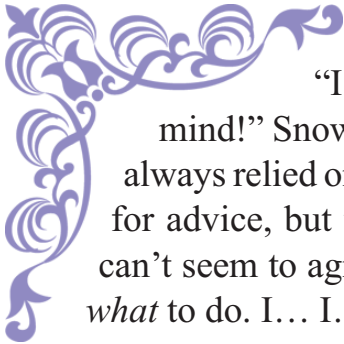
doubted that anyone else would listen if he offered it. No one debated the point.

One dwarf just sat at the carved wooden table, head in hands, slowly blinking his eyelids. He recommended sleeping on her offer and getting back to her the next day. Another was so delighted with the old woman’s initial offer that he was certain a hold-out strategy would yield a greater payoff in the future. Arbitrage, he pointed out, wasn’t always to be rejected at first glance.

The seventh dwarf was so afflicted by allergies and a post nasal drip that had grown into a severe sore throat that he was unable to do much more than mutter a few muffled words from behind his handkerchief.

When the old woman re-entered the room, Snowed White was confused and dazed. “What is your decision?” inquired the old woman, waving her cane in a weak yet intimidating circle, framing Snowed White in its orbital track.



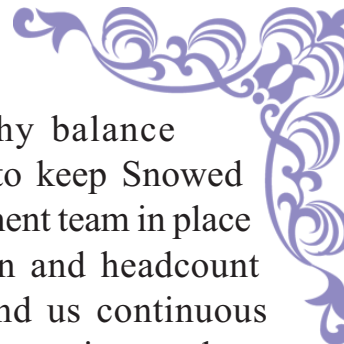


“I... I... can’t make up my mind!” Snowed White blurted. “I’ve always relied on my seven key advisors for advice, but this time, you see, they can’t seem to agree. I... I... don’t know *what* to do. I... I...”

Snowed White slumped to the floor in what the physician dwarf diagnosed as an apoplectic seizure, although he was reluctant to help, given his already too-exorbitant malpractice insurance premiums.

Just send us continuous hearty profits to help us retire our huge debt.

Just then, a handsome man walked in. With a princely stride he lifted Snowed White from the floor and announced that he was offering a proposed mega-merger with Apple-A-Day that would allow his booming computer chip company to diversify (and at the same time transfer lots of his



company’s debt to Apple-A-Day’s healthy balance sheet). “And I intend to keep Snowed White and her management team in place — and its organization and headcount intact, *mostly*. Just send us continuous hearty profits to help us retire our huge debt.”

Snowed White’s eyes blinked opened at this kiss of good news. The dwarfs cheered in unison, preferring debt to doubt. The deal struck, the prince of a man offered everyone champagne, for this imaginative approach to business had never been done before.

The old woman looked in the conference room mirror, cloudy from hours of huffing and puffing. Using the sleeve of her woolen coat to clear a crude 17-inch aperture, she surveyed her own sour face and the jubilation beyond.

“Ugly,” she grumbled. “How very ugly!”



The End

Illustration and layout by Mac Thornton

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