



DETTERBECK WEALTH MANAGEMENT

A Division of DWM Financial Group, Inc.

July 14, 2009

Issue 16

Sherpa Snapshots

*"Preparing you for the
financial road ahead"*

-Estate Planning -

Despite having a Will, Jackson Left a Tangled Estate



Last week, over 30 million watched the Michael Jackson memorial on TV. It was one of the most-watched and most-discussed live news events in recent history. The City of Los Angeles spent over \$1.4 million to provide security, traffic control and other services at the Staples Center, Forest Lawn cemetery and other areas. Not sure if they'll be paying with I.O.U.s, but that's another story.

In This Issue

Estate Planning: Despite a Will, Jackson Left a Tangled Estate

Consumer Spending: The Hagggle Economy

Bailout: Economy Takes a Toll on Amish

World: The Iran Protests and Demographics

Market Update

Quick Links

**Detterbeck Wealth
Management**

www.dwmgmt.com

220 N. Smith Street
Suite 410
Palatine, IL 60067
847.359.6262

39 Broad Street
Suite 210
Charleston, SC 29401
843.577.2463



Jackson's final resting place remains unknown, however, it's reported he will be wearing his signature white glove when he is buried. There's speculation that he may be buried at Forest Lawn, Neverland, or cremated. There's even a question where the body is these days.

The real excitement, though, may be watching how his estate is handled. Four days after he died, the family gathered at Jackson's attorney's office to hear a reading of the will he drafted in 2002. While the will dealt publicly with issues required by a will; including custody of the children to his mother, specific exclusions for Deborah Rowe and his father Joe Jackson, and the naming of executors, it didn't cover the bulk of Jackson's estate, estimated by the Economist at \$1.3 billion along with \$300 million of debts.

The Jackson Family Trust, which contained all the instructions for disbursing his wealth and the name of his successor trustee, is not a public document. Furthermore, according to estate planning attorney Mark Bischoff in the Chicago Sun-Times, for those assets owned by the Trust, and not personally, it may be harder for creditors to attach them to repay his debts. If Jackson incurred his reputed substantial debt as an individual, but maintained most of his assets in his living trust, depending on state law, after his death his creditors may not be able to reach those assets. And, of course, Jackson's estate is likely to grow significantly through sales of old songs and collectibles, expected releases of previously unreleased songs, and proceeds from some Graceland-type memorial museum.

Michael Jackson's death and current status of his estate reminds us that we all need to see our attorneys and document a coordinated estate plan and keep it up to date. Even with well drawn wills and trusts, it is still necessary to regularly make sure titling is appropriate as well as designations for executors, successor trustees and guardians. Ultimately, complete estate planning should provide an unambiguous legacy you intended.

In his will, Jackson named his attorney, John Branca and a music executive, John McClain as executors. We don't know who he named as successor trust of his trust. And now we have Al Sharpton and Jesse Jackson coming to the rescue to help straighten everything out. It will be quite interesting to watch those two help untangle Michael Jackson's estate.

Source: New York Times 7/7/09 and Chicago Sun-Times 7/9/09

[Click here to be added to our mailing list!](#)

Please be assured that your e-mail address will only be used for the delivery of your newsletter.

Thanks

-Consumer Spending-

Wine Still Flowing but from Cheaper Bottles

Luckily for wine distributors, the recession hasn't stopped people from popping the cork off a bottle of shiraz or chardonnay. As it turns out, booze is somewhat recession-proof. For many, wine is considered an affordable indulgence. But just as many budget-conscious consumers are choosing their clothes and food more carefully, they are picking out wine more carefully as well.



Wine sales in a recession can be complex for merchants who sell it. Recession-weary consumers, however, are buying more mid-and low-priced wines, causing a sharp falloff in sales of wines priced at \$25 a bottle and higher. Retail surveys show that people are buying more from supermarkets and big chains, therefore, spending less at bars and restaurants. Furthermore, smaller, independent wine shops, which tend to sell more-expensive varieties, have struggled as buyers cut back on splurging.

Total U.S. sales rose about 15% in terms of volume in the first quarter from a year earlier, but wines priced at \$25 a bottle and up fell about 12%, estimates John Frederikson, an industry consultant with Gomberg, Frederikson & Associates in Woodside, CA. The change in consumers' buying habits has prompted many retailers and distributors to cut orders of luxury wines. When they do order the higher-end wines, they often ask for steep discounts, which are being passed on to consumers.

Now is the time to take advantage of the marketplace. Upscale wines are being discounted 10, 25, even 30%! Even though the discounts take a heavy toll on wineries' cash flow, such price cuts are great for consumers. Maybe it's time to buy a nice Chateau Margaux.

For additional information in The Chicago Tribune's July 2nd article [click here](#)

-Bailout-

Economy Takes a Toll on Amish



The economy has taken its toll on most of the U.S.'s 400 Amish settlements, but none has seen such a widespread impact as the country's third-largest Amish settlement in Northern Indiana.

For decades the more than 200,000 Amish in the U.S. have largely lived apart from the mainstream, emphasizing humility, simplicity, and thrift. Known as "the plain people," they travel by horse-drawn buggies, wear homemade clothing, and live with very little electricity. But the Amish in Northern Indiana edged into the conventional economy, enticed by high wages of the RV industry. Ultimately, they wound up experiencing the same economic troubles millions of other Americans did.

Northern Indiana is home to 20,000 Amish. Half of the adult breadwinners worked "off the farm" in the RV industry, which is unusual for the Amish because they typically don't work in large droves for a single industry. Most Amish who are not receiving their income from farming tend to work for Amish-owned businesses, but not in this case. As RV sales slowed in the economic downturn, many of the Amish workers were laid off from their high-paying jobs.

These Amish were living very differently from the popular characterization of the Amish farmers. They were going to restaurants every week, taking family trips to places like Florida or Chicago, buying newer carriages and horses, and even purchasing second homes. In a sense, these Amish were 'living it up' until hard times hit. Other Amish are weathering the downturn better than the general population because they raise much of their own food and have no need for large-screen TVs, new cars, and other expensive modern conveniences.

So, the past year's experiences in Indiana have left many shaken. With the unemployment rate in the area reaching 17.8% in April, a growing number of men have left their families for weeks at a time for out-of-state construction jobs. Some younger families have moved to other states. In Indiana, the Amish are moving back-to-basics. More patches of produce have sprouted behind Amish homes this summer, and restaurants are entertaining fewer Amish customers.

"We were all going way too fast," Freeman Miller says. "This has made everybody stop and realize we're just pilgrims here, the Almighty is in charge."

For Additional information in The Wall Street Journal's July 1st article [click here](#)

-Business-

Planes, Trains...and Buses?



When one thinks of a bus ride, it most likely conjures up the memory of a ride to school many years ago or the ugly and uncomfortable alternative to intercity transportation. But bus travel is having a come-back. Travelers looking for a less expensive way to commute, due to the current situation of the economy, are turning to their city's bus systems, and they are even finding some nice changes once they step on.

Many bus travelers were previous plane or train travelers, so they expect certain amenities that they have grown accustomed to. Such amenities as Internet access, nicer and more comfortable seats, and cleanliness are among the requests of these new customers. In response, bus companies are making upgrades with hopes to retain and attract new customers even when the economy bounces back.

In April, Greyhound Lines Inc. launched 102 new "motorcoaches" in the Northeast featuring leather seats, additional legroom, Wi-Fi access, tables and power outlets in every row. This new breed of buses is cleaner and has a more luxurious feel. With fares running as little as \$1 each way if you book far enough in advance, the new face of buses is looking much more appealing for customers.

In a recent study by Dr. Schwieterman showed that scheduled intercity bus departures in the last quarter of 2008 grew a record 10% from the same period last year. He says wireless seems to have been a big incentive for customers while also giving a huge boost to the image of a bus. Unfortunately, other forms of travel have not been doing as well. For the first 3 months of 2009, the number of scheduled passengers on U.S. airlines declined by 10.3% from the same period in 2008, according to the U.S. Transportation Department.

Still, as nice as the buses are becoming, they can't fight the traffic. But if your schedule is a little more flexible, and you are willing to get to your destination a little later, bus travel may be the cheaper solution in a time where saving money is on many minds.

For additional information The Wall Street Journal's June 18th article [click here](#)

-Market Update-

What's Hot - and Not How different investments did last week.

INVESTMENT	PERFORMANCE	
	Last week	52-week
Emerging-markets stocks*	1.5%	-25.2%
U.S. corporate junk bonds	1.0	-2.4
Emerging-markets bonds	0.5	2.7
U.S. investment-grade bonds	0.3	3.1
U.S. dollar, trade weighted	0.2	9.5
European stocks	-0.2%	-27.9
Gold	-1.1	-0.1
Global stocks	-1.4	-29.9
Dow Jones Industrial Average	-1.9	-26.6
Nasdaq Composite Index	-2.3	-20.0
Commodity futures	-2.3	-49.1
S&P 500-stock index	-2.4	-29.0
Russell 2000 (small stocks)	-3.1	-25.3
Crude oil	-3.5	-54.1
REIT stocks	-4.0	-44.5

Notes on data: European stocks: Dow Jones Stoxx Index; emerging-markets-stocks: MSCI price index for free markets; corporate-bond prices: Merrill Lynch Global Bond Indexes; U.S. dollar and U.S. Treasuries: J.P. Morgan; REIT stocks: Dow Jones Equity REIT Total Return Index; emerging-markets bonds: J.P. Morgan EMBI-plus price index, in U.S.-dollar terms; commodity futures: Dow Jones-UBS Commodity Index; global stocks: Dow Jones World Stock Index *Data as of July 1, 2009; all others as of July 2, 2009

Sources: WSJ Market Data Group; Dow Jones Indexes; Reuters; Merrill Lynch

We appreciate your feedback!

Let us know what you think...

Send feedback and suggestions to: danielle@dwmfnclgroup.com

[Forward email](#)

✉ [SafeUnsubscribe®](#)

This email was sent to amy@dwmfnclgroup.com by danielle@dwmfnclgroup.com.
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Email Marketing by



Detterbeck Wealth Management | 220 N. Smith Street | Suite 410 | Palatine | IL | 60067