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**19TH ANNUAL INVESTMENT  
DIRECTORY**

2010

**BILL STATON  
WITH MARY STATON**

**FOREWORD BY JEFFREY A. HIRSCH,**  
EDITOR IN CHIEF, *STOCK TRADER'S ALMANAC*



# **AMERICA'S FINEST COMPANIES® 2010**

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# **AMERICA'S FINEST COMPANIES® 2010**

## **19th Annual Investment Directory**

**BILL STATON**

**WITH MARY STATON**

Foreword by Jeffrey A. Hirsch  
Editor in Chief, *Stock Trader's Almanac*



**WILEY**

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*To investors everywhere  
who want to make the most of their money  
in the least time with the least risk.*





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# FOREWORD

After the past 15 to 20 years of speculative fervor, dividends have returned to the forefront of investment ideology and strategy. Once the Berlin Wall came down in 1989, global economics and finance began to open up and the American economy, markets, companies, investors, and citizens benefited greatly. By the time the savings and loan crisis was tidied up in the early 1990s and Saddam Hussein was ejected from Kuwait, the stock market began to take off. Aggressive growth was the name of the game, and momentum and day trading became old hat.

The technology/dot-com bubble swelled and popped. The terrorist attacks of 9/11 rattled Wall Street and the world, but the financial markets and global economy rambled on. Fueled by the credit bubble, commodity and housing booms, and emerging market growth, the Dow Jones Industrial Average (DJIA) and the Standard & Poor's 500 achieved new heights in 2007. A chain reaction, however, mushroomed in late 2007. Declining housing prices triggered a credit collapse as the surreptitious credit default swaps and mortgage-backed securities markets crumbled. This morphed into the global financial crisis that at this writing still holds the world economy by the short hairs.

In the face of all this growth, volatility, and carnage, Bill Staton's America's Finest Companies® (AFCs) continued to thrive. Most of them did not soar to the altitudes that the high-flying tech and Internet stocks reached, but only a few fell by the wayside like so many of the dot-coms that crashed and burned and disappeared. And many of them vaulted 5-, 10-, and even 20-fold, such as Starbucks, Wal-Mart, Home Depot, Harley-Davidson, and General Electric (only Wal-Mart remains on the list this year).

AFCs by their very nature are not exposed to as much risk, because they have proven financial track records and generally much healthier balance sheets. If it becomes apparent that their financial numbers are a ruse or they falter, they are removed from the list. First off, a company does not make the cut until it has produced 10 consecutive years of increasing annual dividends or earnings. Most of the highfliers don't even exist for 10 years. Second, as soon as a company's streak ends it is delisted and removed from any AFC portfolio. By design companies are not allowed to be held to the point of no return.

It is fitting that in these difficult and turbulent economic times the cream of American business, Bill Staton's America's Finest Companies, rises to the top. It was no coincidence that the bulk of the AFC delistings this year came from the financial concerns and behemoths that were caught

red-handed in the credit fiasco. But had you followed Bill's rules that he discusses at great length in his recently published book, *Double Your Money in America's Finest Companies®: The Unbeatable Power of Rising Dividends* (John Wiley & Sons, 2008)—the first installment in the Almanac Investor series—you would have had only one financial company in your portfolio and been hard-pressed to hold it when the dividend was cut in 2008.

Take as an example Bank of America. On October 6, 2008, Bank of America announced that it was cutting its dividend in half. Within three trading days the stock was down nearly 40 percent to 23 and change. Had you sold it at the closing price the next day at around 23, you would have avoided another 90 percent drop in the stock over the next five months. Bank of America stock is still 50 percent lower than it was on October 7, 2008, which was a bit less than half its all-time high. Bill's mantra of sticking with companies that consistently make money and selling them when they stop doing so makes such clear sense that I am amazed at how few people make a solid dividend strategy a major part of their investment plan.

For his money management clients Bill does even better. Using his four decades of seasoned financial wisdom, he gleans a select group of stocks he invests in for clients. As he discusses in the Introduction, this group of handpicked companies has gained over 90 percent the past 10 years while the Dow industrials and S&P 500 have logged 22 percent and 26 percent losses.

His Baker's Dozen Guided Portfolio® of 13 of his favorite stocks has gained 121.65 percent since inception as of June 24, 2009. This model portfolio is based on a theoretical initial investment of \$1,000 made on June 18, 2000, into each of 13 AFC companies. More than 30 positions have been sold and replaced since that date (roughly one-third turnover per year), but there are always and only 13 AFC companies in the Baker's Dozen Guided Portfolio. The portfolio is also always 100 percent invested in stocks. Over the same time period the major averages are way down: DJIA -20.45 percent, S&P 500 -38.91, and NASDAQ -54.29.

Used in conjunction with *Double Your Money, America's Finest Companies® 2010: 19th Annual Investment Directory* will help you rebuild your investment portfolio and keep it on sound financial footing for years and decades to come as it has for thousands of investors and clients over the past two decades. It is with great pride and faith that we present the top 1 percent of American businesses. Stick with these companies for at least a portion of your investment capital or savings and you will be handsomely rewarded in perpetuity.

—Jeffrey A. Hirsch  
Editor in Chief, *Stock Trader's Almanac*  
Nyack, New York  
August 2009

# INTRODUCTION

*If a company isn't good enough to be among America's Finest Companies®, it's not good enough to own. Period!*

This 2010 19th annual edition of *America's Finest Companies*® continues to be the *only* investment directory of *all* publicly traded U.S. companies (243) with at least 10 consecutive years of higher dividends (calendar-year basis 2008) and/or earnings per share (fiscal-year basis 5/31/09). By our estimate, there are some 20,000 or so publicly traded U.S.-based companies. Many are so small and their shares so thinly traded that they're virtually impossible to buy except perhaps by appointment.

To be among America's Finest Companies (AFCs) is to be well within the top 1.5 percent of corporate America. Since we began publishing this investment directory in 1991, America's Finest Companies have outperformed through bad, good, and indifferent markets. They are juggernauts, often with the ability to overpower the competition—just like the women's soccer team at the University of North Carolina at Chapel Hill (Bill's undergraduate alma mater), who are currently National Collegiate Athletic Association (NCAA) champions and have won 19 of the 27 women's national championships.

The 10-year period ended March 31, 2009, was the worst for U.S. stocks as measured by the Standard & Poor's 500 and Dow Jones Industrial Average, including every rolling 10-year period encompassing the Great Depression—stretching all the way back to 1834. Including dividends reinvested, the S&P 500 produced a negative total return of -26.23 percent while the Dow industrials produced a negative total return of -22.2 percent.

The exclusive equity buy list of Staton Financial Advisors LLC (SFA) on April 1, 2009, was composed of a select group of our trademarked America's Finest Companies and Warren Buffett's Berkshire Hathaway, which owns more than a dozen AFCs.

As a group, these stocks together (1) provide a growing stream of dependable rising annual income, (2) have exceptional financial strength, (3) generally possess what Buffett would term a "wide business moat" (significant protective niche), and (4) sell for a well-below-market price-earnings (P/E) ratio with a well-above-market dividend yield.

On April 7, 2009, the P/E for the S&P 500 was 54.8 on trailing 12 months' earnings with a dividend yield of 3.0 percent. Dividends for the S&P have been falling for roughly the past 24 months (and still are). For the SFA buy list, the respective numbers were 11.4 and 4.5 percent.

In marked contrast to the dismal performances of all the market indexes (domestically and globally) during the past 10 years, the Staton picks nearly doubled in value with a 10-year total return of +91.71 percent through March 31, 2009. That assumes buying and holding, quarterly dividend reinvestment, and no portfolio reallocations or position changes.

To say the least, 2008 was a disaster for almost the entire financial services industry as dividends pretty much across the board were slashed to the bone. As but one example, Bank of America first cut its annual dividend from \$2.56 to \$1.28. Then, in a second cut, the bank sliced it down to just \$0.04. So, there are a record number of deletions from last year's edition. Nonetheless, there are still a very ample number of highest-quality stocks from which to choose for your personal portfolio(s).

In December 2008, Bill came out with his latest book from John Wiley & Sons, *Double Your Money in America's Finest Companies®: The Unbeatable Power of Rising Dividends*. Wiley is a star among the AFC universe and is celebrating its 202nd anniversary this year. The only other AFC (to our knowledge) that has been around even longer, Valspar Corporation, is just one year older. Here's a short excerpt from Chapter 8 of the book, titled "The Unbeatable Power of Dependable and Rising Annual Dividends":

There are ways for the individual investor to make money in the securities markets. Buying value and holding long term while collecting dividends has been proven over and over again.

—Robert M. Sharp

Author, *The Lore and Legends of Wall Street*

### Points to Remember

- Higher dividends predict growth.
- Higher payouts equal higher returns.
- Dividends help companies excel.

## Why Dividends Matter When Buying Stocks

A dividend is a sum of money paid to shareholders of a corporation out of earnings. It's also anything received as a bonus or reward or something in addition to or beyond what is expected (as in an extra or special dividend). Far too many stock investors believe that price appreciation is the way to make the most money from equities, not dividends. The truth is just the opposite.

In 1937 British economist Lord John Maynard Keynes remarked, "In one of the greatest investment markets in the world, namely, New York, the influence of speculation is enormous. It is rare for an American to 'invest for income,' and he will not readily purchase an investment except in the hope of capital appreciation." But John D. Rockefeller, the American industrialist, investor, and philanthropist who founded Standard Oil in 1870 and who was the world's richest person (measured in today's dollars), said, "Do you know the only thing that gives me pleasure? It's to see my dividends coming in."

A lot of smart people (including many professional money managers) have opined for years that dividends don't matter or, at best, matter little; it's really earnings growth and price appreciation that count.

[The following table] shows the S&P 500's compounded annual growth rate (CAGR) from 1950 through 2000. Note that, during all five periods ranging from 10 to 50 years, dividends comprised no less than 14 percent to as much as 31 percent of the annual total return.

**S&P 500 Annual Returns 1950–2000 (%)**

	CAGR	Return with Dividends	Percentage from Dividends
1990–2000	14.9	17.3	14
1980–2000	12.0	15.4	22
1970–2000	9.3	13.0	29
1960–2000	8.1	11.8	31
1950–2000	8.7	12.5	30

Source: The Staton Institute® Inc.

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Many advisers shun higher-yielding stocks for high-tax-bracket investors because they focus only on how much the government will take of that income. They ignore the historic total return numbers and the fact that higher-yielding stocks generally go down less in a bear market. Thus, the overall return of the portfolio—dividends with appreciation—is almost always higher than from price appreciation alone.

Global markets analyst Mike Burnick sums it up this way: "Smart investing is about making money the old-fashioned way . . . earning it. This includes buying undervalued blue-chip companies [America's

Finest Companies certainly qualify] with attractive dividend yields.  
That's one of the best investment strategies I know of."

In the following pages, we segregate America's Finest Companies into various lists to help you make the most profitable use of our data. For example, we show all the AFCs with at least 20 consecutive years of higher earnings per share and those with a minimum 30 years of back-to-back dividend increases. The America's Strongest Companies® list includes the 50 AFCs with the mightiest balance sheets as measured by the ratio of shareholders' equity to total assets.

There are other exclusive lists as well to help you make the soundest long-term investment decisions. We wish you all the finest.

Live richly!

The image shows two handwritten signatures in black ink. The first signature, on the left, is 'Bill' with a horizontal line underneath it. The second signature, on the right, is 'Mary'.

Bill and Mary Staton

*Authors' Note:* At press time these five companies had reduced their 2009 dividends:

Kimco Realty Corp.  
Patterson Cos. Inc.  
S&T Bancorp Inc.  
Vulcan Materials Co.  
Sovran Self Storage Inc.

Please ignore any reference to them in the body of the directory and the alphabetical list of companies.



## HOW TO BEAT 75 TO 85 PERCENT OF WALL STREET'S PROS 100 PERCENT OF THE TIME

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1. Create your own personal portfolio of at least five of America's Finest Companies® (AFCs).
2. Make sure each company is in a different industry.
3. Invest the same dollar amount into each company for proper diversity.
4. Buy more of what you already own at least once each year as long as it's still listed in *America's Finest Companies*®. Maintain roughly equal-dollar weightings in each position.
5. Reinvest dividends quarterly and buy more.
6. Sell only when a company is deleted from AFCs or when you need the money.
7. Be patient. The longer you invest, the more successful you'll be.

That's it: seven simple steps. Using these it's a cinch you can beat 75 to 85 percent of the pros 100 percent of the time with *America's Finest Companies*®.

## BUYING STOCKS DIRECT

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One hundred and one of America's Finest Companies allow you to buy initial shares direct *without* going through a broker. They have varying requirements about the number of shares you must buy or dollar amounts you must spend to start your investment program. The minimum investment is typically in the \$500 to \$1,000 range but on occasion is as low as \$25 or as high as \$3,000.

For specifics, contact the ones in which you're interested. Their web sites are in the alphabetical list in this directory as well as the minimum dollar amounts required for initial purchase.

It is simple and easy to have a balanced portfolio with as little as \$1,000 invested, whereas the typical mutual fund is generally going to require at least \$2,000 or more to begin. And the typical broker is not going to get excited about working with you for that small an amount.

As an example, look at the 11 companies in the following list with \$100 minimums or less. You could construct a very high-quality, well-balanced portfolio for no more than \$1,000. As an example, Badger Meter is an industrial company. As for Connecticut Water Service, well, it's apparent what they do. Chemical Financial is one of the few banks that continue to increase their dividends each year. Ditto for Tompkins Trustco. Kimco Realty is a real estate investment trust (REIT), and so is Essex Property Trust. Otter Tail is an electric utility, as is Integrys Energy. You could choose one or the other bank, REIT, and utility. Then you've also got New Jersey Resources, National Retail, and Sovran Self Storage. That's an excellent starter portfolio, for you and certainly for your children and/or grandchildren.

**\$25 Minimum Amount**

New Jersey Resources Corp.

**\$50 Minimum Amount**

Chemical Financial Corp.

**\$100 Minimum Amount**

Badger Meter Inc.  
Connecticut Water Service  
Essex Property Trust Inc.  
Integrus Energy Group  
Kimco Realty Corp.  
National Retail Properties Inc.  
Otter Tail Corp.  
Sovran Self Storage Inc.  
Tompkins Trustco Inc.

**\$250 Minimum Amount**

C.R. Bard Inc.  
Becton, Dickinson & Co.  
Black Hills Corp.  
California Water Service Group  
Caterpillar Inc.  
ChevronTexaco Corp.  
Clorox Co.  
Community Bank System  
Emerson Electric  
Energen Corp.  
Exxon Mobil Corp.  
Federal Realty Investment Trust  
Arthur J. Gallagher & Co.  
Glacier Bancorp  
Hershey Foods Corp.  
Holly Corp.  
Johnson Controls  
Lowe's Companies Inc.  
Macerich Co.  
McCormick & Co. Inc.  
MDU Resources Group Inc.

Medtronic Inc.  
MGE Energy  
NW Natural Gas Co.  
Paychex Inc.  
PepsiCo Inc.  
Piedmont Natural Gas Co.  
Procter & Gamble Co.  
Progress Energy Inc.  
Questar Corp.  
S&T Bancorp Inc.  
Sonoco Products Co.  
Stanley Works  
Taubman Centers Inc.  
Teleflex Inc.  
United Technologies  
Vulcan Materials Co.  
Walgreen Co.  
Wal-Mart Stores Inc.  
Washington REIT  
Weingarten Realty Investors

**\$500 Minimum Amount**

Air Products & Chemicals  
Allstate Corp.  
American States Water Co.  
Aqua America Inc.  
AT&T  
Avery Dennison Corp.  
Colgate-Palmolive Co.  
Diebold Inc.  
Dover Corp.  
Gorman-Rupp Co.  
International Business Machines  
McDonald's Corp.  
McGraw-Hill Companies Inc.  
NSTAR  
PPG Industries Inc.  
Target Corp.

**\$750 Minimum Amount**

HCP Inc.

**\$1,000 Minimum Amount**

Aflac Inc.

F.N.B. Corp.

Home Properties Inc.

Eli Lilly &amp; Co.

National Fuel Gas Co.

Old Republic Intl. Corp.

UGI Corp.

Valspar Corp.

**\$1,250 Minimum Amount**

Atmos Energy Corp.

The following five companies allow you to reinvest your dividends and buy additional shares through their optional cash payment (OCP) plans at discounts from market price ranging from 1 percent to 5 percent. Please note that the discounts are taxable in the year shares are purchased.

<b>Company</b>	<b>Discount</b>
Marshall & Ilsley Corp.	1%
3M Corp.	1
H.B. Fuller Co.	3
Middlesex Water Co.	5
Telephone & Data Systems	5

For additional information about buying shares of America's Finest Companies in small-dollar amounts, please thoroughly check out these two excellent web sites: [www.sharebuilder.com](http://www.sharebuilder.com) and [www.oneshare.com](http://www.oneshare.com).

## NEW LISTINGS AND DELISTINGS

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### New Listings (17)

This year there are 17 additions in a variety of industries, 6 fewer than the 23 in last year's 18th annual directory. Sixteen of the 17 that follow qualify because they have paid a higher cash dividend for at least 10 straight years through calendar year 2008. Techne Corp. qualifies because it is one of the few companies with a minimum 10 consecutive years of higher earnings per share, 16 to be exact.

H&R Block is only the third company in AFC history to have been among America's Finest Companies, dropped off, and then gotten back on. IBM was the first company to accomplish this. Church & Dwight, makers of Arm & Hammer baking soda and detergents, was the second.

Remember, once a company leaves the AFC list, it takes at least 11 years to get back aboard.

Alexandria Real Estate Equities  
 H&R Block Inc.  
 W.P. Carey & Co. LLC  
 Cato Corp.  
 Curtiss-Wright Corp.  
 Energy Transfer Partners LP  
 Enterprise Products Partners LP  
 Fastenal Company  
 Federated Investors Inc.  
 Helmerich & Payne Inc.  
 Lincoln Electric Holdings Inc.  
 Owens & Minor Inc.  
 Strayer Education Inc.  
 Suburban Propane Partners LP  
 Supervalu Inc.  
 Techne Corp.  
 Vornado Realty Trust

### Delistings (83)

Seventeen companies were eliminated from the second edition in 1992. In the third and fourth annual editions, another 37 were cut. For the fifth edition, 31 names were removed, and 30 in the sixth.

In the seventh edition, 47 companies were cut. In the eighth edition, the number cut dropped to 37 again. In the ninth edition, it rose to 47. The following year (10th edition) the number delisted was 44.

Nine years later, in this the 19th annual edition of *America's Finest Companies*®, 83 companies have been dropped from last year's list, by far the most ever. The preponderance of companies dropped are financials, and we suspect that it will be many a moon, if ever, that even some of them once again qualify for listing.

The cause for removal overwhelmingly was that the company's dividend remained flat or was reduced in 2008, or the company cut the dividend in 2009 before we went to press.

American Capital Limited  
 American International Group  
 Anchor Bancorp Wisconsin  
 Anheuser-Busch Companies Inc.  
 Astoria Financial Corp.  
 Bank of America Corp.  
 Bank of Granite Corp.  
 BankAtlantic Bancorp  
 Banner Corp.  
 BB&T Corp.  
 CBL & Assoc. Properties Inc.  
 City National Corp.  
 Colonial Properties Trust  
 Comerica Inc.  
 Commerce Bancshares Inc.  
 Corus Bankshares Inc.  
 CVB Financial Corp.  
 Duke Realty Corp.  
 Farmer Brothers Co.  
 Fidelity National Financial  
 Fifth Third Bancorp  
 First Charter Corp.  
 First Financial Holdings  
 First Midwest Bancorp Inc.  
 1st Source Corp.  
 First State Bancorporation  
 FirstMerit Corp.  
 Fulton Financial Corp.  
 Gannett Co. Inc.  
 General Electric Co.  
 General Growth Properties

Harley-Davidson Inc.  
Harleysville National Corp.  
Hartford Financial Services Group Inc.  
Hilb, Rogal & Hobbs Co.  
Home Depot Inc.  
Horizon Financial Corp.  
Independent Bank Corp.  
Irwin Financial Corp.  
KeyCorp  
Legg Mason Inc.  
Lehman Brothers Holdings Inc.  
Liberty Property Trust  
Lincoln National Group  
LSI Industries Inc.  
Masco Corp.  
Media General Inc.  
National Penn Bancshares Inc.  
National Security Group Inc.  
New York Times Co.  
Old National Bancorp  
Old Second Bancorp Inc.  
O'Reilly Automotive  
Park National Corp.  
Pfizer Inc.  
Pinnacle West Capital Corp.  
Progressive Corp.  
ProLogis Trust  
Protective Life Corp.  
Regions Financial Corp.  
Rohm & Haas Co  
Sandy Spring Bancorp Inc.  
Sonic Corp.  
South Financial Group Inc.  
Southwest Bancorp Inc.  
Southwest Water Co.  
Starbucks Corp.  
SunTrust Banks, Inc.  
Susquehanna Bancshares Inc.

Talbots Inc.  
TCF Financial Corp.  
Total System Services  
UDR Inc.  
UMH Properties Inc.  
UnitedHealth Group  
U.S. Bancorp Inc.  
Washington Federal Inc.  
Webster Financial Corp.  
Wells Fargo & Co.  
West Coast Bancorp  
Westamerica Bancorporation  
Whitney Holding Corp.  
Wilmington Trust Corp.



## AMERICA'S STRONGEST COMPANIES: TOP 50 EQUITY-LOADED BALANCE SHEETS

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Stockholders' equity (a.k.a. net worth or book value) is what's left on a company's balance sheet after all liabilities are subtracted from total assets. The 50 companies that comprise America's Strongest Companies® have more equity (as a percentage of total assets) on their balance sheets than any others in the *America's Finest Companies*® directory, and for that matter, probably almost all other public U.S. companies.

Quite a few (Techne Corp. heads the pack) are stuffed with cash as well. In the almost 20 years of publishing the AFC directory, we have yet to see any company with as much equity compared to total assets as Techne Corp. That such financial strength actually exists in even one company is nothing short of remarkable.

**Investing in companies with strategic financial positions like the ones in the following list virtually ensures the ability to make money over the long term in almost any conceivable economic environment.**

The principal risk from investing in any company is that it will get into financial trouble, or even worse go into bankruptcy. The 50 companies on this exclusive list are as likely to remain in business and survive even the worst economic downturns as any companies in the country or for that matter the world. There are few companies anywhere, whether public or private, in such superb financial shape.

After Techne Corp., the only company whose equity is more than 90 percent of total assets, there are five companies with equity/assets ratios between 80 and 90 percent, nine companies between 70 and 80 percent, 11 companies between 60 and 70 percent, and 24 companies between 50 and 60 percent.

Company	Equity/Assets
Techne Corp.	97.0
T. Rowe Price Associates	87.4
LSI Industries Inc.	85.3
Fastenal Co.	85.1
Weyco Group Inc.	84.5
Bowl America Inc.	82.4
Tootsie Roll Industries	78.2
FactSet Research Systems	78.1
Wesco Financial Corp.	77.9
Raven Industries Inc.	77.3
Franklin Resources Inc.	77.1
Universal Health Realty	74.9
Lancaster Colony Corp.	74.2
SEI Investments Co.	71.7
Federated Investors	70.7

(Continued)

<b>Company</b>	<b>Equity/Assets</b>
Gorman-Rupp Co.	68.5
Universal Forest Products	67.3
Jack Henry & Associates	66.5
CLARCOR Inc.	64.7
W.W. Grainger Inc.	64.4
Lincoln Electric Holdings	63.7
Helmerich & Payne Inc.	63.0
Lawson Products Inc.	62.6
C.H. Robinson Worldwide	61.5
Badger Meter Inc.	61.2
Sigma-Aldrich Corp.	60.4
Expeditors International	59.8
Hormel Foods Corp.	59.5
Cato Corp.	58.8
W.P. Carey & Co. LLC	58.6
J.M. Smucker Co.	58.6
National Retail Properties	58.2
Cintas Corp.	58.1
Medtronic Inc.	57.4
Walgreen Co.	57.4
Nucor Corp.	57.1
ABM Industries Inc.	56.8
EastGroup Properties Inc.	56.2
Parker Hannifin Corp.	55.8
Lowe's Companies	55.2
Strayer Education	54.8
Leggett & Platt Inc.	53.7
Genuine Parts Co.	52.5
Brady Corp.	52.4
Thomson Corp.	52.1
Realty Income Corp.	51.9
Illinois Tool Works Inc.	50.4
Johnson & Johnson	50.1
Dover Corp.	50.0
Exxon Mobil Corp.	49.4

## AMERICA'S FINEST EARNINGS ALL-STARS

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Through calendar 2008 or the fiscal year ending by May 31, 2009, only these five select companies compiled all-star records by racking up *legitimate* higher earnings per share (EPS) for at least 20 straight years.

The list of America's Finest Earnings All-Stars® is one difficult list to make, and this year it's by far the smallest ever. Few companies manage to remain on the list for long. In last year's edition of *America's Finest Companies*®, nine companies made the cut. This year there are four fewer.

<b>Company</b>	<b>Consecutive Years Higher EPS</b>	<b>Rank</b>
Wal-Mart Stores Inc.	47	1
Tompkins Trustco Inc.	36	2
Walgreen Co.	34	3
FactSet Research Systems	26	4
Johnson & Johnson	25	5

## AMERICA'S FINEST DIVIDEND ALL-STARS

Through calendar 2008, the 91 companies that comprise the America's Finest Dividend All-Stars® list compiled all-star records by paying higher dividends per share annually for the past 30 years or more. Like racking up 20 straight years of higher earnings per share, it's a monumental achievement only the *finest of the finest* companies have been able to pull off.

This year 10 companies enjoyed the 50-year mark or better, while 20 more passed the 40-year threshold.

**If you had purchased the same dollar amount of each of these companies on May 1, 1999, reinvested dividends quarterly, and done no additional selling or buying, the total return of your portfolio would have been +71.22 percent compared to -22.19 percent for the S&P 500 and -5.79 percent for the 30 Dow industrials on April 30, 2009, 10 years later.**

Company	Consecutive Years Higher Dividends	Rank
American States Water Co.	56	1
Diebold Inc.	55	2
NW Natural Gas Co.	53	3
Procter & Gamble Co.	53	3
Dover Corp.	52	4
Emerson Electric Co.	52	4
Genuine Parts Co.	52	4
Parker Hannifin Corp.	52	4
Integrys Energy Group	50	5
3M Co.	50	5
Cincinnati Financial Corp.	48	6
Vectren Corp.	48	6
Coca-Cola Co.	46	7
Colgate-Palmolive Co.	46	7
Illinois Tool Works	46	7
Johnson & Johnson	46	7
Lancaster Colony Corp.	46	7
Nordson Corp.	45	8
Tootsie Roll Industries	45	8
ABM Industries Inc.	44	9
Chubb Corp.	44	9
Peoples Bancorp Inc.	43	10
Hormel Foods Corp.	42	11
California Water Service	41	12

<b>Company</b>	<b>Consecutive Years Higher Dividends</b>	<b>Rank</b>
Federal Realty Inv. Trust	41	12
Eli Lilly & Co.	41	12
Stanley Works	41	12
Stepan Co.	41	12
H.B. Fuller Co.	40	13
SJW Corp.	40	13
Connecticut Water Service	39	14
Associated Banc-Corp.	38	15
Black Hills Corp.	38	15
Investors Real Estate Trust	38	15
Mine Safety Appliances Inc.	38	15
National Fuel Gas Co.	38	15
Sysco Corp.	38	15
Universal Corp.	38	15
Washington REIT	38	15
C.R. Bard Inc.	37	16
Becton, Dickinson & Co.	37	16
W.W. Grainger Inc.	37	16
Leggett & Platt Inc.	37	16
PPG Industries Inc.	37	16
Sigma-Aldrich Corp.	37	16
Tennant Co.	37	16
Wesco Financial Corp.	37	16
Abbott Laboratories	36	17
Bowl America Inc.	36	17
F.N.B. Corp.	36	17
Gorman-Rupp Co.	36	17
Kimberly-Clark Corp.	36	17
Marshall & Ilsley Corp.	36	17
Nucor Corp.	36	17
PepsiCo Inc.	36	17
VF Corp.	36	17
CenturyTel Inc.	35	18
McGraw-Hill Companies	35	18
Middlesex Water Co.	35	18
RPM International Inc.	35	18
Target Corp.	35	18

(Continued)

<b>Company</b>	<b>Consecutive Years Higher Dividends</b>	<b>Rank</b>
Trustmark Corp.	35	18
Archer Daniels Midland Co.	34	19
Automatic Data Processing	34	19
Chemical Financial Corp.	34	19
Consolidated Edison Inc.	34	19
Hershey Foods Corp.	34	19
McDonald's Corp.	34	19
Myers Industries Inc.	34	19
Telephone & Data Systems	34	19
Wal-Mart Stores Inc.	34	19
Avery Dennison Corp.	33	20
Family Dollar Stores Inc.	33	20
Johnson Controls Inc.	33	20
MGE Energy	33	20
Otter Tail Corp.	33	20
Bank of Hawaii Corp.	32	21
Carlisle Companies Inc.	32	21
Pentair Inc.	32	21
RLI Corp.	32	21
Teleflex Inc.	32	21
Walgreen Co.	32	21
WGL Holdings Inc.	32	21
Clorox Co.	31	22
Helmerich & Payne Inc.	31	22
Medtronic Inc.	31	22
Questar Corp.	31	22
Valspar Corp.	31	22
NACCO Industries Inc.	30	23
Piedmont Natural Gas Co.	30	23
State Street Corp.	30	23

## AMERICA'S SMARTEST COMPANIES

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These select 14 companies (versus 20 last year) recorded at least 10 straight years of higher dividends per share through calendar year 2008 and also at least 10 back-to-back years of higher earnings per share through calendar year 2008 or by the fiscal year ending May 31, 2009.

Fewer than 6 percent of the companies in *America's Finest Companies*<sup>®</sup> qualify to be in this elite group. Out of all publicly traded companies in the United States, these are in the top 0.1 percent. This is an amazing feat, to say the least. Because of their elite status, these gems are trademarked as America's Smartest Companies<sup>®</sup>.

<b>Company</b>	<b>Consecutive Years Higher EPS</b>	<b>Consecutive Years Higher Dividends</b>
Wal-Mart Stores Inc.	47	34
Tompkins Financial	36	20
Walgreen Co.	34	32
FactSet Research Systems	26	10
Johnson & Johnson	25	46
Donaldson Co.	19	15
New Jersey Resources Corp.	17	13
CLARCOR Inc.	16	25
Expeditors International	15	15
Energen Corp.	13	26
C.H. Robinson Worldwide	11	10
Becton, Dickinson & Co.	10	37
General Dynamics	10	15
Strayer Education	10	10

## THE “SUPER 50” TEAM

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Only 16 (there were 20 last year) American companies have a combined total of at least 50 years of higher earnings and dividends per share, an extraordinarily remarkable accomplishment.

**Qualifying to be on the “Super 50” Team is a mammoth achievement since just a microscopic 0.1 percent of all public U.S.-based companies make it. Once a company makes the team it’s even harder to stay on, because maintaining higher earnings and dividends year after year is getting more and more difficult.**

The “Super 50” Team members are ranked in descending order based on their composite scores (combined years of higher earnings and dividends).

Company	Total	Rank	EPS	Dividends
Wal-Mart Stores Inc.	81	1	47	34
Johnson & Johnson	71	2	25	46
Walgreen Co.	66	3	34	32
Procter & Gamble Co.	61	4	8	53
American States Water Co.	56	5	0	56
Diebold Inc.	56	5	1	55
Emerson Electric	53	6	1	52
NW Natural Gas Co.	53	6	0	53
Coca-Cola Co.	52	7	6	46
Dover Corp.	52	7	0	52
Genuine Parts Co.	52	7	0	52
Parker Hannifin Corp.	52	7	0	52
Nordson Corp.	51	8	6	45
Colgate-Palmolive Co.	50	9	4	46
Integrus Energy Group	50	9	0	50
3M Co.	50	9	0	50



## AMERICA'S FINEST COMPANIES BY INDUSTRY

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### **Aerospace (2)**

Curtiss-Wright Corp.  
General Dynamics

### **Air Freight (1)**

Expeditors International

### **Alcoholic Beverage (1)**

Brown-Forman Corp.

### **Apparel (1)**

Nordstrom Inc.

### **Auto Parts (1)**

Genuine Parts Co.

### **Aviation (1)**

United Technologies

### **Banking (34)**

Associated Banc-Corp.  
BancFirst Corp.  
BancorpSouth Inc.  
Bank of Hawaii Corp.  
Capital City Bank Group Inc.  
Chemical Financial Corp.  
Community Bank System Inc.  
Community Trust Bancorp Inc.  
Cullen/Frost Bankers Inc.  
First Bancorp Inc.  
First Busey Inc.  
First Community Bankshares, Inc.  
First Financial Corp.  
Flushing Financial Corp.  
F.N.B. Corp.  
Glacier Bancorp Inc.

Heartland Financial USA Inc.  
IBERIABANK  
M&T Bank Corp.  
MainSource Financial Group Inc.  
Marshall & Ilsley Corp.  
Northern Trust Corp.  
Peoples Bancorp Inc.  
Renasant Corp.  
S.Y. Bancorp Inc.  
S&T Bancorp Inc.  
Simmons First National Corp.  
State Street Corp.  
Sterling Bancshares Inc.  
Tompkins Financial  
Trustmark Corp.  
United Bankshares Inc./WV  
Valley National Bancorp  
WesBanco Inc.

**Biotechnology (2)**

Meridian Bioscience Inc.  
Techne Corp.

**Building Materials (5)**

Fastenal Company  
Martin Marietta Materials  
Sherwin-Williams Co.  
Valspar Corp.  
Vulcan Materials Co.

**Business Services (2)**

Cintas Corp.  
Ecolab Inc.

**Chemicals (9)**

Air Products & Chemicals  
Albemarle Corp.  
Brady Corp.  
H.B. Fuller Co.

PPG Industries Inc.  
Praxair Inc.  
RPM International Inc.  
Sigma-Aldrich Corp.  
Stepan Co.

**Cleaning Products (1)**

Church & Dwight Co. Inc.

**Computer Software (2)**

Automatic Data Processing  
Paychex Inc.

**Computers (1)**

International Business Machines

**Construction (1)**

Quixote Corp.

**Containers (2)**

Bemis Co.  
Sonoco Products Co.

**Contract Drilling (1)**

Helmerich & Payne Inc.

**Distributors (2)**

Supervalu Inc.  
Sysco Corp.

**Education and Training Service (1)**

Strayer Education Inc.

**Electric Utility (10)**

Black Hills Corp.  
Consolidated Edison Inc.  
Florida Public Utilities  
FPL Group Inc.

Integrus Energy Group  
MDU Resources Group Inc.  
MGE Energy  
NSTAR  
Otter Tail Corp.  
Progress Energy Inc.

**Electrical Equipment (4)**

Emerson Electric Co.  
Franklin Electric Co. Inc.  
W.W. Grainger Inc.  
A.O. Smith Corp.

**Electronics (1)**

Teleflex Inc.

**Entertainment (1)**

Cedar Fair L.P.

**Financial (4)**

Eaton Vance Corp.  
Federated Investors Inc.  
T. Rowe Price Group Inc.  
Wesco Financial Corp.

**Financial Services (1)**

H&R Block Inc.

**Foods (7)**

Archer Daniels Midland Co.  
Hershey Corp.  
Hormel Foods Corp.  
Lancaster Colony Corp.  
McCormick & Co.  
J.M. Smucker Co.  
Tootsie Roll Industries Inc.

**Hardware and Tools (1)**

Stanley Works

**Health Care (6)**

Abbott Laboratories  
Cardinal Health Inc.  
Johnson & Johnson  
Eli Lilly & Co.  
Mine Safety Appliances Co.  
West Pharmaceutical Services

**Household Furnishings (1)**

Leggett & Platt Inc.

**Household Products (4)**

Clorox Co.  
Colgate-Palmolive Co.  
Kimberly-Clark Corp.  
Procter & Gamble Co.

**Industrial Services (1)**

Harsco Corp.

**Insurance (3)**

Brown & Brown Inc.  
Erie Indemnity Co.  
HCC Insurance Holdings Inc.

**Insurance Brokers (1)**

Arthur J. Gallagher & Co.

**Insurance/Life (1)**

Aflac Inc.

**Insurance/Multiline (3)**

Mercury General Corp.  
Old Republic International Co.  
Transatlantic Holdings Inc.

**Insurance/Property (6)**

Allstate Corp.  
Chubb Corp.

Cincinnati Financial Corp.  
Harleysville Group Inc.  
RLI Corp.  
State Auto Financial Corp.

**Investment Banking (2)**

Franklin Resources Inc.  
SEI Investments Co.

**Leather Products (1)**

Wolverine World Wide Inc.

**Manufacturing (21)**

Avery Dennison Corp.  
Badger Meter Inc.  
Carlisle Companies Inc.  
Caterpillar Inc.  
CLARCOR Inc.  
Donaldson Co.  
Dover Corp.  
Gorman-Rupp Co.  
Illinois Tool Works Inc.  
Johnson Controls Inc.  
Lincoln Electric Holdings Inc.  
Matthews International  
3M Co.  
Moog Inc.  
Myers Industries Inc.  
NACCO Industries Inc.  
Nordson Corp.  
Parker Hannifin Corp.  
Pentair Inc.  
Roper Industries Inc.  
Tennant Co.

**Medical Products (5)**

C.R. Bard Inc.  
Beckman Coulter Inc.  
Becton, Dickinson & Co.

Medtronic Inc.  
Stryker Corp.

**Medical Supplies (3)**

Dentsply International Inc.  
Owens & Minor Inc.  
Patterson Cos. Inc.

**Metal Products (1)**

Danaher Corp.

**Natural Gas (14)**

Atmos Energy Corp.  
Buckeye Partners LP  
Energen Corp.  
Enterprise Products Partners LP  
National Fuel Gas Co.  
New Jersey Resources Corp.  
NW Natural Gas Co.  
Piedmont Natural Gas Co.  
Questar Corp.  
Suburban Propane Partners LP  
TEPPCO Partners L.P.  
UGI Corp.  
Vectren Corp.  
WGL Holdings Inc.

**Office Equipment/Supplies (3)**

Diebold Inc.  
HNI Corporation  
Pitney Bowes Inc.

**Oil (2)**

Chevron Corp.  
Exxon Mobil Corp.

**Oil and Gas (2)**

Holly Corp.  
Kinder Morgan Energy Partners

**Plastics (1)**

AptarGroup Inc.

**Printing (1)**

Courier Corp.

**Publishing (5)**

Harte-Hanks Inc.

McGraw-Hill Companies Inc.

Meredith Corp.

Thomson Reuters Corp.

John Wiley & Sons, Inc.

**Real Estate Investment Trusts (18)**

Alexandria Real Estate Equities

EastGroup Properties Inc.

Essex Property Trust Inc.

Federal Realty Investment Trust

HCP Inc.

Home Properties Inc.

Investors Real Estate Trust

Kimco Realty Corp.

Macerich Co.

National Retail Properties Inc.

Realty Income Corp.

Regency Centers Corp.

Sovran Self Storage Inc.

Tanger Factory Outlet Centers

Universal Health Realty Inc.

Vornado Realty Trust

Washington REIT

Weingarten Realty Investors

**Real Estate Management (1)**

W.P. Carey & Co. LLC

**Recreation (2)**

Bowl America Inc.

Polaris Industries Inc.



**Restaurant (1)**

McDonald's Corp.

**Retail (8)**

Cato Corp.

Family Dollar Stores Inc.

Lowe's Companies Inc.

Ross Stores Inc.

Target Corp.

Taubman Centers, Inc.

TJX Companies Inc.

Wal-Mart Stores Inc.

**Retail Drug (1)**

Walgreen Co.

**Semiconductors (1)**

Linear Technology Corp.

**Shoes (1)**

Weyco Group Inc.

**Soft Drink (2)**

Coca-Cola Co.

PepsiCo Inc.

**Special Services (5)**

ABM Industries Inc.

FactSet Research Systems

Jack Henry & Associates

McGrath Rentcorp

C.H. Robinson Worldwide Inc.

**Steel (1)**

Nucor Corp.

**Telephone (3)**

AT&T Inc.

CenturyTel Inc.

Telephone & Data Systems

**Textiles and Apparel (2)**

Raven Industries Inc.

VF Corp.

**Tobacco (1)**

Universal Corp.

**Toiletries (1)**

Avon Products Inc.

**Water Utilities (7)**

American States Water Co.

Aqua America Inc.

Artesian Resources Corp.

California Water Service Group

Connecticut Water Service

Middlesex Water Co.

SJW Corp.

**Wood Products (1)**

Universal Forest Products Inc.

## AMERICA'S FINEST COMPANIES DIRECTORY 2010

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Every effort has been made to ensure the accuracy of all data, but its preciseness is not guaranteed. Past performance of any company or group of companies is no assurance of future returns. Beginning on the next page, you will find the following information:

- America's Finest Companies are listed in the first column. There are 243.
- Each company's stock symbol is listed in column two.
- Next are the industry category, stock price, earnings per share (EPS), and dividend.
- The price-earnings (P/E) ratio is calculated by dividing the latest 12 months' earnings per share into the stock price.
- Dividend yield is the annualized dividend rate divided by the stock price.
- Dividend coverage is the ratio of earnings to dividend. The higher the ratio is, generally the safer the dividend is.
- Every company with a dividend reinvestment plan (DRP) is indicated with an X. If the company's DRP allows an investor to buy shares at a discount, the percentage discount is shown in parentheses beside the X. Most—but not all—companies with DRPs allow investors to purchase additional shares at least quarterly (sometimes monthly or even more often) through an optional cash payment (OCP) plan. Many pay all administrative fees and commissions and will let you begin investing by purchasing just one share. Check with each company individually for details about its DRP/OCP programs.
- In the next column, those companies allowing initial stock purchases directly from the company are noted, and the required initial investment is shown.
- Then come the numbers of consecutive years of higher earnings and dividends.
- The last column lists company web sites.

Company	Ticker	Industry	Earnings			Price-Earnings		Dividend			Consecutive		
			5/29/09 Price	per Share	Dividend	Ratio	Yield	Coverage	Reinvestment Plan	Minimum Direct Investment	EPS	Years Higher Dividends	Web Site
Abbott Laboratories	ABT	Health Care	45.06	3.12	1.60	14.4	3.6	2.0	X		2	36	www.abbott.com
ABM Industries Inc.	ABM	Special Services	16.18	1.03	0.52	15.7	3.2	2.0			0	44	www.abm.com
Aflac Inc.	AFL	Insurance/Life	35.50	3.31	0.96	10.7	2.7	3.4	X	\$1,000	0	26	www.aflac.com
Air Products & Chemicals	APD	Chemicals	64.78	4.80	1.76	13.5	2.7	2.7	X	500	5	26	www.airproducts.com
Albemarle Corp.	ALB	Chemicals	28.09	2.10	0.50	13.4	1.8	4.2	X		0	14	www.albemarle.com
Alexandria Real Estate Equities	ARE	RE Invest. Trust	35.90	3.09	3.20	11.6	8.9	1.0			3	10	www.labspace.com
Allstate Corp.	ALL	Insurance/Prop.	25.73	Def.	1.62	Def.	6.3	0.0	X	500	0	15	www.allstate.com
American States Water Co.	AWR	Water Utility	31.35	1.47	1.00	21.3	3.2	1.5	X	500	0	56	www.aswater.com
AptarGroup Inc.	ATR	Plastics	31.01	2.18	0.60	14.2	1.9	3.6			6	15	www.aptagroup.com
Aqua America Inc.	WTR	Water Utility	16.49	0.73	0.54	22.6	3.3	1.4	X (5%)	500	1	17	www.aquaamerica.com
Archer Daniels Midland Co.	ADM	Foods	27.52	2.79	0.56	9.9	2.0	5.0			0	34	www.admworld.com
Artesian Resources Corp.	ARTNA	Water Utility	15.88	0.86	0.71	18.5	4.5	1.2	X		0	16	www.artesianwater.com
Associated Banc-Corp.	ASBC	Banking	14.43	1.29	1.28	11.2	8.9	1.0	X		0	38	www.associatedbank.com
Amos Energy Corp.	ATO	Natural Gas	24.00	2.00	1.30	12.0	5.4	1.5	X (5%)	1,250	6	21	www.atmosenergy.com
AT&T Inc.	T	Telephone	24.79	2.16	1.60	11.5	6.5	1.4	X	500	3	24	www.sbc.com
Automatic Data Processing	ADP	Computer Soft.	37.68	2.37	1.32	15.9	3.5	1.8			4	34	www.adp.com
Avery Dennison Corp.	AVY	Manufacturing	27.15	2.70	1.64	10.1	6.0	1.6	X	500	0	33	www.averydennison.com
Avon Products Inc.	AVP	Toiletries	26.56	2.04	0.84	13.0	3.2	2.4	X		2	18	www.avon.com
Badger Meter Inc.	BMI	Manufacturing	40.62	1.69	0.36	24.0	0.9	4.7	X	100	2	16	www.badgermeter.com
BancFirst Corp.	BANF	Banking	38.58	3.33	0.80	11.6	2.1	4.2			1	15	www.bancfirst.com
BancorpSouth Inc.	BXS	Banking	22.01	1.45	0.88	15.2	4.0	1.6	X		0	26	www.bancorpsouth.com
Bank of Hawaii Corp.	BOH	Banking	37.43	3.99	1.80	9.4	4.8	2.2	X		8	32	www.boh.com
Bard, C.R., Inc.	BCR	Medical Prods.	71.49	4.06	0.60	17.6	0.8	6.8	X	250	2	37	www.crbard.com
Beckman Coulter Inc.	BEC	Medical Prods.	54.20	3.01	0.68	18.0	1.3	4.4			0	17	www.beckmancoulter.com
Becton, Dickinson & Co.	BDX	Medical Prods.	67.35	4.65	1.14	14.5	1.7	4.1	X	250	10	37	www.bd.com
Bemis Co.	BMS	Containers	25.09	1.65	0.90	15.2	3.6	1.8	X		0	25	www.bemis.com
Black Hills Corp.	BKH	Electric Utility	21.40	2.75	1.42	7.8	6.6	1.9	X	250	3	38	www.blackhillscorp.com
Block, H&R, Inc.	HRB	Financial Services	14.46	1.02	0.60	14.2	4.1	1.7	X		2	11	www.hrblock.com
Bowl America Inc.	BWL-A	Recreation	12.25	0.59	0.62	20.8	5.1	1.0			0	36	www.bowl-america.com
Brady Corp.	BRC	Chemicals	24.78	1.90	0.68	13.0	2.7	2.8	X		1	23	www.bradycorp.com

Brown & Brown Inc.	BRO	Insurance	19.28	1.17	0.30	16.5	1.6	3.9		0	15	www.bbinsurance.com
Brown-Forman Corp.	BF-B	Alcoholic Bever.	43.58	3.00	1.15	14.5	2.6	2.6	X	0	24	www.brown-forman.com
Buckeye Partners LP	BPL	Natural Gas	42.99	3.28	3.60	13.1	8.4	0.9		250	13	www.buckeye.com
California Water Service Group	CWT	Water Utility	34.82	1.90	1.18	18.3	3.4	1.6	X	250	41	www.calwater.com
Capital City Bank Group Inc.	CCBG	Banking	14.00	0.89	0.70	15.7	5.0	1.3		0	15	www.mycapitalcitybank.com
Carlisle Companies Inc.	CSL	Manufacturing	22.87	0.91	0.62	25.1	2.7	1.5	X	0	32	www.carlisle.com
Cardinal Health Inc.	CAH	Health Care	35.75	3.60	0.70	9.9	2.0	5.1		0	15	www.cardinal-health.com
Caterpillar Inc.	CAT	Manufacturing	35.46	5.66	1.68	6.3	4.7	3.4	X	250	15	www.cat.com
Cato Corp.	CTR	Retail	19.08	1.15	0.66	16.6	3.5	1.7		1	11	www.catocorp.com
Cedar Fair L.P.	FUN	Entertainment	11.69	0.10	1.92	116.9	16.4	0.1	X	1	22	www.cedarfair.com
CenturyTel Inc.	CTL	Telephone	30.85	3.56	2.80	8.7	9.1	1.3	X	0	35	www.centurytel.com
Chemical Financial Corp.	CHFC	Banking	18.58	0.83	1.18	22.4	6.4	0.7	X	50	34	www.chemicalbankmi.com
Chevron Corp.	CVX	Oil	66.67	11.67	2.60	5.7	3.9	4.5	X	250	21	www.chevrontexaco.com
Chubb Corp.	CB	Insurance/Prop.	39.65	4.92	1.32	8.1	3.3	3.7	X	0	44	www.chubb.com
Church & Dwight Co. Inc.	CHD	Cleaning Products	50.27	2.78	0.32	18.1	0.6	8.7		8	11	www.churchdwight.com
Cincinnati Financial Corp.	CINF	Insurance/Prop.	22.61	2.62	1.56	8.6	6.9	1.7	X	0	48	www.cinfin.com
Cintas Corp.	CTAS	Business Services	23.29	2.03	0.47	11.5	2.0	4.3		0	26	www.cintas.com
CLARCOR Inc.	CLC	Manufacturing	28.66	1.71	0.32	16.8	1.1	5.3	X	16	25	www.clarcor.com
Clorox Co.	CLX	Household Prods.	52.44	3.40	1.84	15.4	3.5	1.8	X	250	31	www.clorox.com
Coca-Cola Co.	KO	Soft Drink	48.74	2.57	1.52	19.0	3.1	1.7	X	6	46	www.coca-cola.com
Colgate-Palmolive Co.	CL	Household Prods.	65.95	3.66	1.60	18.0	2.4	2.3	X	500	46	www.colgate.com
Community Bank System Inc.	CBU	Banking	15.28	1.49	0.88	10.3	5.8	1.7	X	250	17	www.communitybankna.com
Community Trust Bancorp Inc.	CTBI	Banking	27.23	1.52	1.20	17.9	4.4	1.3	X	0	28	www.ctbi.com
Connecticut Water Service	CTWS	Water Utility	21.09	1.11	0.89	19.0	4.2	1.2	X	100	39	www.ctwater.com
Consolidated Edison Inc.	ED	Electric Utility	35.46	4.37	2.36	8.1	6.7	1.9	X	4	34	www.conedison.com
Courier Corp.	CRRC	Printing	15.65	1.22	0.76	12.8	4.9	1.6		0	15	www.courier.com
Cullen/Frost Bankers Inc.	CFR	Banking	48.95	3.50	1.72	14.0	3.5	2.0		0	15	www.frostbank.com
Curtiss-Wright Corp.	CW	Aviation	29.28	2.45	0.32	12.0	1.1	7.7	X	12	8	www.curtisswright.com
Danaher Corp.	DHR	Metal Products	60.35	3.95	0.12	15.3	0.2	32.9		0	15	www.danaher.com
Dentsply International Inc.	XRAY	Medical Supplies	29.26	1.87	0.20	15.6	0.7	9.4		3	14	www.dentsply.com
Diebold Inc.	DBD	Ofc. Equip./Supp.	24.72	1.33	1.04	18.6	4.2	1.3	X	500	1	www.diebold.com
Donaldson Co.	DCI	Manufacturing	33.69	2.13	0.44	15.8	1.3	4.8	X	19	15	www.donaldson.com
Dover Corp.	DOV	Manufacturing	31.44	3.12	1.00	10.1	3.2	3.1	X	500	0	www.dovercorporation.com

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# America's Finest Companies Directory 2010 (Continued)

Company	Ticker	Industry	Earnings			Price-Earnings Ratio	Dividend Yield	Dividend Coverage	Dividend Reinvestment Plan	Minimum Direct Investment	EPS	Consecutive Years Higher Dividends	Web Site
			5/29/09 Price	per Share	Dividend								
EastGroup Properties Inc.	EGP	RE Invest. Trust	34.11	3.30	2.08	10.3	6.1	1.6			4	16	www.eastgroup.net
Eaton Vance Corp.	EV	Financial	27.10	1.32	0.62	20.5	2.3	2.1			2	28	www.eatonvance.com
Ecolab Inc.	ECL	Business Services	37.35	1.80	0.56	20.8	1.5	3.2			7	16	www.ecolab.com
Emerson Electric Co.	EMR	Electrical Equip.	32.09	3.06	1.32	10.5	4.1	2.3	X	250	1	52	www.emerson.com
Energy Corp.	EGN	Natural Gas	37.22	4.47	0.50	8.3	1.3	8.9	X	250	13	26	www.energen.com
Energy Transfer Partners LP	ETP	Natural Gas	42.31	4.01	3.57	10.6	8.4	1.1			7	10	www.energytransfer.com
Enterprise Products Partners LP	EPD	Natural Gas	26.00	1.85	2.15	14.1	8.3	0.9			1	10	www.epplp.com
Erie Indemnity Co.	ERIE	Insurance	34.60	2.46	1.76	14.1	5.1	1.4			0	13	www.erieinsurance.com
Essex Property Trust Inc.	ESS	RE Invest. Trust	68.09	6.14	4.12	11.1	6.1	1.5	X	100	2	14	www.essexpropertytrust.com
Expeditors International	EXPD	Air Freight	32.81	1.37	0.38	23.9	1.2	3.6			15	15	www.expeditors.com
Exxon Mobil Corp.	XOM	Oil	69.35	8.65	1.60	8.0	2.3	5.4	X	250	6	26	www.exxonmobil.com
FactSet Research Systems	FDS	Special Services	52.90	2.65	0.80	20.0	1.5	3.3			26	10	www.factset.com
Family Dollar Stores Inc.	FDO	Retail	30.14	1.66	0.54	18.2	1.8	3.1			2	33	www.familydollar.com
Fastenal Company	FAST	Manufacturing	33.22	1.88	0.35	17.7	1.1	5.4			7	10	www.fastenal.com
Federal Realty Investment Trust	FRT	RE Invest. Trust	52.65	3.89	2.60	13.5	4.9	1.5	X	250	7	41	www.federalrealty.com
Federated Investors Inc.	FII	Financial	25.03	2.20	0.96	11.4	3.8	2.3			4	10	www.federatedinvestors.com
First Bancorp Inc.	FBNC	Banking	13.79	1.37	0.78	10.1	5.7	1.8			0	12	www.firstbancorp.com
First Busey Corp.	BUSE	Banking	7.75	def.	0.80	def.	10.3	0.0			0	17	www.busey.com
First Community Bancshares	FCBC	Banking	17.44	0.23	1.12	75.8	6.4	0.2			0	12	www.fcbin.com
First Financial Corp.	THFF	Banking	33.19	1.89	0.90	17.6	2.7	2.1			0	12	www.first-online.com
Florida Public Utilities	FPU	Electric Utility	13.15	0.52	0.47	25.3	3.6	1.1	X		0	19	www.fpu.com
Flushing Financial Corp.	FFIC	Banking	9.85	1.10	0.52	9.0	5.3	2.1			1	12	www.flushingsavings.com
F.N.B. Corp.	FNB	Banking	6.68	0.44	0.96	15.2	14.4	0.5	X	1,000	0	36	www.fnbcorporation.com
FPL Group Inc.	FPL	Electric Utility	56.07	4.07	1.89	13.8	3.4	2.2	X		3	13	www.fplgroup.com
Franklin Electric Co. Inc.	FELE	Electrical Equip.	23.78	1.98	0.50	12.0	2.1	4.0			1	15	www.franklin-electric.com
Franklin Resources Inc.	BEN	Investment Bank.	66.85	5.12	0.80	13.1	1.2	6.4	X		0	28	www.franklintempleton.com
Fuller, H.B., Co.	FUL	Chemicals	17.02	0.37	0.27	46.0	1.6	1.4	X (3%)		0	40	www.hbfuller.com
Gallagher, Arthur J. & Co.	AJG	Insurance/Brokers	20.95	0.82	1.28	25.5	6.1	0.6		250	0	24	www.ajg.com
General Dynamics	GD	Aerospace	56.90	6.17	1.52	9.2	2.7	4.1			10	17	www.generaldynamics.com
Genuine Parts Co.	GPC	Auto Parts	33.11	2.92	1.60	11.3	4.8	1.8	X		0	52	www.genpt.com
Glacier Bancorp	GBCI	Banking	16.57	1.19	0.52	13.9	3.1	2.3	X	250	0	22	www.glacierbancorp.com

Gorman-Rupp Co.	GRC	Manufacturing	21.00	1.63	0.40	12.9	1.9	4.1	X	500	4	36	www.gormanrupp.com
Grainger, W.W., Inc.	GWV	Electrical Equip.	78.83	6.04	1.60	13.1	2.0	3.8			7	37	www.grainger.com
Harleysville Group Inc.	HGIC	Insurance/Prop.	28.95	1.44	1.20	20.1	4.1	1.2	X		0	22	www.harleysvillegroup.com
Harsco Corp.	HSC	Industrial Services	29.06	2.87	0.80	10.1	2.8	3.6			0	15	www.harsco.com
Harte-Hanks Inc.	HHS	Publishing	8.43	0.98	0.30	8.6	3.6	3.3			0	13	www.harte-hanks.com
HCC Insurance Holdings Inc.	HCC	Insurance	24.69	2.74	0.50	9.0	2.0	5.5			0	12	www.hcch.com
HCP Inc.	HCP	RE Invest. Trust	23.23	2.25	1.84	10.3	7.9	1.2	X	750	2	23	www.hcpi.com
Heartland Financial USA Inc.	HTLF	Banking	15.12	0.68	0.40	22.2	2.6	1.7			0	12	www.htlf.com
Helmerich & Payne Inc.	HP	Contract Drilling	34.97	4.68	0.20	7.5	0.6	23.4			4	31	www.hpinc.com
Hershey Corp.	HSY	Foods	35.22	1.36	1.19	25.9	3.4	1.1	X	250	1	34	www.hersheys.com
HNI Corporation	HNI	Ofc. Equip./Supp.	17.35	1.02	0.86	17.0	5.0	1.2			0	24	www.honi.com
Holly Corp.	HOC	Oil & Gas	24.19	2.38	0.60	10.2	2.5	4.0		250	0	15	www.hollycorp.com
Home Properties Inc.	HME	RE Invest. Trust	33.30	3.57	2.68	9.3	8.0	1.3		1,000	4	14	www.homeproperties.com
Hormel Foods Corp.	HRL	Foods	34.74	2.07	0.76	16.8	2.2	2.7	X		0	42	www.hormel.com
IBERIABANK	IBKC	Banking	43.52	3.04	1.36	14.3	3.1	2.2			0	13	www.iberiabank.com
Illinois Tool Works Inc.	ITW	Manufacturing	32.29	3.04	1.24	10.6	3.8	2.5	X		0	46	www.itw.com
Integrus Energy Group	TEG	Electric Utility	27.09	1.64	2.72	16.5	10.0	0.6	X	100	0	50	www.integrusgroup.com
International Business Machines	IBM	Computers	106.28	8.93	2.20	11.9	2.1	4.1	X	500	4	13	www.ibm.com
Investors Real Estate Trust	IRET	RE Invest. Trust	8.69	0.40	0.68	21.7	7.8	0.6	X		0	38	www.iret.com
Jack Henry & Associates	JKHY	Special Services	18.37	1.17	0.34	15.7	1.9	3.4			5	18	www.jackhenry.com.com
Johnson & Johnson	JNJ	Health Care	55.16	4.57	1.96	12.1	3.6	2.3	X		25	46	www.jnj.com
Johnson Controls Inc.	JCI	Manufacturing	19.81	0.22	0.52	90.0	2.6	0.4	X	250	0	33	www.johnsoncontrols.com
Kimberly-Clark Corp.	KMB	Household Prods.	51.31	4.06	2.40	12.6	4.7	1.7	X		0	36	www.kimberly-clark.com
Kimco Realty Corp.	KIM	RE Invest. Trust	11.69	2.02	1.76	5.8	15.1	1.1	X	100	0	17	www.kimcorealty.com
Kinder Morgan Energy Partners	KMP	Oil & Gas	51.14	2.01	4.20	25.4	8.2	0.5			2	12	www.kindermorgan.com
Lancaster Colony Corp.	LANG	Foods	45.79	1.53	1.12	29.9	2.4	1.4	X		0	46	www.lancastercolony.com
Leggett & Platt Inc.	LEG	Household Furn.	14.45	0.62	1.00	23.3	6.9	0.6			0	37	www.leggett.com
Lilly, Eli, & Co.	LLY	Health Care	34.57	Def.	1.96	Def.	5.7	0.0	X	1,000	0	41	www.lilly.com
Lincoln Electric Holdings Inc.	LECO	Manufacturing	40.80	4.93	1.08	8.3	2.6	4.6			5	10	www.lincolnelectric.com
Linear Technology Corp.	LLTC	Semiconductors	23.38	1.76	0.88	13.3	3.8	2.0			0	16	www.linear.com
Lowe's Companies Inc.	LOW	Retail	19.01	1.49	0.36	12.8	1.9	4.1	X	250	0	28	www.lowes.com/investor.com
M&T Bank Corp.	MTB	Banking	50.30	5.01	2.80	10.0	5.6	1.8	X		0	28	www.mandtbank.com
Macerich Co.	MAC	RE Invest. Trust	16.88	5.50	3.20	3.1	19.0	1.7	X	250	1	14	www.macerich.com

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# America's Finest Companies Directory 2010 (Continued)

Company	Ticker	Industry	Earnings			Price-Earnings Ratio	Dividend Yield	Dividend Coverage	Dividend Reinvestment Plan	Minimum Direct Investment	EPS	Consecutive Years Higher Dividends	Web Site
			5/29/09 Price	per Share	Dividend								
MainSource Financial Group	MSFG	Banking	7.92	1.02	0.58	7.8	7.3	1.8			0	12	www.mainsourcefinancial.com
Marshall & Ilsley Corp.	MI	Banking	6.58	Def.	1.28	Def.	19.5	0.0	X (1%)		0	36	www.micorp.com
Martin Marietta Materials	MLM	Bldg. Materials	81.08	4.20	1.60	19.3	2.0	2.6			0	14	www.martinmarietta.com
Mathews International Corp.	MATW	Manufacturing	28.55	1.97	0.26	14.5	0.9	7.6			1	14	www.matw.com
McCormick & Co.	MKC	Foods	30.52	1.94	0.88	15.7	2.9	2.2	X	250	2	22	www.mccormick.com
McDonald's Corp.	MCD	Restaurant	58.51	3.76	2.00	15.6	3.4	1.9	X	500	1	34	www.mcdonalds.com
McGrath RentCorp	MGRC	Special Services	18.16	1.72	0.80	10.6	4.4	2.2			6	17	www.mgrc.com
McGraw-Hill Companies Inc.	MHP	Publishing	30.09	2.51	0.90	12.0	3.0	2.8	X	500	0	35	www.mcgraw-hill.com
MDU Resources Group Inc.	MDU	Electric Utility	18.31	1.59	0.62	11.5	3.4	2.6	X	250	0	18	www.mdu.com
Medtronic Inc.	MDT	Medical Prods.	34.35	2.92	0.75	11.8	2.2	3.9	X	250	1	31	www.medtronic.com
Mercury General Corp.	MCY	Insurance/Multi.	32.59	Def.	2.32	Def.	7.1	0.0			0	22	www.mercuryinsurance.com
Meredith Corp.	MDP	Publishing	26.96	2.10	0.90	12.8	3.3	2.3	X		0	15	www.meredith.com
Meridian Bioscience Inc.	VIVO	Biotechnology	19.11	0.74	0.68	25.8	3.6	1.1			7	16	www.meridianbioscience.com
MGE Energy	MGEE	Electric Utility	31.03	2.38	1.42	13.0	4.6	1.7	X	250	3	33	www.mgeenergy.com
Middlesex Water Co.	MSEX	Water Utility	13.77	0.89	0.70	15.5	5.1	1.3	X (5%)		3	35	www.middlesexwater.com
Mine Safety Appliances Co.	MSA	Health Care	23.42	1.96	0.88	11.9	3.8	2.2			2	38	www.msanet.com
3M Co.	MMM	Manufacturing	57.10	4.89	2.04	11.7	3.6	2.4	X (1%)		0	50	www.3m.com
Moog Inc.	MOG-A	Manufacturing	23.90	2.81	0.00	8.5	0.0	0.0			14	0	www.moog.com
Myers Industries Inc.	MYE	Manufacturing	10.04	Def.	0.24	Def.	2.4	0.0	X		0	34	www.myersind.com
NACCO Industries Inc.	NC	Manufacturing	35.04	Def.	2.07	Def.	5.9	0.0			0	30	www.naccco.com
National Fuel Gas Co.	NFG	Natural Gas	33.53	1.83	1.24	18.3	3.7	1.5	X	1,000	0	38	www.nationalfuelgas.com
National Retail Properties Inc.	NNN	RE Invest. Trust	17.11	1.99	1.50	8.6	8.8	1.3	X (1%)	100	7	19	www.nnmreit.com
New Jersey Resources Corp.	NJR	Natural Gas	32.98	2.26	1.24	14.6	3.8	1.8	X	25	17	13	www.njresources.com
Nordson Corp.	NDSN	Manufacturing	38.40	3.14	0.73	12.2	1.9	4.3	X		6	45	www.nordson.com
Nordstrom Inc.	JWN	Apparel	19.69	1.83	0.64	10.8	3.3	2.9			0	11	www.nordstrom.com
Northern Trust Corp.	NTRS	Banking	57.36	3.47	1.12	16.5	2.0	3.1			5	22	www.northerntrust.com
NSTAR	NST	Electric Utility	30.07	2.22	1.50	13.5	5.0	1.5	X	500	7	19	www.nstaronline.com
Nucor Corp.	NUE	Steel	43.91	5.98	1.40	7.3	3.2	4.3	X		1	36	www.nucor.com
NW Natural Gas Co.	NWN	Natural Gas	42.44	2.61	1.58	16.3	3.7	1.7	X	250	0	53	www.nwnatural.com
Old Republic International Corp.	ORI	Insurance/Multi.	10.07	Def.	0.68	Def.	6.8	0.0	X	1,000	0	28	www.oldrepublic.com



Outer Tail Corp.	OTTR	Electric Utility	18.95	1.09	1.19	17.4	6.3	0.9	X	100	0	33	www.ottertail.com
Owens & Minor Inc.	OMI	Medical Supplies	34.84	2.25	1.12	15.5	3.2	2.0			2	10	www.owens-minor.com
Parker Hannifin Corp.	PH	Manufacturing	42.26	5.43	1.00	7.8	2.4	5.4	X		0	52	www.parker.com
Patterson Cos. Inc.	PDCO	Medical Supplies	20.59	1.72	0.00	12.0	0.0	0.0			16	0	www.pattersoncompanies.com
Paychex Inc.	PAYX	Computer Soft.	27.34	1.54	1.24	17.8	4.5	1.2	X	250	0	20	www.paychex.com
Pentair Inc.	PNR	Manufacturing	25.03	2.31	0.72	10.8	2.9	3.2	X		7	32	www.pentair.com
Peoples Bancorp Inc.	PEBO	Banking	17.50	0.72	0.92	24.3	5.3	0.8	X		0	43	www.peoplesbancorp.com
PepsiCo Inc.	PEP	Soft Drink	51.63	3.68	1.80	14.0	3.5	2.0	X	250	3	36	www.pepsico.com
Piedmont Natural Gas Co.	PNY	Natural Gas	22.66	1.49	1.08	15.2	4.8	1.4	X (5%)	250	2	30	www.piedmontng.com
Piney Bowes Inc.	PBI	Ofc. Equip./Supp.	22.88	2.00	1.44	11.4	6.3	1.4	X		2	26	www.pineybowes.com
Polaris Industries Inc.	PII	Recreation	31.77	3.50	1.56	9.1	4.9	2.2	X		2	13	www.polarisindustries.com
PPG Industries	PPG	Chemicals	44.47	4.47	2.12	9.9	4.8	2.1	X	500	0	37	www.ppg.com
Praxair Inc.	PX	Chemicals	72.82	3.80	1.60	19.2	2.2	2.4	X		6	16	www.praxair.com
Procter & Gamble Co.	PG	Household Prods.	51.94	4.24	1.76	12.3	3.4	2.4	X	250	8	53	www.pg.com
Progress Energy Inc.	PGN	Electric Utility	35.51	3.18	2.46	11.2	6.9	1.3	X	250	1	20	www.progress-energy.com
Questar Corp.	STR	Natural Gas	33.89	3.96	0.50	8.6	1.5	7.9	X	250	6	31	www.questar.com
Quixote Corp.	QUIX	Construction	2.89	0.27	0.40	10.7	13.8	0.7			1	15	www.quixotecorp.com
Raven Industries Inc.	RAVN	Textile/Apparel	27.46	1.70	0.52	16.2	1.9	3.3	X		6	22	www.ravenind.com
Realty Income Corp.	O	RE Invest. Trust	21.47	1.83	1.70	11.7	7.9	1.1			0	14	www.realtyincome.com
Regency Centers Corp.	REG	RE Invest. Trust	35.63	3.75	2.90	9.5	8.1	1.3	X		0	14	www.regencycenters.com
Renasant Corp	RNST	Banking	13.70	1.14	0.68	12.0	5.0	1.7			0	11	www.renasant.com
RLI Corp.	RLI	Insurance/Prop.	46.86	3.60	1.08	13.0	2.3	3.3	X		0	32	www.rlicorp.com
Robinson Worldwide, C.H., Inc.	CHRW	Special Services	50.59	2.08	0.96	24.3	1.9	2.2			11	10	www.chrobinson.com
Roper Industries Inc	ROP	Manufacturing	42.98	3.06	0.33	14.0	0.8	9.3			5	16	www.roperind.com
Ross Stores Inc.	ROST	Retail	39.05	2.45	0.44	15.9	1.1	5.6			4	15	www.rossstores.com
RPM International Inc.	RPM	Chemicals	15.32	1.66	0.80	9.2	5.2	2.1	X		0	35	www.rpminc.com
S.Y. Bancorp Inc.	SYBT	Banking	24.61	1.59	0.68	15.5	2.8	2.3			0	11	www.syb.com
S&T Bancorp Inc.	STBA	Banking	14.94	2.28	1.24	6.6	8.3	1.8		250	2	19	www.stbank.com
SEI Investments Co.	SEIC	Investment Bank.	15.43	0.71	0.16	21.7	1.0	4.4			0	17	www.seic.com
Sherwin-Williams Co.	SHW	Bldg. Materials	52.80	4.00	1.42	13.2	2.7	2.8	X		0	29	www.sherwin.com
Sigma-Aldrich Corp.	SIAL	Chemicals	48.46	2.65	0.52	18.3	1.1	5.1			6	37	www.sigma-aldrich.com
Simmons First National Corp.	SFNC	Banking	27.15	1.91	0.76	14.2	2.8	2.5			0	17	www.simmonsfirst.com

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**America's Finest Companies Directory 2010** (Continued)

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SJW Corp.	SJW	Water Utility	20.25	1.15	17.6	3.3	1.7			1	40	www.sjwater.com
Smith, A.O., Corp.	AOS	Electric Equipment	29.99	2.91	10.3	2.6	3.7	X		4	16	www.aosmith.com
Smucker, J.M., Co.	SJM	Foods	40.26	2.97	13.6	3.1	2.4	X		9	12	www.smuckers.com
Sonoco Products Co.	SON	Containers	24.36	1.63	14.9	4.4	1.5	X	250	0	26	www.sonoco.com
Sovran Self Storage Inc.	SSS	RE Invest. Trust	24.16	1.72	14.0	10.6	0.7	X	100	0	13	www.sovranss.com
Stanley Works	SWK	Hdware. & Tools	35.38	3.92	9.0	3.6	3.1	X	250	0	41	www.stanleyworks.com
State Auto Financial Corp.	STFC	Insurance/Prop.	16.57	Def.	Def.	3.6	0.0	X		0	17	www.stateauto.com
State Street Corp.	STT	Banking	46.45	4.30	10.8	2.1	4.5	X		5	30	www.statestreet.com
Stepan Co.	SCL	Chemicals	42.01	3.48	12.1	2.1	4.0			2	41	www.stepan.com
Sterling Bancshares Inc.	SBIB	Banking	6.35	0.52	12.2	3.5	2.4			0	15	www.banksterling.com
Strayer Education Inc.	STRA	Special Services	184.27	5.67	32.5	1.1	2.8	X		10	10	www.strayereducation.com
Stryker Corp.	SYK	Medical Prods.	38.44	2.78	13.8	1.0	7.0			9	17	www.strykercorp.com
Suburban Propane Partners LP	SPH	Natural Gas	41.95	4.39	9.6	7.7	1.4			0	10	www.suburbanpropane.com
Supervalu Inc.	SVU	Distributor	16.60	2.25	7.4	4.2	3.2	X		2	26	www.supervalu.com
Sysco Corp.	SYU	Distributor	23.96	1.81	13.2	4.0	1.9	X		2	38	www.sysco.com
Tanger Factory Outlet Centers	SKT	RE Invest. Trust	32.36	2.46	13.2	4.8	1.6			0	15	www.tangeroutlet.com
Target Corp.	TGT	Retail	39.30	2.81	14.0	1.6	4.4	X	500	0	35	www.target.com
Taubman Centers Inc.	TCO	Retail	24.37	Def.	Def.	6.8	0.0		250	0	12	www.taubman.com
Technic Corp.	TECH	Biotechnology	60.27	2.80	21.5	0.4	11.2			16	0	www.technic-corp.com
Teleflex Inc.	TEF	Electronics	44.85	3.01	14.9	3.0	2.2	X	250	4	32	www.teleflex.com
Telephone & Data Systems	TDS	Telephone	30.31	0.80	37.9	1.4	1.9	X (5%)		0	34	www.teldta.com
Tennant Co.	TNC	Manufacturing	18.27	0.57	32.1	2.8	1.1	X		0	37	www.tennantco.com
TEPPCO Partners L.P.	TPP	Natural Gas	29.83	1.65	18.1	9.7	0.6			0	16	www.teppco.com
Thomson Reuters Corp.	TRI	Publishing	30.66	1.91	16.1	3.7	1.7			7	11	www.thomson.com

TJX Companies Inc.	TJX	Retail	29.51	2.00	0.48	14.8	1.6	4.2				3	11	www.tjx.com
Tompkins Financial	TMP	Banking	48.35	2.89	1.36	16.7	2.8	2.1	X		100	36	20	www.tompkinstrustco.com
Tootsie Roll Industries Inc.	TR	Foods	22.50	0.68	0.32	33.1	1.4	2.1				0	45	www.tootsie.com
Transatlantic Holdings Inc.	TRH	Insurance/Multi.	38.53	5.68	0.78	6.8	2.0	7.3				0	18	www.transre.com
T. Rowe Price Group Inc.	TROW	Financial	40.34	1.82	1.00	22.2	2.5	1.8				0	23	www.troweprice.com
Trustmark Corp.	TRMK	Banking	19.54	1.59	0.92	12.3	4.7	1.7	X			0	35	www.trustmark.com
UGI Corp.	UGI	Natural Gas	23.92	2.30	0.77	10.4	3.2	3.0	X		1,000	8	22	www.ugicorp.com
United Bankshares Inc.-WV	UBSI	Banking	20.77	2.00	1.16	10.4	5.6	1.7	X			0	18	www.ubsi-wv.com
United Technologies	UTX	Aviation	52.61	4.90	1.54	10.7	2.9	3.2	X		250	8	15	www.utc.com
Universal Corp.	UVV	Tobacco	37.03	4.11	1.84	9.0	5.0	2.2	X			1	38	www.universalcorp.com
Universal Forest Products Inc.	UFPI	Wood Products	30.46	0.48	0.12	63.5	0.4	4.0				0	15	www.ufpi.com
Universal Health Realty Income	UHT	RE Invest. Trust	32.06	2.45	2.36	13.1	7.4	1.0				1	21	www.uhrit.com
Valley National Bancorp	VLY	Banking	11.95	0.70	0.80	17.1	6.7	0.9	X			0	17	www.valleynationalbank.com
Valspar Corp.	VAL	Bldg. Materials	22.85	1.38	0.56	16.6	2.5	2.5	X		1,000	0	31	www.valsparglobal.com
Vectren Corp.	VVC	Natural Gas	22.75	1.79	1.34	12.7	5.9	1.3				1	48	www.vectren.com
VF Corp.	VFC	Textile/Apparel	56.26	5.42	2.32	10.4	4.1	2.3	X			6	36	www.vfc.com
Vornado Realty Trust	VNO	RE Invest. Trust	46.66	2.14	3.80	21.8	8.1	0.6	X			2	10	www.vno.com
Vulcan Materials Co.	VMC	Bldg. Materials	44.29	2.06	1.96	21.5	4.4	1.1	X		250	0	16	www.vulcanmaterials.com
Wal-Mart Stores Inc.	WMT	Retail	49.74	3.42	1.09	14.5	2.2	3.1	X		250	47	34	www.walmartstores.com
Walgreen Co.	WAG	Retail Drug	29.79	2.13	0.45	14.0	1.5	4.7	X		250	34	32	www.walgreens.com
Washington REIT	WRE	RE Invest. Trust	21.44	2.12	1.73	10.1	8.1	1.2	X		250	0	38	www.writ.com
Weingarten Realty Investors	WRI	RE Invest. Trust	15.64	2.44	2.10	6.4	13.4	1.2	X		250	0	24	www.weingarten.com
WesBanco Inc.	WSBC	Banking	16.15	1.42	1.12	11.4	6.9	1.3	X			0	23	www.wesbanco.com
Wesco Financial Corp.	WSC	Financial	297.00	11.53	1.58	25.8	0.5	7.3				0	37	www.wescofinancial.com
West Pharmaceutical Services	WST	Health Care	32.32	2.38	0.60	13.6	1.9	4.0	X			4	16	www.westpharma.com
Weyco Group Inc.	WEYS	Shoes	24.03	1.45	0.60	16.6	2.5	2.4				0	28	www.weycogroup.com
WGL Holdings Inc.	WGL	Natural Gas	29.72	2.43	1.47	12.2	4.9	1.7	X			2	32	www.wglholdings.com
W.P. Carey & Co. LLC	WPC	Real Estate Mgmt.	26.04	2.10	1.99	12.4	7.6	1.1				0	10	www.wpcarey.com
Wiley (John) & Sons Inc.	JW-A	Publishing	31.61	2.23	0.52	14.2	1.6	4.3				0	15	www.wiley.com
Wolverine World Wide Inc.	WWW	Leather Products	19.81	1.90	0.44	10.4	2.2	4.3				7	15	www.wolverineworldwide.com

## THE UNBEATABLE POWER OF RISING ANNUAL DIVIDENDS

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### 110 AFCs with 25 Consecutive Years of Higher Annual Dividends

On April 2, 2009, at Bloomberg.com, writer Elizabeth Stanton said, "Standard & Poor's annual list of companies that increased payouts for at least 25 years is in danger of falling below 40 for the first time since 1992 after slumping profits forced executives to conserve cash."

Later in the article, Stanton noted that S&P is considering loosening the criteria to a minimum of 20 years of consecutively higher dividends instead of 25 to boost the number of companies making the list.

I don't know how Standard & Poor's conducts its research, but our 2010 directory of America's Finest Companies contains 110 companies with a minimum 25 straight years of higher annual dividends through 2008. Furthermore, many of these companies (with their current dividend levels) will report even higher payouts in 2009 in the midst of what some misguided observers are labeling the Great Depression Part II.

Companies with a long string of rising annual dividends outperform the stock market in both good times and bad, including the Great Depression. Not only that, but dividend growth in these companies historically has been able to keep up even with high inflation such as the 9.8 percent annual rate during the 1970s, the highest in more than a century. They can protect against both deflation and high inflation and every other "flation" in between.

Cash dividends have accounted for roughly 40 percent of the total return on stocks dating all the way back to the inception of the S&P 500 at the end of 1925. Dividends were *the* reason that stock returns were positive for the 10 years from the beginning of 1930 through the end of 1939, the period that encompassed the Great Depression.

Mark Skousen, author of *Investing in One Lesson* (Regnery, 2007), has observed that investing exclusively in dividend-paying stocks will (1) help you avoid making big mistakes, (2) increase your chances of beating the market, and (3) typically provide you with less volatility than the overall market.

Study after study has proved beyond the shadow of anyone's doubt that this is a long-term moneymaker. Plus, it's easy to understand and implement.

At this writing, few people are talking about growing inflation, which we believe is going to be a serious threat over the ensuing years. But the twin topics of deflation and depression are in the headlines almost every day.

In 1929 at the market's peak, the Dow 30 industrials reached the then all-time high of 381.17. Dividends paid that year amounted to \$12.80 for a yield of 3.4 percent. As stocks plunged to their ultimate 1932 low of 41.22, dividends plunged as well. They dropped to \$11.10 in 1930, to

\$8.40 in 1931, and on down to \$3.40 in 1932, which happened to be the bottom. However, dividends never got back to the 1929 level until 1949, 20 years later.

Contrast that miserable performance in both stock prices and dividends to some of America's Finest Companies today that existed then under the same name, have paid a larger annual dividend for at least 25 back-to-back years, and are expected to maintain that skein in 2009. The number of years of rising dividends is shown after each company's name in the following list.

**Abbott Laboratories'** (36 years) stock price peaked in 1929 around 47 and ultimately fell to 17. The dividend was \$1.50 in 1929. By 1935 it had doubled to \$3.00, and the stock price shot up as high as 130.

**Archer Daniels Midland's** (34 years) stock peaked in 1928 at 56, fell to 8 in 1932, and got back to 52 in 1935, a wild ride but with almost no principal loss over the seven years. Meanwhile, dividends dropped from their high of \$3.00 in 1927 and 1928 to \$0.75 in 1931 and then rose to \$2.00 by 1935.

**Coca-Cola's** (46 years) dividend rose from \$4.50 in 1929 to \$9.25 six years later. The stock had almost doubled its 1929 peak by 1935.

**PepsiCo** (36 years) wasn't paying a dividend through any of the 1924 to 1935 period.

**Pittsburgh Plate & Glass** (37 years), now PPG Industries, had a stock price about 30 percent higher in 1935 than at 1929's top. The dividend was \$3.00 in 1929. In 1935 it was \$2.90.

**Sherwin-Williams's** (29 years) dividend declined from \$4.125 in 1929, hit \$1.00 in 1933, and scrambled back to \$3.50 by 1935. The stock price in 1935 was 25 percent above 1929's peak.

**Walgreen** (32 years) didn't start a dividend until it began with \$1.00 in 1933. Two years later the dividend had jumped to \$1.30.

Wrigley was recently acquired by Mars, but it's still worth mentioning. The stock price was the same in 1935 as it was at its 1928 high. The dividend was \$3.50 in 1928. It was \$3.50 in 1935, too.

Whereas dividends for the Dow industrials collapsed 73 percent from 1929 into 1933 and took two decades just to recover to where they'd been, that was not true for America's Finest Companies of that day. By our reckoning, their dividends dropped only some 30 percent from their 1928–1929 highs to their 1932–1934 troughs. Most then went on to higher and higher payouts.

If we are truly in another great depression today (the facts do not bear that out), America's Finest Companies ought to continue to shine, even in such a horrible environment.

Company	Years	Company	Years
American States Water Co.	56	VF Corp.	36
Diebold Inc.	55	CenturyTel Inc.	35
NW Natural Gas Co.	53	McGraw-Hill Companies Inc.	35
Procter & Gamble Co.	53	Middlesex Water Co.	35
Dover Corp.	52	RPM International Inc.	35
Emerson Electric Co.	52	Target Corp.	35
Genuine Parts Co.	52	Trustmark Corp.	35
Parker Hannifin Corp.	52	Archer Daniels Midland Co.	34
Integrus Energy Group	50	Automatic Data Processing	34
3M Co.	50	Chemical Financial Corp.	34
Cincinnati Financial Corp.	48	Consolidated Edison Inc.	34
Vectren Corp.	48	Hershey Corp.	34
Coca-Cola Co.	46	McDonald's Corp.	34
Colgate-Palmolive Co.	46	Myers Industries Inc.	34
Illinois Tool Works Inc.	46	Telephone & Data Systems	34
Johnson & Johnson	46	Wal-Mart Stores Inc.	34
Lancaster Colony Corp.	46	Avery Dennison Corp.	33
Nordson Corp.	45	Family Dollar Stores Inc.	33
Tootsie Roll Industries Inc.	45	Johnson Controls Inc.	33
ABM Industries Inc.	44	MGE Energy	33
Chubb Corp.	44	Otter Tail Corp.	33
Peoples Bancorp Inc.	43	Bank of Hawaii Corp.	32
Hormel Foods Corp.	42	Carlisle Companies Inc.	32
California Water Service Group	41	Pentair Inc.	32
Federal Realty Investment Trust	41	RLI Corp.	32
Eli Lilly & Co.	41	Teleflex Inc.	32
Stanley Works	41	Walgreen Co.	32
Stapan Co.	41	WGL Holdings Inc.	32
H.B. Fuller Co.	40	Clorox Co.	31
SJW Corp.	40	Helmerich & Payne Inc.	31
Connecticut Water Service	39	Medtronic Inc.	31
Associated Banc-Corp.	38	Questar Corp.	31
Black Hills Corp.	38	Valspar Corp.	31
Investors Real Estate Trust	38	NACCO Industries Inc.	30
Mine Safety Appliances Co.	38	Piedmont Natural Gas Co.	30
National Fuel Gas Co.	38	State Street Corp.	30
Sysco Corp.	38	Sherwin-Williams Co.	29
Universal Corp.	38	Community Trust Bancorp Inc.	28
Washington REIT	38	Eaton Vance Corp.	28
C.R. Bard Inc.	37	Franklin Resources Inc.	28
Becton, Dickinson & Co.	37	Lowe's Companies Inc.	28

Company	Years	Company	Years
W.W. Grainger Inc.	37	M&T Bank Corp.	28
Leggett & Platt Inc.	37	Old Republic International Corp.	28
PPG Industries	37	Weyco Group Inc.	28
Sigma-Aldrich Corp.	37	Aflac Inc.	26
Tennant Co.	37	Air Products & Chemicals	26
Wesco Financial Corp.	37	BancorpSouth Inc.	26
Abbott Laboratories	36	Cintas Corp.	26
Bowl America Inc.	36	Energen Corp.	26
F.N.B. Corp.	36	Exxon Mobil Corp.	26
Gorman-Rupp Co.	36	Pitney Bowes Inc.	26
Kimberly-Clark Corp.	36	Sonoco Products Co.	26
Marshall & Ilsley Corp.	36	Supervalu Inc.	26
Nucor Corp.	36	Bemis Co.	25
PepsiCo Inc.	36	CLARCOR Inc.	25

## TURNING CHAOS INTO TREMENDOUS OPPORTUNITY

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**On March 6, 2009, just one trading day before the market bottom on Monday, March 9, I issued this e-mail communiqué to clients.**

**BANK ON IT:** “High-quality companies with stable cash flows, great balance sheets and above-average dividend yields [America’s Finest Companies surely fill the bill] offer steady income now and position you for growth as the economy improves.”—Richard Bernstein, investment strategist

“[My partner at GEICO] Tony and I feel like two hungry mosquitoes in a nudist camp. Juicy targets are everywhere.”—Warren Buffett on the current vast array of investment opportunities

Having been in the investment business for close to 40 years, [I can report that] current conditions are as bad as any I’ve witnessed but not necessarily worse than earlier periods. Almost every headline, it seems, has a negative slant to it, even if there’s positive news within the article itself.

I read something by Alexander Green [from his Investment U e-letter on March 2, 2009] a few days ago that truly puts things into perspective, which I will share with you. Then I will follow up with a number of pearls of wisdom from Warren Buffett, but first to Alex.

He observes that by the end of 1930, stocks in the aggregate had plunged 50 percent, just like today. And that wasn’t the bottom, which wasn’t hit until the summer of 1932. Like in the 1930s and every other bear market, no one knows when the bottom has been reached until well after the fact. We won’t know this time around, either.

If you had purchased a basket of stocks that replicated the market in late 1930, equities delivered an annual return that beat inflation by 4 percent annually during the subsequent 10 years (into 1940) and by 5 percent annually over the next 20 years (into 1950). Those are very generous margins! Green explains:

In the two decades that followed 1931, nothing else—not bonds, cash, precious metals or real estate—did nearly as well. The lesson is that from these depressed levels stocks will almost certainly deliver generous returns in the years ahead.

If you have cash, ignore the fear mongers and naysayers and put [at least] some of it to work in the market now. If you’re cash light, at least maintain your exposure to equities and reinvest your dividends. If history is any guide, you will be [well] rewarded for doing so.

While true contrarianism is by definition a lonely business, 10 years from now [perhaps quite a lot sooner] this market is likely to be viewed as one of the great buying opportunities of our lifetimes. Just as it was for those with the guts to buy during the Depression.

What Warren Buffett wrote or was said to have written in his latest letter to shareholders has been all over the press this week. But I’d be willing to bet that many of the commentators and pundits haven’t actually read it.



Buffett's letter has a lot of words (plenty of people only want to know the summaries) and weighs in at a hefty 23 pages.

Maybe others didn't read the whole thing or even parts of it, but I did—word for word—last night. And I urge you to do the same. Why? Because if and when you do, you will realize there's a lot of valuable—and quite positive—meat within those almost two-dozen pages.

The following are some of his thoughts we think everyone should know and take to heart [from the Berkshire Hathaway 2008 annual report]:

This debilitating spiral has spurred our government to take massive action. In poker terms, the Treasury and the Fed have gone all in. Economic medicine that was previously meted out by the cupful has recently been dispensed by the barrel.

These once-unthinkable dosages will almost certainly bring on unwelcome aftereffects.

Now get ready for his next line, because it's a whammer.

Their precise nature is anyone's guess, though one likely consequence is an onslaught of inflation.

*Onslaught* is not a word to be taken lightly, because by definition it is “a vicious assault or attack.” It means, we believe, the very big possibility of the highest inflation we've seen in the past 100 or more years, including the 1970s when the CPI climbed at the annual rate of 9.8 percent.

For those who believe they might find a safe haven in municipal bonds, Buffett writes,

Local governments are going to face far tougher fiscal problems in the future than they have to date. Many cities and states were surely horrified when they inspected the status of their funding at yearend 2008. The gap between assets and a realistic actuarial valuation of present liabilities is simply staggering.

Others perhaps think they have taken the safe approach for the future by keeping all their money in cash, where it earns next to zero, or in various types of Treasury and other bonds. On this subject Buffett states,

Clinging to cash equivalents or long-term government bonds at present yields is almost certainly a terrible policy if continued for long. Holders of these instruments, of course, have felt increasingly comfortable—in fact, almost smug—in following this policy as financial turmoil has mounted. They regard their judgment confirmed when they hear commentators proclaim cash is king, even though that wonderful cash is earning close to nothing and will surely find its purchasing power eroded over time.

Approval, though, is not the goal of investing. In fact, approval is often counter-productive because it sedates the brain and makes it less receptive

to new facts or a re-examination of conclusions formed earlier. Beware the investment activity that produces applause [that would be selling stocks or at least not buying them]; the great moves are usually greeted by yawns.

When the financial history of this decade is written, it will surely speak of the Internet bubble of the late 1990s and the housing bubble of the early 2000s. But the U.S. Treasury bond bubble of late 2008 may be regarded as almost equally extraordinary.

Now for some very bullish thoughts from the smartest—and wealthiest—investor in history. Just a few sage words from Warren Buffett's brilliant brain can help you make a lot of money. Listening to all the talking heads on radio and TV, in direct opposition, is almost always a waste of time.

Never forget that our country has faced far worse travails in the past. In the 20th century alone, we dealt with two great wars (one of which we initially appeared to be losing); a dozen or so panics and recessions; virulent inflation that led to a 21.5% prime rate in 1980; and the Great Depression of the 1930s, when unemployment ranged between 15% and 25% for many years. America has had no shortage of challenges.

Without fail, we've overcome them. In the face of those obstacles—and many others—the real standard of living for Americans improved nearly seven-fold during the 1900s, while the Dow Jones Industrials rose from 66 to 11,497. Compare the record of this period with the dozens of centuries during which humans secured only tiny gains, if any, in how they lived. Though the path has not been smooth, our economic system has worked extraordinarily well over time. It has unleashed human potential as no other system has, and it will continue to do so.

America's best days lie ahead.

We are often asked how quickly markets can recover from severe declines. Let's revisit two horrible periods, the bottom in December 1974 and the one in August 1982.

In December 1974, the Dow finally troughed at 577. It got to 975 less than two years later, a 69 percent up move in under 24 months, without dividends.

The August 1982 Dow bottom was at 777. It got to 1,553 in 1985 and reached 2,722 by the fall of 1987, also without dividends. Those were respective up moves of 100 percent within three years and 250 percent within five.

In our mid-December report, we opined that the Dow could be at 30,000 by the end of 2018. Of course from these lowly levels that seems virtually impossible. Yet, it certainly is not when you take into account (1) the deeply discounted prices in quality companies today coupled with (2) the higher-than-average future inflation that we, Warren Buffett, and some others think is almost a lock.

See the next page for what could propel the Dow to 30,000 by 2018.

## DOW 30,000 BY 2018?

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**Clients were sent this e-mail note on December 17, 2008, as the Dow was up 18 percent from the November 2008 low and nearing the end of the bear market rally that would eventually stall January 2, 2009.**

**BANK ON IT:** “How will you feel if you don’t buy the cheapest market for 20 years and it runs away and leaves you? Horrible.”—Jeremy Grantham, chairman, GMO Capital, *Fortune*, December 22, 2008

“Cash is a terrible long-term asset, one that pays virtually nothing [ditto for U.S. Treasuries] and is certain to depreciate in value. Equities will almost certainly outperform cash over the next decade, probably by a substantial degree.”—Warren Buffett, *New York Times*, October 17, 2008

You be the judge.

2008 will go down as one of the worst years ever for stocks and probably end up among the top five. Certainly it’s as bad as anything we’ve experienced in nearly 40 years in the business. Yet serious investing in stocks requires the stamina to survive—and invest through—the various panics, crises, recessions, and depressions that will always take place such as in this not all-inclusive list: 1812, 1837, 1857, 1873, 1903, 1907, 1914, 1917, 1930–1932, 1937, 1946, 1962, 1966, 1972–1974, 1976–1978, 1987, 1990–1991, 1998, 2000–2002, and, of course, 2007–200[9].

Recently Brett Arrends wrote in the *Wall Street Journal*,

Anyone who bought after the crash of 1873 and held on for 20 years, simply reinvesting dividends, trebled his money. Anyone who did the same following the gigantic crash of 1907, when J. P. Morgan Sr. stepped in to rescue the financial system, made a 700% return.

After the 1987 crash, the figure was 900%.

Even someone who invested after the crash of 1929 and held on for 20 years eventually doubled his money, despite the disasters of the Great Depression and World War II.

The Leuthold Group has a strong grip on pinpoint financial statistics going way, way back. Some of their latest are grabbers, to say the least. [Here are four examples:]

1. The past 10 years of horrendous stock performance may already have discounted another depression (2008 has been roughly equivalent to 1929–1930). The total return of the S&P 500 from the end of November 1998 through November 30, 2008 (including dividends reinvested quarterly) is minus 8.95 percent. Adjusted for inflation, the total return is about minus 45.0 percent.
2. It was the worst 10 years for stocks in history, a history that goes back to well before the Civil War. That’s the really bad news. But like the wake of the boat, it’s behind us.

3. Leuthold observes that when 10-year annual total returns fall to less than 1 percent or go into negative territory like now, the next 10 years produce a well-above-average cumulative return of 183 percent. The worst follow-up 10-year return (after a bad 10 years) was 101 percent from Q4 (fourth quarter) 1938 through Q4 1948. The best was 325 percent from Q3 1974 through Q3 1984.
4. In a paper from Leuthold on December 9, we found this astonishing tidbit: "The normalized [as opposed to current] P/E for the S&P 500 was 10.4 on November 20th. This put the P/E in the 10th percentile of the 52-year market history. From this level, subsequent 12-month returns were +20.2 percent (median), with median 10-year returns of 17.1 percent annually (+385 percent cumulative)," nearly a fourfold increase.

Based on this observation in item 4 above (which is not a forecast; it's a fact), the Dow will approach or surpass 30,000 within the next 10 years. As we wrote this on December 17, the Dow stood at 8,564.53, down 39.2 percent from the all-time peak of 14,077.55 reached last year.

We have subscribed to the Morningstar investment service for a number of years and highly respect their excellent product. On December 16, they wrote that the Dow was undervalued by some 30 percent and should really be trading at 12,500. "We think Mr. Market has overreacted to the deluge of negative news in recent months."

That same day, they also wrote, "As the father of value investing, Ben Graham, guides us, the mercurial Mr. Market can be our friend as his overreaction often presents us with great buying opportunities. The market is providing several great long-term buying opportunities, with our coverage universe [of 2,000 stocks] trading at the steepest discounts we've seen since we started valuing equities."

If 12,500 is a reasonable value at this time, and we think that it is, the Dow could have a very short, steep upswing to bring today's valuation into line with fundamentals. (History shows this to be the case far more often than not.) And from there, it would take about 9 percent per year price appreciation to arrive at 30,000.

But there's still another way to see the Dow around 30,000 in 10 years. As earnings recover from the current recession and resume a "normal" growth pattern of 5 to 6 percent annually, they could be in the \$1,400 to \$1,600 range by 2018 (from a peak of \$830 in late 2007). A price-earnings ratio of 19 to 21 times those earnings (not out of line with a number of past highs) would also push the Dow to 30,000.

Sound like something out of the Twilight Zone? Completely unreal and unbelievable? Then how about this:

Working with data for the S&P 500, T. Rowe Price, one of America's Finest Companies, came up with these very bullish results on market rebounds (annual price returns without dividends) from market bottoms in June 1962, June 1970, September 1974, July 1982, November 1987, and September 2002:

	1 Year	3 Years	5 Years	10 Years
Average annual gain	31.4%	15.2%	13.0%	10.3%
Range	18.8–51.8%	11.8–21.3%	4.6–24.4%	4.3–15.3%

Using the 10-year average price return figure of 10.3 percent and figuring from the 2008 low of 7,392 (we believe that was *the* bottom), a Dow target of 19,700 results by 2018. True, that's a long way from 30,000, but it's still 167 percent above this year's low.

We have been asked by some of you about raising cash and waiting until things get better. We've opted to stay more or less fully invested in stocks, particularly since we now assume the market made a double bottom in October–November.

Historically, investors staying in cash for just 30 days after the market bottoms garner only 71 percent of the first year's total return. Waiting three months with cash results in getting just 42 percent of the market's return, while waiting six months rakes in only 27 percent. You have to be in to win. *Time* in the market is your friend. *Timing* the market is your worst nightmare.

Of course, given the current economic mess with the news going from grim to grimmer to grimmest, all the preceding good news seems absurd, right? But . . .

On December 6, 1995, the *Wall Street Journal* said, "Barely three weeks after the industrial average surged above 5,000, bulls already are putting bets on the next stock market breakthrough. And in the Southeast, among the boldest of the bold is Bill Staton. Mr. Staton confidently predicts—as he has for five years—that the Dow, which took 99 years to reach 5,000, will hit 10,000 within the next five. 'I said it in the fall of 1990,' Mr. Staton says in an interview." (The Dow was at 2,500 in 1990.)

Less than four years later, the Dow crossed 10,000, a quadrupling in the nine years from 1990. Dow 30,000 by 2018 absurd? We doubt it.

**We may have been a tad early on the November 2008 bottom, but the March 2009 bottom, terrifying at the time, was not all that much lower than the November low, and the long-term bullish forecast stands.**

## TRENDS DON'T GO ON FOREVER

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*Financial Times* columnist John Authers recently wrote, "It takes very little time for people to perceive a trend and to assume that it goes on forever. When we see a trend presented to us as a curve on a piece of paper, we find it hard not to extrapolate that it will continue in the same way in the future."

As real estate prices continued their almost uninterrupted ascent even through the big bear market of 2000–2002, some of the smartest people in the United States—bankers, brokers, and managers of real estate investment trusts (REITs), not to mention millions of homeowners—believed that real estate prices always go only one way, up. They didn't think too much, if at all, about the potential disaster that has been and is still even now emerging from too much leverage as real estate prices fall, and in some areas collapse.

Bill points out in *Double Your Money in America's Finest Companies*® and based on research conducted by Daniel Kahneman and Amos Tversky, "If we recall something easily, we tend to think it happened more often than it did, particularly if it's bad, like a plane crash or a severe stock market decline [that's what we've all endured since summer 2007]. They also demonstrated that the most recent short-term information is typically the source of long-term money and investment decisions."

You don't need us to tell you that the economic news is grim at best, because it's being pounded into us via all forms of media 24/7. Even though there is plenty of good news, especially among America's Finest Companies (most of which will pay higher dividends this year than last), there seems to be some sort of contest to make all news about the global economy negative. The worse the news is made to appear, the bigger and bolder the headlines.

And so, there are more and more dire forecasts about the economy and the markets based on the assumption that current downtrends will continue indefinitely. But as the January–February 1990 issue of *The Futurist* rightly noted, "Forecasts that a current trend will continue indefinitely are generally wrong, since most trends eventually reach a constraint. Forecasts that describe ominous doom are frequently wrong, since society usually addresses a problem once it has been identified as being critical."\*

We don't know how much positive impact the so-called stimulus plan—bailouts, handouts, loans, whatever you wish to call them—will have. But it seems logical there will have to be some positives to come out of all of it, perhaps even more than some optimists believe.

But we do have to caution and will continue to do so that the probability of high inflation (think 9 to 13 percent a year, maybe higher) is rising

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\*John Center, "Where America Was a Century Ago: History as a Guide to the Future," *The Futurist* (January–February 1990). Reproduced with permission from *The Futurist*, published by the World Future Society, 7901 Woodmont Avenue, Suite 450, Bethesda, MD 20814. Copyright © 1990.

dramatically. If this scenario unfurls as we anticipate, fixed income is going to be a bad place to be.

A recent study of the period from 1900 to 2008 from Peregrine IQ shows that there were only six rolling 10-year periods that were negative in real terms (taking inflation into account) for stocks, whereas there were 37 for bonds. Over one-year periods, they were about equal, with stocks being negative 41 times versus 43 for bonds. Over three years, it was 26 versus 39, and over five years, 16 compared to 40.

Here's perhaps the most interesting point of the study. During periods of high inflation (averaging 11.9 percent annually), the real return from stocks was 5.8 percent a year, whereas it was -2.2 percent for bonds and -1.1 percent for cash.

Even during the 17 periods of deflation cited (-4.4 percent inflation), stocks generated a real return of 12.3 percent per annum versus 9.4 percent for bonds and 7.8 percent for cash.

During inflation, deflation, and all the "flations" in between, stocks were clearly the winner. And if there'd been an America's Finest Companies universe, we feel quite certain they would have performed even better.

## RISK IS GROSSLY OVERPRICED AND OTHER SUBJECTS

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Warren Buffett had the worst year in Berkshire Hathaway's history in 2008, but we didn't do too badly ourselves. It could have been ever so much worse if we'd stuck with the financials. Buffett still owns a lot of them. We don't own any.

In the so-called risk protection marketplace, which is often akin to an insane asylum run by the inmates, the supposed risk in owning Berkshire Hathaway is being priced higher than Vietnam. For General Electric, the equivalent is Russia. If this isn't purely just nuts, then we don't know what is. But these are odd times in many ways, and there are more than enough nuts to go around. This is probably one reason so many world-class, market-dominating America's Finest Companies are selling at or below bargain-basement levels.

Despite the bailouts, handouts, lend-outs, and giveaways—whatever you desire to call them (all of which we believe to be unconstitutional)—pouring out of Washington, clearly things are getting better if you can look at the big picture with a jeweler's eye.

The *Wall Street Journal* wrote recently,

The prices of oil and other commodities have fallen by two-thirds since their 2008 summer peak, which has the effect of a major tax cut. The world is awash in liquidity, thanks to monetary ease by the Federal Reserve and other central banks. Monetary policy operates with a lag, but last year's easing will eventually stir economic activity.

The economy has fallen far enough, and long enough, that much of the excess that led to recession is being worked off. Already 15 months old, the current recession will soon match the average length—and average job loss—of the last three postwar downturns. What goes down will come up—unless destructive policies interfere with the sources of potential recovery.

The heavy downturn in housing has and is causing many problems globally, but the March 7 *New York Times* observed that “houses in the United States are now more affordable than at any time in the last 40 years when compared with personal income. Plus, 92 percent of all mortgage holders are neither late nor delinquent, despite all the negative headlines that might lead you to believe otherwise.”

On another positive note, money manager and market statistician Steven Leuthold (for whom we have the highest respect) earned 74 percent for investors in his Grizzly Short Fund last year. But now he says is the time to be long. “These comparisons people make with the Great Depression are totally out of touch with reality, and pretty stupid. We've been in much worse, much more panicked, and more scary situations in the U.S.” Clearly, he echoes the words of Warren Buffett. Leuthold believes the S&P 500 will reach 1,000 before year's end. That would be a 48 percent up move from the March 2009 low in less than 10 months. We already came within 6 percent of it at the high in June 2009 in just three months.



Now let's move on to a hot topic, the subject of gold. Dr. Jeremy Siegel of the Wharton School recently stated (in the March 2009 Wharton e-letter), "In the long run, stocks have thrashed gold as great long-term hedges against inflation." Although consumer prices approximately trebled since 1980, gold is up only about \$100 an ounce from \$850 then. Over that period, gold lost about half its purchasing power.

In the mid-1970s Professor Roy Jastram of the University of California at Berkeley found that gold had not kept up with the cost of living during seven British inflations stretching across more than 300 years. In the United States Professor Jastram looked at six inflationary periods between 1808 and 1976 wherein, on average, gold's purchasing power dropped by more than 20 percent. Worse, it usually costs money to store gold. And gold provides no income whatsoever.

## PLAIN MONEY TALK FROM CHARLIE MUNGER: ONE WHO REALLY KNOWS

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It seems that almost every investor on earth is familiar with the name of Warren Buffett, but his partner at Berkshire Hathaway, Charlie Munger, isn't nearly so famous. However, like Buffett, Munger is one of the shrewdest—and wealthiest—investors on the planet. He also happens to be CEO of Wesco Financial, one of America's Strongest and Finest Companies, with 38 consecutive years of higher annual dividends, including 2009.

Here are a few of Munger's on-the-money comments from the 2008 Wesco annual shareholder meeting in Pasadena, California, on April 21, 2009:

**On how serious our economic situation is:** "I think it's deadly serious. You can never tell what's going to happen when people get as disappointed as they are now."

**On what caused the financial crisis:** "It's been a lollapalooza effect—a confluence of causes pushing in the same direction. Three main areas I'd say got us to where we are:

1. "Banks did things because their competitors were doing them and [they] wanted to keep up. This is crazy. There are times when you should let your competition do things and not want to follow. A lot of consumer lending was venal. It was bad morality that led to a horrible mess in due course.
2. "Wall Street found every which way to make money short of robbery. A lot of it was a bunch of sleazy crooks, but if it worked, no one cares.
3. "Democrats wanted to give things to poor people, thinking it was pro-social activity. They urged Fannie Mae and Freddie Mac to make really dumb loans. Some of it was just ghastly. And the Republicans overdosed on Ayn Rand. It was like they wanted legalized armed robbery. They wanted to create an ethos simply built on 'buyer beware,' which is all wrong."

**On free market financial systems:** "People really thought that giving a predatory class of people the ability to do whatever they wanted was free market enterprise. It wasn't. It was legalized armed robbery. And it was incredibly stupid."

**On bailing out the banks:** "We had to save these people whether we wanted to or not. And [the Treasury and Federal Reserve] did a fantastic job."

**On regulation:** "Banks that are 'too big to fail' shouldn't be allowed to be anything but boring. And that's how it used to be. Investment banking used to be a consulting business. It was extremely boring. The partners didn't make nearly the kind of money they do today. They were very conservative businesses.

"There's no reason to have a system where every young man has \$8 billion to play with and buy whatever he wants. It's incredibly stupid. It's absolutely crazy. If I were in charge, I'd take away everything from banks that wasn't boring. Completely shut down [credit default swaps] 100 percent. What's the harm in this? The world worked just fine without them. We don't need an economy that resembles a vast poker tournament."

**On President Obama reining in Wall Street:** “I admire Obama for wanting to reduce the power of New York City. It would have a constricting effect on the economy at first, but we need it.”

**On Wall Street pay:** “A man does not deserve huge amounts of pay for creating tiny spreads on huge amounts of money. Any idiot can do it. And, as a matter of fact, many idiots do do it.”

**On current stock prices:** “Our best years were recession years. If you wait for the recovery, it’s too late. Am I willing to invest long-term money at these prices? Sure.”

**On how to avoid 50 percent losses in the future:** “It’s in the nature of stock markets to go way down from time to time. There’s no system to avoid bad markets. You can’t do it unless you try to time the market, which is a seriously dumb thing to do. Conservative investing with steady savings without expecting miracles is the way to go.”

**On Treasury Secretary Tim Geithner:** “He’s a very able person and will do a good job. The job is terribly constrained by politics. This is why I’ve never had any interest in government. Considering what he’s facing, he’s doing a great job.”

**On executive leadership:** “Some people are more teachable than others. This is also true of dogs, however, so take it as you wish. [The executive level] should be a tough meritocracy. It shouldn’t be easy. I look for people I can trust. Hiring people you can’t trust is like starting off by dropping a spider in your bosom.”

**On ethanol:** “Ethanol is quite possibly the stupidest thing ever invented by rational people. The ultimate social safety net—which is a very good idea, by the way—is cheap food, and ethanol production is destroying this. It was a monstrously stupid idea like I haven’t seen before.”

**On stockbrokers:** “Most stockbrokers are a disaster waiting to happen. If anyone promises you miracles, show them the door.”

**On the trade deficit:** “Warren [Buffett] is way more pessimistic on this topic than I am. He often talks about China buying up our little pieces of paper [Treasury notes]. I think China has become enormously prosperous by buying our little pieces of paper. It’s a huge benefit to them.”

**On adapting to peak oil:** “The world will adapt to higher oil prices, because it has to. It won’t be the end of the world. Even at \$200 a barrel, we’d be fine. People would adapt [mentions smaller cars, electric cars, solar power]. We have an enormous power to adapt.”

**On corporate lawyers:** “Law has become far too prosperous. It’s way overrated. The cost is too high and the education [of lawyers] is wildly imperfect.”

**On communism:** “China has communist builders and communist engineers. That’s my kind of communism.”

**On books he’d recommend:** “Malcolm Gladwell’s *Outliers* [Little, Brown, 2008] is a terrific book. It guides reason very well. By the way, I tend not to read self-help investment books. They’re like soap operas: I know all the plots.”

## JUST HOW RISKY IS IT?

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With at least a partial-global panic setting in around the global swine flu pandemic (which means widespread, not necessarily severe), we'd like to point out that as of mid-May 2009 swine flu has killed two people in the United States that we're aware of. Meanwhile, roughly 13,000 U.S. citizens have died of the more traditional flu thus far in 2009. That mounts up to four people per hour, every hour of every day. Yet we read or hear virtually nothing about it.

We also don't read or hear, according to the *New York Times* of May 6, 2009, that "more people die of loneliness or lard" than from swine flu.

More people died in a few minutes when a man went berserk in Binghamton, NY last month. Since August, there have been 14 deaths by gun in schools in the United States.

So far, no more than 25 people are confirmed as having died in Mexico from the swine flu, compared with more than 6,000 killed by drug violence in that country last year. In 1976, a young soldier died of an earlier version of swine flu; the United States launched a mass vaccination program that, some experts say, ultimately killed more people than the disease itself.

Clearly, there's a lot of unfounded fear about the potential destructiveness of swine flu, just as there is about investing in stocks because the past two years have been so bad. In fact, the past 10 years ended March 31, 2009, were the worst in history for U.S. stocks, and that history covers a period stretching all the way back to 1834.

Let's separate myth from fact:

- Following bad 10-year periods for stocks, the ensuing 10 years have almost always been well above average.
- According to Dr. Jeremy Siegel of the Wharton School and several others, if you start buying stocks whenever they're down 50 percent from all-time highs (as in earlier this year), you end up making excellent profits over the next several years. This was true even if you bought stocks in 1931 when the Dow was down 50 percent with still a long way to get to the bottom.
- Ranging from Jeremy Grantham to Steven Leuthold to Ned Davis to Don Hays, their historical analyses call for double-digit yearly stock gains during the next five to seven to ten years. Our own analysis on page 47 projects a Dow of 30,000 (almost a quadrupling) by the end of 2018. Excluding dividends, that would end up being a compound annual return of close to 14 percent a year. That's for stocks in general. Based on their superior characteristics, the Baker's Dozen Guided Portfolio® (a handpicked portfolio of our top 13 stocks for subscribers) and America's Finest Companies ought to perform even better.

- Again based on history, the tremendous amount of money being injected into the American economy—some \$15 trillion (roughly one year's GDP)—will ultimately cause significant inflation, perhaps equaling or surpassing inflation in the 1970s, which came in at 9.8 percent per annum. Cash and fixed-income investors will be crushed as if run over by a steamroller that then backs up to see if it ran over them in the first place.

We have said it before and we'll say it again. The America's Finest Companies of today that were around during the Great Depression fared very well. Whereas the Dow dropped almost 90 percent from 1929 to 1932 and it took until 1949 for dividends to get back to where they were 20 years earlier, that was not true of AFCs. Overall, their income dropped about 25 to 30 percent peak to trough, turned around, and went on to new highs by the mid-1930s. Several, including Coca-Cola and Abbott Laboratories, reached new price highs by 1935 or even earlier.

Like the period from the mid-1920s to the mid-1930s, we intensely studied the 1970s, still with our focus on America's Finest Companies of that day. There are far too many companies to discuss, but here are some examples of how they performed.

Again Abbott Labs was a standout, but it's one of just many. In the crushing 1973–1974 bear market the stock sank to 4, where it bottomed. The dividend was \$0.17. The stock soared from there past 30 in early 1981 on a dividend of \$0.60, nearly four times higher than just seven years before.

Skipping randomly into the Bs, we come upon Bemis Co. The dividend was \$0.80 in 1973 and exactly doubled to \$1.60 by 1980, seven years later. The stock price climbed from a low of 12 in 1974 to a high of 33 in 1981.

Coca-Cola, then as now one of our nation's most widely held stocks, collapsed in price from the ridiculous high of 75 in 1973 with a P/E of 42 and dividend of \$1.04, a paltry yield of 1.4 percent. The stock got just under 25 by the end of 1974 and recovered somewhat to 48 by 1978. Meanwhile, the dividend soared to \$2.16, which was 2.6 times higher than in 1972.

These are but three random examples, but we think you get the big picture. Regardless of whatever "flation" you think we're in now or going to be in in the future, we can't think of any better way to grow your wealth than by investing broadly in a variety of America's Finest Companies.

## KEEP YOUR EYE ON THE BALL—IT'S EASY TO GO BROKE

Why is it that so many people who easily become wealthy also easily go broke? Entertainer Ed McMahon (who died June 22, 2009) is a recent example. He made millions as Johnny Carson's sidekick on the *Tonight Show*. This is part of a recent interview on *Larry King Live*:

**Larry King:** What did happen, Ed?

**Ed McMahon:** It's a combination; it's like a perfect storm. Economy problems. Selling the house right now is a tremendous operation. . . . We've had this house on the market for two years. We've shown it to, I don't know how many, 50 organizations or people. Nobody has made an offer. I mean, it's just a lovely home. I hate to leave it. I want to keep the home. I want this all to work out.

**King:** And the payments you can't make—what's the problem?

**Ed McMahon:** Well, if you spend more money than you make, you know what happens. And it can happen. You know, a couple of divorces thrown in, a few things like that. And, you know, things happen. You want everything to be perfect, but that combination of the economy, I have a little injury, I have a situation. And it all came together.

**King:** Did you break your neck?

**Ed McMahon:** I broke my neck. I had a fall. . . .

**King:** Has that stopped you from working?

**Ed McMahon:** Oh, sure. You know, you can't work with this [brace] around your neck. And I have to wear this.

**King:** But, Pam, the assumption is that the McMahons are multimillionaires. How much behind are you—\$644,000, right? That's what's reported? . . . If you're a millionaire, shouldn't you be able to pay \$644,000?

**Pam McMahon:** I think over the years, you know, it's just a kind of a combination of maybe Ed working so hard and not kind of looking at proper management, which happens a lot. . . . Because you're a celebrity, people think you have a lot more than you have. And you always want to take great care of all of your friends and your family and everybody, and you do. And . . . I think, you know, we didn't keep our eye on the ball. We made mistakes.

**King:** And are they foreclosing?

**Pam McMahon:** Yes, they are. . . .

Billionaire sports entrepreneur Mark Cuban's brother, Brian Cuban, had this to say on a recent Cuban Revolution blog. Brian works with the Dallas Mavericks:

First, whether it is a lottery winner, an athlete or a star entertainer, if they are not equipped with the knowledge on how to make and save money they are in trouble.

When they didn't earn it through disciplined business practices and they don't have those skills they usually go through it quickly.

Most lottery winners or athletes make a great deal of money in a short period of time. They start spending it on things that only go down in value (cars, jewelry, partying, entourage, etc.) and start to evaporate the money they do have. They can carry this off until they stop earning big money. This is when the trouble starts.

It is hard to believe that MC Hammer, Mike Tyson, Evander Holyfield and now Ed McMahon are broke. These are people who earned hundreds of millions over time and it disappeared. Lavish spending and entourages were probably the downfall for the first three for sure.

**[Here's the key to financial security:]** However, if athletes [or anyone else for that matter] educate themselves, learn money management skills and make smart, safe investments along the way, they are usually in very good shape.

Most people die coming down from Mt. Everest, not going up. The goal is to get to their Mt. Everest AND to get down safely.

## MARY STATON'S 10 RULES FOR BUSINESS SUCCESS

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1. **Don't take anything for granted—not employees, clients, customers, or good economic conditions.** In the United States today, abundance is everywhere and much of our lives has become disposable. Never let your employees, clients, customers, or colleagues become disposable in your mind, and remember that market conditions can change as they certainly have in the past two years. Referrals and word of mouth about you and your company are your most valuable resources. Make yourself worthy of referrals.
2. **Listen and learn from everyone.** Listen to what clients, vendors, employees, and business partners are really asking for. Take down as many barriers as you can to make successful relationships with business partners or customers. Attentive listening is not as easy as many people assume. But it's a key way to honor and empower those around you, to get ahead in your work, and to build a business that can grow.
3. **Never underestimate the importance of trust.** Do what you say you will. Fulfill your obligations and responsibilities. And choose to be around people you trust. For some reason, we many times don't listen to our own gut, our own intuition, and our time-honed instincts. Trust those. And last, there's another dimension of trust that's probably the most important of all; and that is to trust in a power greater than ourselves. As you have faith in your own abilities and intuition, have faith in a higher power. It releases you to do your work with more confidence and fewer fears.
4. **Save more.** This is an important point in your professional as well as personal life. You can live large without paying top dollar. Make it a habit to look for the best ways to get what you need without spending excessively. Stash that extra cash into investments that will help your money grow.
5. **Give more.** Whether you contribute to charities, churches, or causes you believe in or provide volunteer services through your company or on your own—by giving more, you'll reap benefits you could not have imagined. As the old saying goes, the hand that gives, gathers.
6. **Invest wisely.** Support yourself—invest in your professional development. Give yourself opportunities to learn. Read widely. Financially, support your future—take advantage of forced savings like 401(k)s and individual retirement accounts (IRAs); enjoy tax advantages now and a worry-free retirement. If you have employees, build them up. Offer praise for a job well done and give them more responsibility. By investing in them through training and team building, you'll develop their loyalty and skills at the same time.
7. **Believe in yourself,** no matter what your current field or credentials or even setbacks and failures might be. If you want to make a change, believe that you can. That's just a starting point—change requires hard work and flexibility. But you have to believe it's possible before you can accomplish anything more.



8. **Value your past—it has prepared you for your future.** Know that all the things you've done before have prepared you for where you are now and where you might go. Your past accomplishments and knowledge are never really lost. You'll find yourself using skills you've developed in unexpected and interesting ways.
9. **Be optimistic.** That's the first step toward joy. And when times are tough, like this current economic environment, know that "this too shall pass." Despite high fuel prices, the fragile banking sector, and other seemingly overwhelming business challenges, you can have a happy and successful career by following these pearls of wisdom learned from my own experiences and from many colleagues.
10. **Think big.** Think big about yourself and your business. We limit ourselves from not doing so. And don't forget to enjoy the incredible places an attitude of thinking big will take you!



## ABOUT THE AUTHORS

### BILL STATON

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Bill Staton, MBA, CFA, America's Money Coach®, began his investment career as a securities analyst with Interstate Securities (now part of Wells Fargo Advisors) in 1971. In 1986 he founded The Staton Institute Inc. and remains its chairman. Bill has helped thousands increase their wealth with a commonsense value approach to investing. A frequent speaker on investing and economic issues, Bill empowers people to take charge of their personal finances through guidebooks, audiocassettes, videos, and WealthBuilding seminars. He also provides customized portfolio management for individuals and small businesses through Staton Financial Advisors LLC.

His documented track record of market-beating results makes him one of the nation's top performers and helped him become a multimillionaire by age 35. Staton holds an MBA in finance from the Wharton School and a bachelor's degree from the University of North Carolina at Chapel Hill. He earned his Chartered Financial Analyst certification in 1977. He was a member of Class I (1978) Leadership Charlotte.

Staton is the author of *The America's Finest Companies® Investment Plan* (Hyperion, three editions) and has been quoted in the *Wall Street Journal*, the *New York Times*, *USA Today*, the *Washington Post*, *U.S. News & World Report*, *Barron's*, *BusinessWeek*, and *Money* magazine, among others.

His latest book, *Double Your Money in America's Finest Companies®: The Unbeatable Power of Rising Dividends*, is the first installment in the new Almanac Investor book series. In *Double Your Money*, Bill Staton's entire simple, do-it-yourself AFC system is revealed and explained with clear step-by-step instructions.

### MARY STATON

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Mary Tunstall Staton is CEO of The Staton Institute Inc. and Staton Financial Advisors LLC. She coauthored *Worry-Free Family Finances* (McGraw-Hill, 2004) with husband Bill and currently writes a free newsletter entitled "Wisdom On Wealth!" (WOW!). She holds an MBA from the McColl Graduate School of Business at Queens University and is a former member of the McColl Graduate School Board of Visitors. She received her bachelor's degree in journalism from the University of Florida, and is a graduate of Leadership Charlotte, Class IX. She has held executive positions in marketing in both private and public sectors and leadership roles in many volunteer organizations as well. She and Bill have four children.

## JEFFREY A. HIRSCH

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Jeffrey A. Hirsch is Editor in Chief of the *Stock Trader's Almanac* and *Almanac Investor* newsletter. He started with the Hirsch Organization in 1990 as a market analyst and historian under the mentorship of his father, Yale Hirsch. He regularly appears on major news networks such as CNBC, CNN, Fox, and Bloomberg and is widely quoted in many major newspapers and financial publications. Hirsch also writes numerous financial columns.

# AUTHOR'S NOTE

## STATON FINANCIAL ADVISORS LLC

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To subscribe to Mary's free moneymaking/moneysaving newsletter, go to [wisdomonwealth@statoninstitute.com](mailto:wisdomonwealth@statoninstitute.com).

Bill and Mary Staton  
2431 Hartmill Court  
Charlotte, NC 28226  
Tel. (704) 365-2122, Fax (704) 365-1910  
[www.statonfinancial.com](http://www.statonfinancial.com)

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In particular, we emphasize our distinctive and trademarked universe of America's Finest Companies for investment. AFCs give clients "wide-moat" niches among a variety of industries, rising annual income, superior financial strength, and hefty dividend yields vis-à-vis the market.

Frequent and personalized client communications are the hallmark of the way we do business.

Please contact: [mary.staton@statonfinancial.com](mailto:mary.staton@statonfinancial.com), (704) 365-2122.

## WILEY/HIRSCH ORGANIZATION

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Bill Staton provides updates to *America's Finest Companies® 2010* throughout the year in The Hirsch Organization's *Almanac Investor Newsletter* edited by Jeffrey Hirsch.

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