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PROFILE IN BRIEF

By JOHN MINNIS
Legal News

Ari Kaplan Opportunity Maker



Ari
Kaplan

Rainmakers make their own luck. Attorney-turned-author Ari Kaplan is a rainmaker.

When Kaplan, 37, was writing his book, *The Opportunity Maker: Strategies for Inspiring Your Legal Career*, the economic meltdown had not yet occurred. So after his book hit the stores in June 2008, it was poised to be a top seller when the economic bubble burst three months later.

"It's about how to stand out in a stagnant economy," Kaplan says of his book, "but I wrote it before the stagnant economy hit."

An ironic twist is that one of the back-cover endorsements for the book was written by Anastasia Kelly, the American International Group's general counsel who refused to take an Obama administration-ordered pay cut following the government's \$180 billion bailout of the company in September 2008. In December 2008, she resigned with \$2.8 million in severance pay.

"Ari Kaplan is indeed an opportunity maker," Kelly wrote. "This could be a blue print for law schools to incorporate..."

The law schools seem to agree. Kaplan passed through Detroit Metropolitan Airport recently on his way to and from a speaking engagement at the University of Toledo Law School. He has also spoken at Michigan State University Law School and at Harvard, American University Washington, Howard, St. John's, Arizona State, Stanford, Tulane and UCLA, to name a handful, and at major law firms and bar associations.

Kaplan interviewed more than 100 people for his book, ranging from the president of MetLife and prominent attorneys to law students.

"Some of the best ideas I got were from creative law students," he says. "Law students study cases and write about them on blogs. Lawyers have Google alerts and find these postings by students, and that encourages lawyers to contact them. That was so savvy. I was very impressed."

In fact, Kaplan's book is about standing out in the crowd, getting noticed, and doing so in a constructive manner. Blogging is just one of the means he addresses in *The Opportunity Maker* on how to get noticed.

"Self-promotion has nothing to do about you. It's about highlighting others and letting that reflect on you," he says. "That's the message I try to send out."

A graduate of George Washington University Law School, Kaplan practiced for nine years with mostly large firms in New York City. He published 125 articles and wanted to teach a course at a firm on how to get published. At some point, he realized he liked writing better than practicing law.

"I chose to become a writer," he says, "and everybody thought that was a dumb idea — except my wife," who is also an attorney.

Once out on his own, he did create a course for attorneys on how to get published. He presented the course at bar associations and law firms. A magazine publisher forwarded some of Kaplan's work to Thomson/West book publishers in St. Paul, Minn., and he was asked to write a book of his ideas. He turned the offer down.

"I didn't know how to write a book," he says. But he reconsidered. "I thought that if I could be a conduit, there could be some value there."

Kaplan has written extensively on law and

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Cast in multiple roles

In pursuit of her dream, lawyer finds balance

By CHRISTINE L. MOBLEY
Legal News

Once upon a time, a five-year-old girl wanted to be either a brain surgeon or an actress.

"The brain surgery just really wasn't in my personality," Jamie Warrow laughs. "I've always known I wanted to be a theatre performer."

In pursuit of her dream, she became involved in drama club both in junior and high school. After graduating, Warrow went on to earn her Bachelor of Fine Arts from Wayne State University in 1993.

"I spent most of my 20s pursuing theatre in Detroit trying to create my own thing here," Warrow recalls.

It wasn't until her late-20s that Warrow decided she needed a "fall-back" plan — a plan which steered her toward law.

"I figured obtaining a law degree would be the best education I could get at that point, whether or not I practiced," Warrow says.

Warrow earned her law degree from Wayne State University Law School in 2003 and was admitted to the State Bar of Michigan that same year.

"I started with a very good firm, Kickham Hanley, in Royal Oak doing commercial litigation," she recalls. Warrow recently joined the Southfield-based firm of Neuman Anderson as an associate.

"I enjoy the legal environment," Warrow says. "It's challenging."

But just because she discovered a rewarding career as an attorney doesn't mean she gave up her first love.

Warrow, along with partners Joe Bailey, Joe Plambeck, and Melissa Beckwith, co-own and operate the Ringwald Theatre in Ferndale and its production company, Who Wants Cake? — the name comes from an episode of the Amy Sedaris sitcom "Strangers With Candy."

According to Warrow, their mission statement is "We're designed to change your mind."

"We want to change the way people think through exploring different social norms and



In addition to her role as an attorney with Neuman Anderson, Jamie Warrow thrives in her roles as a theater manager and an actor.

have people leaving the theatre going. 'Hey, I never thought about it that way,'" Warrow explains.

"We like to push the envelope a little bit."

Warrow's role in the company lies more on the business end, but she likes to take on the occasional acting role whenever time allows.

"When I can make things happen...I can make the time to work on a show," she says. "If I had my druthers, I'd be doing that full-time, but you can't really make a living on acting in Detroit yet...if at all."

Warrow has been in such shows as "Crimes of the Heart," "Vampire Lesbians of Sodom and Sleeping Beauty, or Coma," "Three Days of Rain," "Betty's Summer Vacation," "Speech & Debate," "The Bad Seed," and, her personal favorite, "Killer Joe."

She was also the director for "Deathtrap," co-directed "The Book of Liz," and was the assistant director for "Debbie Does Dallas: The Musical" and "Jeffrey."

"I'm in a very fortunate position," Warrow explains. "I've got three hats: I've got the manager hat, which is very important because if I don't do that right there won't be an opportuni-

ty to act. The bonus of this hat is the ability to say, 'I'm interested in doing this project' and 'let's do it.' There's a lot of control there so I'm allowed to pick and choose what I want to do as an actor — which happens to be the second hat."

"The third hat that I wear is the attorney hat, which is just as important as running the theatre business, because without being an attorney, I wouldn't be able to do the day-to-day stuff."

Warrow can be seen on stage next as Susan in "[title of show]," a musical about two guys writing a musical about two guys writing a musical, which opens at the Ringwald on Friday, Feb. 19, and runs through Monday, March 15.

"It's difficult to wear all three hats," Warrow says. "But, what I've learned is if you let the profession of being an attorney take over every aspect of your life then it can get to be a one-note type of process."

"It's important not to forget that just because you're working so hard that there are other things to be passionate about," she says. "It's important to pursue your passion."

Wayne Law's 2010 Treasure of Detroit to be held March 27

Wayne State University Law School, Wayne Law Dean Robert M. Ackerman, the Wayne Law Board of Visitors and the Wayne Law Alumni Association on Monday announced that the 13th annual Treasure of Detroit Gala will be held from 5:30 - 10 p.m. on Saturday, March 27 at the Detroit Institute of Arts.

Since its inception in 1998, the Treasure of Detroit has been Wayne Law's premiere event for honoring those who have made a lasting contribution to the practice of law, as well as to the growth and success of the Law School. The annual event brings together some of the legal community's brightest minds and scholars. (Honorees have yet to be announced. See side bar for past honorees.)

This year's gala will feature an Alumni Reunion Reception beginning at 5:30 p.m., with the event dinner starting at 7 p.m. The event will also feature a silent auction and awards program.

"The Treasure of Detroit Gala provides Wayne Law alumni and friends a wonderful opportunity to reconnect with each other and the Law School, and to pay tribute to those

who have made significant contributions to the legal profession and society," Dean Ackerman said. "We are especially pleased to showcase the Detroit Institute of Arts at this year's event. Especially at this time, we appreciate the support shown by our alumni and friends not only for Wayne Law and our students, but for other important institutions that are vital to our city and region. I look forward to celebrating with Wayne Law students, alumni, faculty and friends at the Detroit Institute of Arts in March."

Sponsorship opportunities for this event are available, and the Law School encourages its friends to participate. For information regarding sponsorship opportunities or giving to Wayne Law in general, please contact Mary Hollens, senior director of Development and Alumni Relations, at (313) 577-3113 or am2674@wayne.edu.

To RSVP for the 2010 Treasure of Detroit, please visit <http://www.specialevents.wayne.edu/treasure2010>. Information regarding honorees will follow.

Past Treasure of Detroit Honorees

2009 recipients

George J. Bedrosian, '59, Carl Ziemba, '48 (honored posthumously), and Lifetime Achievement Award recipient Chief Justice Marilyn Kelly, '71

2008 recipients

John Collins Jr., '76, Hon. Jessica Cooper, '73, Cornelius Pitts, '64, and Georgia Clark

2007 recipients

Elizabeth Phelps Hardy, '84, Hon. Damon J. Keith, LL.M., '56, and Steven I. Victor, '50

2006 recipients

Eric Ersher, '94, David J. Galbenski, '93, LaRissa D. Hollingsworth, '03, Stephanie K. Hoos, '99, and Hon. Adam Shakoor, '76

2005 recipients

Nancy J. Diehl, '78, Sherrie L. Farrell, Cynthia Faulhaber, '82, Prof. Janet Findlater, Aretha L. Glover, '97, Justice Mari-

lyn Kelly, '71, and Eleanor "Coco" Siewert

2004 recipients

Candace Ewing Abbott, '83, Hon. Nancy G. Edmonds, '76, Earle I. Erman, '74, Kevin I. Green, '84, Kathryn J. Humphrey, '80, Thomas G. Kienbaum, '68, William A. Sankbeil, '71, and I.W. Winsten, '79

2003 recipients

Mathew T. Englebert, '97, Harvey S. Gettleson, '77, and James R. Lites, '78

2002 recipients

Hon. Avern Cohn, Elliott S. Hall, '65, and Prof. Frederica K. Lombard

2001 recipient

Eugene Driker, '61

2000 recipient

Hon. Damon J. Keith, LL.M., '56

1998 recipients

Hon. Patricia J. Boyle, '63, Christopher C. Nern, '72, and Hon. Dorothy Comstock Riley, '49

DAILY BRIEFS

Winfrey announces run for secretary of state

DETROIT (AP) — The Detroit city clerk announced her candidacy for Michigan Secretary of State.

Janice Winfrey is beginning her second four-year term as Detroit's clerk after winning the November general election. She made the announcement Tuesday at 8:30 a.m. in Detroit and again at 11 a.m. in Okemos, just outside Lansing.

Winfrey will face Wayne State University law professor Jocelyn Benson for the Democratic nomination, which will be awarded after the Aug. 3 primary election.

Five people have said they are seeking the Republican nod. Republicans will nominate a candidate at their Aug. 28 state convention.

Republican Secretary of State Terri Lynn Land will be leaving the office at the end of 2010 because of term limits.

'Due Process' to focus on divorce mediation Feb. 5

"Due Process" will take a closer look at divorce mediation on Feb. 5 at 5:30 pm on PBS station WTVS Channel 56.

Divorces can be messy, expensive and painful. More and more couples are turning to mediation in their divorce proceedings which can result in less confrontation and lower attorney fees.

Join well known attorney and host Henry Baskin and his guests,

attorneys Ronald M. Bookholder and Antoinette R. Raheem as they discuss how mediation is becoming more widely accepted and practiced.

"Due Process" airs weekly on Channel 56, WTVS, Friday at 5:30 pm. The program can also be viewed anytime at www.dueprocess.tv or via Comcast's on-demand service.

FBA's Trial Advocacy and Mentoring Program Feb. 4

The Federal Bar Association (FBA), Eastern District of Michigan Chapter, is offering its Trial Advocacy & Mentoring Program, for "newer" lawyers (i.e. those who have been practicing five years or less), to obtain hands-on experience in fundamental litigation skills by working in tandem with judges and seasoned attorneys who will offer valuable guidance on direct and cross examination, opening statements, and closing arguments. The sessions will be held at the Theodore Levin Courthouse as follows: Introductory Session: Thursday, Feb. 4, from 5 to 7 p.m.; Break-Out/Hands-On Session: Monday, Feb. 8, from 8:30 a.m. to 6 p.m.; and Break-Out/Hands-On Session: Tuesday, Feb. 9, from 8:30 a.m. to 6 p.m., with reception immediately following. The enrollment fees are designed to assure maximum participation in both the program and the FBA: national FBA members pay \$145, non-members pay \$185. The "Join and Attend" offer allows attendees to join National FBA and enroll for this program for only \$225. To register, go online to www.fbamich.org and click on "events." Questions may also be directed to fbamich@fbamich.org.

Law firm merger mania put on hold last year

There were 53 new law firm mergers and acquisitions announced in the United States in 2009 according to Altman Weil Merger-Line, down 24 percent from the prior year. Seventy-nine percent of all new deals involved the acquisition of small law firms with 20 or fewer lawyers.

"This reflects law firms' cautious approach last year, as most firms spent 2009 focused on internal issues of cost cutting, layoffs, and compensation adjustments in response to the Great Recession," observed Altman Weil principal Ward Bower. "But we expect to see an uptick in 2010 as deals currently on hold pending 2009 year-end results are finalized."

The biggest deal announced in 2009 was the merger of Britain's Lovells LLP with Washington DC-based Hogan & Hartson. When it is finalized in May 2010, the merger will be the second largest law firm combination ever accomplished, forming a 2,500-lawyer global firm.

"The Hogan Lovells merger is going to rekindle interest in trans-Atlantic mergers and acquisitions in 2010," according to Bower.

Two other significant combinations occurred in 2009. In January, K&L Gates, a 1,700-lawyer international law firm headquartered in Pittsburgh announced the acquisition of Bell Boyd and Lloyd with 250 lawyers in Chicago, San Diego and Washington D.C. Boston-based Bingham McCutchen strengthened its Washington and New York offices with the addition of 120-lawyer McKee Nelson in August.

The balance of 2009 combinations involved small law firms, including 42 acquisitions of firms with 20 or fewer lawyers. Forty percent of 2009 law firm combinations were multi-regional or cross-border deals, up

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Attorney Brian S. Ahearn dies at 76
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Taking Stock

MALCOLM BERKO

Value Added Tax in the states?

Dear Mr. Berko:

I'm fed up with a wayward Congress that spends and spends without regard for the terrible damage that will be created by bigger and bigger national debt. I'm so disgusted with Congress that I, and many other people I know, would rather spit in a congressman's face than shake his hand. Most of those 535 "bloviate," as you accurately describe them, are corrupt as hell and because 70 percent of them are lawyers, they know how to hide behind the rules. I'm so sick of these people that my wife and I would seriously consider a move to Canada or Australia — and fortunately, we can afford to make a move. Now Congress is discussing a value added tax, which I do not understand and this could be our last straw. Canada and Australia (even New Zealand) are looking a lot better every day. Can you please explain how this Value Added Tax would work and how it would increase the cost of the products we use?

S.C., Port Charlotte, Fla.

Dear S.C.:

Your attitude reflects the angst of many Americans. However, most Americans do not have the travel means available to you and your spouse. We share the same perceptions of Congress, but my destination will always be America. We may have the worst darn government in the free world, but we have the best worst darn government in the free world and certainly the best worst darn government that money can buy. Still, I wouldn't trade my country for a castle of wealth, privilege and power. And it would do you well to remember that the reason you can afford to move to Canada or Australia is that America gave you the opportunity to earn your success. Be mindful that nothing, no matter how bad something seems, is ever as bad as it looks to be. And certainly nothing, no matter how good something seems, is ever as good as it looks to be. From a distance, it's impossible to see the weeds in a beautiful lawn of green grass.

Congress is seriously considering a value added tax as a tax source to pay for its profligacy.

And most of Europe relies on a VAT as well as enormously high fuel taxes of a few bucks a gallon. Congress is also considering an increase in the federal tax on a gallon of gas, but it will be a few years before the federal tax is as high as it is in Europe. Meanwhile, the following explains how VAT works:

Suppose Tommy Textile sells \$5 worth of cotton before the VAT to Tina Tailor to make a shirt. Tina sews the shirt and sells it to SHIRTS R US for \$15 before the VAT. Then SHIRTS R US sells the shirt to Sammy for \$30 before the VAT.

Now, let's assume that the VAT is 10 percent. The Treasury will collect a bit of tax revenue from each step in the process along the way. However, each business in the chain gets a credit for the tax already paid by the preceding businesses. So when selling the cloth to Tina, Tommy adds a tax of 10 percent or 50 cents to Tina's purchase. So then Tina pays Tommy \$5.50; Tommy pays the Treasury 50 cents. Then when Tina sells the shirt to SHIRTS R US for \$15, she calculates the VAT at \$1.50 and SHIRTS R US pays Tina \$16.50. But instead of the full \$1.50 going to the Treasury, she gets to subtract the 50 cents that she paid for the fabric and sends \$1.00 to the Treasury. And when SHIRTS R US sells the shirt to Sammy for \$30, Sammy pays \$30 plus a 10 percent VAT or \$3.00, or \$33 total. Then SHIRTS R US checks to see how much Tommy and Tina paid and sends the Treasury a check for \$1.50. So the Treasury receives a total of \$3.00 or 10 percent of the final purchase price from three different businesses.

There's almost zero VAT graft or corruption in Europe, but considering the cupidity of Congress members, they will make millions by granting VAT exemptions to favored suppliers and manufacturers.

Please address your financial questions to Malcolm Berko, P.O. Box 8303, Largo, FL 33775 or e-mail him at mjberko@yahoo.com. Visit Creators Syndicate Web site at www.creators.com.

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PROFILE:

Self-promotion is necessary

From Page 1

technology. He has served as an Internet law commentator for CNET Radio and has been interviewed on CNN. He has received numerous writing awards and is a member of the bar in New York, New Jersey and Washington, D.C.

In his book, Kaplan discusses rainmaking and self-promotion. He compares self-promotion with investing. Just as one should start investing early on a regular basis, attorneys and even law students should start early in promoting themselves.

"Self-promotion is part of the art of lawyering," he says in his introduction. "The best lawyers are great at what they do and at conveying that greatness to others."

In the field of law, Kaplan says, those who do the work generated by others have a job only as long as their peers value their contribution. Rainmakers, those who generate their own work, have jobs as long as they want and, therefore, control their futures.

Before one can be a rainmaker, Kaplan makes clear, one must learn the law. But students today are not limited to writing summaries, essays and briefs. They can blog, co-author an article, join student chapters of legal organizations, create a LinkedIn group - anything. But they have to do

something outside the classroom.

Kaplan discusses creative ways to "make friends, not contacts," get published, broadcast yourself, be your own PR firm, invest in the long term (career-wise) and think of others.

The Opportunity Maker also offers good advice for beginning and experienced attorneys who want to advance their careers or improve their rainmaking skills.

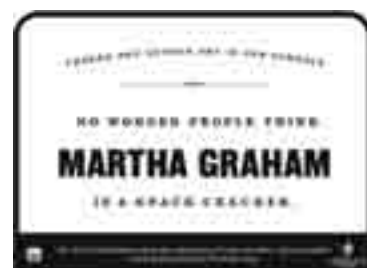
"This is must reading," writes Kendall Coffey, CNN Legal Analyst and former U.S. attorney, "not just for new lawyers, but also for veterans."

There is risk in self-promotion, in putting yourself forward, admits Kaplan, who has stumbled a few times on his own. Once he conducted a 30-minute Webinar but forgot to start the Webinar software.

"I was terribly embarrassed," he recalls. "That's life. I made this really dumb mistake. That's OK. The world isn't going to end. And I promise you, some of your ideas will work."

Kaplan Twitters. "I'm always experimenting with the social media," he says. "I listen to what people have to say. Twitter offers you an opportunity to listen, and that's the value, especially in the legal profession."

When asked what his No. 1 message to students and attorneys is, Kaplan says, "I tell them a sincere action will yield sincere results. Take some step to demonstrate who you are. Fight through the risk aversion we all feel. Take some small step in a positive way and impact someone in a positive way. Create an opportunity for someone else, and you will build a strong foundation for a relationship."



Business & Economy

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WASHINGTON, D.C.

Watchdog: U.S. bailouts created more risk in system

Problems that led to last crisis have not been addressed

By ALAN ZIBEL AND DANIEL WAGNER
AP Business Writers

WASHINGTON (AP) — The government's response to the financial meltdown has made it more likely the United States will face a deeper crisis in the future, an independent watchdog at the Treasury Department warned.

The problems that led to the last crisis have not yet been addressed, and in some cases have grown worse, says Neil Barofsky, the special inspector general for the Troubled Asset Relief Program, or TARP. The quarterly report to Congress was released Sunday.

"Even if TARP saved our financial system from driving off a cliff back in 2008, absent meaningful reform, we are still driving on the same winding mountain road, but this time in a faster car," Barofsky wrote.

Since Congress passed the \$700 billion financial bailout, the remaining institutions considered "too big to fail" have grown larger and failed to restrain the lavish pay for their executives, Barofsky

wrote. He said the banks still have an incentive to take on risk because they know the government will save them rather than bring down the financial system.

Barofsky also said his office is investigating 77 cases of possible criminal and civil fraud, including crimes of tax evasion, insider trading, mortgage lending and payment collection, false statements and public corruption.

One case concerns apparent self-dealing by one of the private fund managers Treasury picked to buy bad assets from banks at discounted prices. A portfolio manager at the firm apparently sold a bond out of a private fund, then repurchased it at a higher price for a government-backed fund. A rating agency had just downgraded the bond, so it likely was worth less, not more, when the government fund bought it. The company is not being named pending the outcome of Barofsky's investigation.

Barofsky renewed a call for Treasury to enact clearer walls so that such apparent conflicts are less likely.

Treasury said it welcomed Barofsky's oversight but resisted the call to erect new barriers against conflicts of interest. The new rules "would be detrimental to the program," Treasury spokeswoman Meg Reilly said in a statement. The existing compliance rules "are a rigorous and effective method of protecting taxpayers," she said.

Much of Barofsky's report focused on the government's growing role in the housing market, which he said has increased the risk of another housing bubble.

Over the past year, the federal government has spent hundreds of billions propping up the housing market. About 90 percent of home loans are backed by government controlled entities, mainly Fannie Mae, Freddie Mac and the Federal Housing Administration.

The Federal Reserve is spending \$1.25 trillion to hold down mortgage rates, and millions of homeowners have refinanced at lower rates.

"The government has stepped in where the private players have gone away," Barofsky said in an

interview. "If we take government resources and replace that market without addressing the serious (underlying) concerns, there really is a risk of" artificially pushing up home prices in the coming years.

The report warned that these supports mean the government "has done more than simply support the mortgage market, in many ways it has become the mortgage market, with the taxpayer shouldering the risk that had once been borne by the private investor."

Barofsky's report echoed concerns raised by housing experts in recent months, as home sales and prices rebounded. They warn that the primary reason for the turnaround last year has been billions of dollars in federal spending to lower mortgage rates and prop up demand.

Once that spigot of cash is turned off, they caution, the market will be vulnerable to a dramatic turn for the worse. Daniel Alpert, managing partner of investment bank Westwood Capital, wrote in a report that national home prices are bound to fall 8 to 10 percent below the lows of last spring.

"The lion's share of the remaining decline will occur in markets that saw sizable bubbles but have not yet retrenched," he wrote.

Officials from the Obama administration counter that massive federal intervention has helped the housing market stabilize and prevented more dire consequences.

Barofsky's report also disclosed that, while the Obama administration has pledged to spend \$75 billion to prevent foreclosures, only a tiny fraction — just over \$15 million — has been spent so far. Under the Making Home Affordable program, only about 66,500 borrowers, or 7 percent of those who signed up, had completed the process as of December.

He said the key to preventing future crises is to reform Fannie Mae and Freddie Mac, create and improve loan underwriting and supervision of banks. He stopped short of endorsing specific proposals for overhauling financial regulation, but said many of the proposals would go far to improving the system.

WASHINGTON, D.C.

Obama pitches aid for small businesses

\$30 billion would be used to create lending fund

By DARLENE SUPERVILLE
Associated Press Writer

WASHINGTON (AP) — President Barack Obama's bid to sell his economic agenda and re-energize voters picked up in politically significant New Hampshire, where he again promoted an idea to free up money for small businesses that are hurting.

Obama travelled to Nashua, N.H., on Tuesday to draw attention to a proposal highlighted in his State of the Union address last week: funneling \$30 billion to local banks so they can lend small businesses money they need to grow their enterprises and create jobs.

The trip comes two weeks after Democrats suffered the stunning loss of a Senate seat in neighboring Massachusetts, and the president is working to shore up his party's standing heading into the November midterm elections to avoid heavy losses in the House and the Senate, both of which are under Democratic control.

In New Hampshire, Obama toured a local business and held his second town hall in six days, a format that allows him to show engagement with the public and counter a sense of "remoteness," as he has put it, that people have had with his policy agenda.

"Jobs will be our No. 1 focus in 2010," he said in excerpts of his prepared remarks, which the White House released early. "And we're going to start where most new jobs do — with small businesses. These are companies that begin in basements and garages when an entrepreneur takes a chance on his dream, or a worker decides it's time she

became her own boss."

The \$30 billion in loan financing would come from money repaid by big banks that got help from the \$700 billion Troubled Asset Relief Program, the vastly unpopular bailout for those on Wall Street whose actions led to the economic downturn.

That \$30 billion would be used to create the Small Business Lending Fund, separate and distinct from TARP, according to two senior administration officials who outlined the program on condition of anonymity before Obama's announcement.

The fund would be open to banks with assets of \$10 billion or less. About 8,000 such small and community banks would be eligible.

Banks that increase lending to small businesses would see reductions for up to five years in the dividend tax rate they owe the government.

Obama was calling on Congress to pass legislation creating the new fund, one of several ideas he has promoted recently to help small businesses. He has called for tax credits for those small businesses that hire new workers or raise wages, and for eliminating all capital gains taxes on small-business investment. He also has proposed tax incentives for all businesses to invest in new plants and equipment.

White House officials said the new fund will bolster banks' balance sheets and enable them to make more loans to small businesses.

But many in the banking industry say lending is not hampered by a lack of capital. Even well-capitalized banks are having trouble finding creditworthy borrowers. Small busi-

nesses also are reluctant to borrow money in a sluggish economy for expansion or improvements.

The White House officials argued that banks' capital reserves are one of several factors limiting credit. They said it will become more important as the economy improves.

The proposed new lending program is a refined version of a plan the administration first announced in October.

But the administration ran into resistance from bankers who believed they would be stigmatized if they accepted TARP funds. The Treasury Department has worked since then to try to make the program acceptable and to remove some of the requirements that applied to banks that accepted TARP money during the financial crisis.

Fixing the economy is the nation's top worry and the centerpiece of Obama's efforts. The degree to which he is successful will play out in states like New Hampshire, where two House seats and a Senate seat are in play in November.

Obama lost the New Hampshire presidential primary in 2008 to Hillary Rodham Clinton, now his secretary of state, but won the state comfortably in the general election over Republican Sen. John McCain of Arizona.

Obama last ventured to New Hampshire in August — the town hall that time was in Portsmouth — to promote health care legislation at a time when tempers were hot in places around the country. He found a friendly audience that day, although the health care reform effort itself has recently become far less certain.

JAPAN

Fung shui master loses bid for ex-lover's fortune

Court deems will a forgery

By MIN LEE
Associated Press Writer

HONG KONG (AP) — A feng shui adviser who had an affair with Asia's richest businesswoman before she died lost his bid for her multibillion-dollar estate Tuesday when a Hong Kong court deemed the will in which he was named a forgery.

The legal battle over the late Nina Wang's fortune has fascinated Hong Kong with its often-bizarre stories of Chinese feng shui rituals and illicit love affairs, offering a rare glimpse into the private quarters of the ultra-rich in this money-obsessed city. Feng shui is the Chinese practice of arranging objects or choosing dates to improve one's fortunes.

The ruling Tuesday marked another episode in the colorful saga of Wang, nicknamed in Hong Kong as "Little Sweetie" for her girlish outfits and pigtail hairdo.

Wang died of cancer in April 2007 at age 69. The lawsuit centered on two competing wills — the 2006 will held by feng shui

entire estate is quite different," according to the document.

The court ruled that the purported Wang signature on the 2006 will is a "highly skilled simulation."

Mobbed by reporters as he left an office building with one of his lawyers, Chan said he was disappointed with the ruling and plans to appeal.

"The truth will come out," he said.

Meanwhile, Wang's brother, Kung Yan-sum, told reporters: "We have won now. There is justice in this world."

Hong Kong police didn't immediately return a reporter's call asking if it will investigate and prosecute Chan for forgery. Forgery carries a maximum penalty of 14 years in prison in Hong Kong.

Chan captivated public attention during the trial with his lawyer's claims that he and Wang were so intimate that she left him a pair of her pigtailed. Chan himself testified they were having an affair when his wife was pregnant with their eldest son, telling the court that Wang called him her "husband."

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rounding Chan was his spotty resume that included bartender, waiter, machinery salesman, market researcher and computer parts exporting. He testified that when he became a feng shui consultant, he once advised a client to burn real money.

Meanwhile, Chinachem's lawyers argued that Chan's 2006 will was part of a feng shui ritual to prolong Wang's life.

Wang previously had had to fight her own probate battle. She inherited developer Chinachem Group from her late husband, Teddy Wang, after an eight-year court case against her father-in-law. Teddy Wang was abducted in 1990, and despite the family paying \$33 million in ransom, he was never released and his body never found.

In 2007, Forbes magazine ranked Nina Wang as the world's No. 204 richest person with a fortune of US\$4.2 billion, but it is not clear how much her fortune is currently worth because Chinachem Group is a private company. Kung told reporters on Tuesday that Wang's estate is worth "at least several tens of billions" of Hong Kong dollars (billions of U.S. dollars).

TEXAS

D.R. Horton posts profit for first Qtr.

FORT WORTH, Texas (AP) — D.R. Horton Inc. said Tuesday it posted a profit for the first time since 2007 with a gain of \$192 million in the first fiscal quarter.

The nation's second-largest homebuilder also said the number of new orders and completed sales increased significantly compared with the first quarter of last year.

D.R. Horton earned 56 cents a share in the three months ended in December, thanks largely to a hefty tax gain. That compares with a loss of \$62.6 million, or 20 cents a share, in the prior-year period.

Excluding the one-time tax benefit of \$149.2 million, the company earned \$42.8 million.

Revenue rose 23 percent to \$1.1 billion from \$900.3 million. The number of homes sold increased 36 percent to 5,529, while orders increased 45 percent to 4,037 homes.

Analysts were expecting a loss of 13 cents a share on revenue of about \$960.2 million.

The results appeared to buoy investors. D.R. Horton's stock climbed 93 cents, or nearly 8 percent, to \$12.84.

The company reported earnings on the same day the National Association of Realtors said the number of people preparing to buy a home in December rose slightly from November. The pending sales index has risen nine out of the past 10 months, a positive sign heading into the spring home buying season.

D.R. Horton, based in Fort Worth, Texas, has operations in 27 states. Builders like D.R. Horton often begin construction on homes before they have a buyer, so their actions are a bellwether for the housing market.

Other homebuilders are scheduled to report quarterly results this week, including Standard Pacific Corp. and Beazer Homes USA Inc.

For D.R. Horton, the bumps in orders and completed sales came in an environment where home sales have been sluggish in recent months. New home sales dropped almost 8 percent in December, the weakest results since March and only 4 percent above the bottom last January.

Still, some builders have managed to turn a profit in the final months of 2009 because of a new tax rule that allows companies to offset past losses. D.R. Horton said it filed for an additional \$352 million tax refund related to 2009 operating losses. The company expects to receive the refund in the current quarter.

D.R. Horton has seen orders improve in recent quarters due to low mortgage interest rates and tax credits for homebuyers.