



# Calm the #\*+&/% down

More shrill profanity from an iconoclastic nut job and professional pain in the ass

**I**'m pretty sure I piss off a lot of people. This includes everyone from lawyers, accountants and securities regulators to some fund managers, analysts and CEOs. It's far from my favourite pastime (despite what people who don't know me may think). Rather, it merely comes as part and parcel of my job. As such, people have used many colourful words to describe me: shrill, profane, doomsayer, iconoclast, cranky Cassandra, nut job and professional pain in the ass. And those are just some of the ones I've seen in print.

There are, of course, compliments to match every insult, but I have limited space here, and I know people prefer to read dirt. Speaking of limited space, anyone who hasn't been a client or subscriber to our equity research would only know me by my articles—and therein lies the problem. Every month, I'm faced with distilling complex financial issues, which are bound to raise some people's ire, into just 650 words. That means if I'm explaining the downside, I generally don't have space to explain the boilerplate upside, which people can easily get from a multitude of other sources. I like to stick to the facts, and frame them with my opinion. In the end, I'm just hoping to be one of the opinions people consider while investing.

Of course, I haven't survived this long without providing the facts to back up my arguments. Courts have judges, magazines have fact checkers and investment companies have well-seasoned portfolio managers. Perhaps it's the facts, rather than the way I tend to frame them, that really stick in the craw of some critics. I try to treat my columns as part of an ongoing series. For the sake of expediency, I tend to invoke conclusions that I've established with facts in previous articles. As such, people sometimes miss my frame of reference.

At the risk of that happening once more, I want to summarize some of my previous findings on the state of investor protection in Canada, and do it in a way that will finally hit home for investors. Well, at least I'll try my curmudgeonly best (no, not my word either).

People want your money and some of them will lie unabashedly



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misstatements, allowing investors to recoup pennies on the dollar for their losses. As the final insult, most of the money will come from the pockets of many of the same shareholders who were wronged in the first place. The auditors appear set to pay nothing and laugh all the way to the bank.

The only groups capable of fixing this problem are our federal and provincial politicians at the behest of their constituents. Simply put, there is no motivation for offenders to self-rectify their exploitive ways. Investors have to harass their members of parliament into legislating away the daily insult of having to pay for legally meaningless financial statements. How's that for shrill? **CB**

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