

BG&A Practice Spin Off

Karen Bloom is pleased to announce that effective January 2004, the Sales Promotion/Direct Marketing Practice of Bloom, Gross & Associates will be spun off as a separate and independent entity owned and operated by Lynn Ostergaard, a Sr. Associate with BG&A.

The new firm, known as Ostergaard Associates, will focus on searches in sales promotion, direct marketing, integrated marketing and creative services. Lynn Ostergaard has been an associate with BG&A for over five years and is eager to accept this challenge. BG&A and Ostergaard Associates will work as affiliate organizations going forward. We wish Lynn the best of luck!

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Ann Morris Returns to BG&A

It is with great pleasure that Bloom, Gross & Associates, Inc. announces that Ann G. Morris is returning to the field of recruiting and will rejoin their PR Practice effective January 2004.



Ann returns to Bloom, Gross & Associates as a Senior Associate, having served six years with the company in the late 1990s. During her first tenure with the company, Ann completed

numerous successful PR and marketing communications placements for such clients as ComEd, Sara Lee Corporation, Jones Lang LaSalle, Kemper Funds, Hill & Knowlton, Porter/Novelli and Ogilvy PR, among others.

Ann brings to BG&A more than 15 years of public relations consulting, agency and corporate work, as well as entrepreneurial experience running a family toy business. Her PR experience spans a variety of industries, including QSR, consumer packaged goods, retail, fashion, food and financial services.

Most recently Ann was co-owner and corporate secretary of Little Hands Toy Shop in La Grange, IL, a family-owned specialty toy store offering educational and hands-on toys for newborns through age 10.

Prior to owning the toy business, Ann held senior PR agency positions at Oak Brook-based JSH&A Public Relations and the Chicago office of Ruder-Finn, Inc. Her clients included McDonald's Corporation (Happy Meal introductions as well as social responsibility and corporate work), Enesco Corporation, Allied Van Lines, No Nonsense Pantyhose, Glad Wrap & Bags, Miles, Inc. pharmaceuticals, Gloria Jean's Coffee Bean,

Greyhound Lines and Citibank.

Before joining BG&A initially in 1995, Ann was media relations manager for Spiegel, Inc., owner of Spiegel catalog and Eddie Bauer. Her responsibilities included serving as company spokesperson, managing marketing and corporate communications programs, speechwriting for senior management and serving as company liaison with outside PR counsel.

Ann holds a bachelor of arts degree from Lawrence University in Appleton, Wisconsin.

Ann can be reached by phone at 312/654-4558, by fax at 312/654-4551 or on-line at amorris@bloomgross.com.

Executive InfoSource is a publication of **Bloom, Gross & Associates, Inc.**, an executive search and management consulting organization specializing in the recruitment of marketing and communications professionals, on a national basis. We welcome your comments or suggestions.

Economic Update

WITH DIANE SWONK

by Jocelyn Hecht



Jocelyn Hecht

Chief Economist and Director of Economics for Bank One, Diane Swonk, addressed a record number of attendees at a Chicago EMA fourth quarter meeting. She provided the group with an economic update, personal insights and a lively format for discussion.

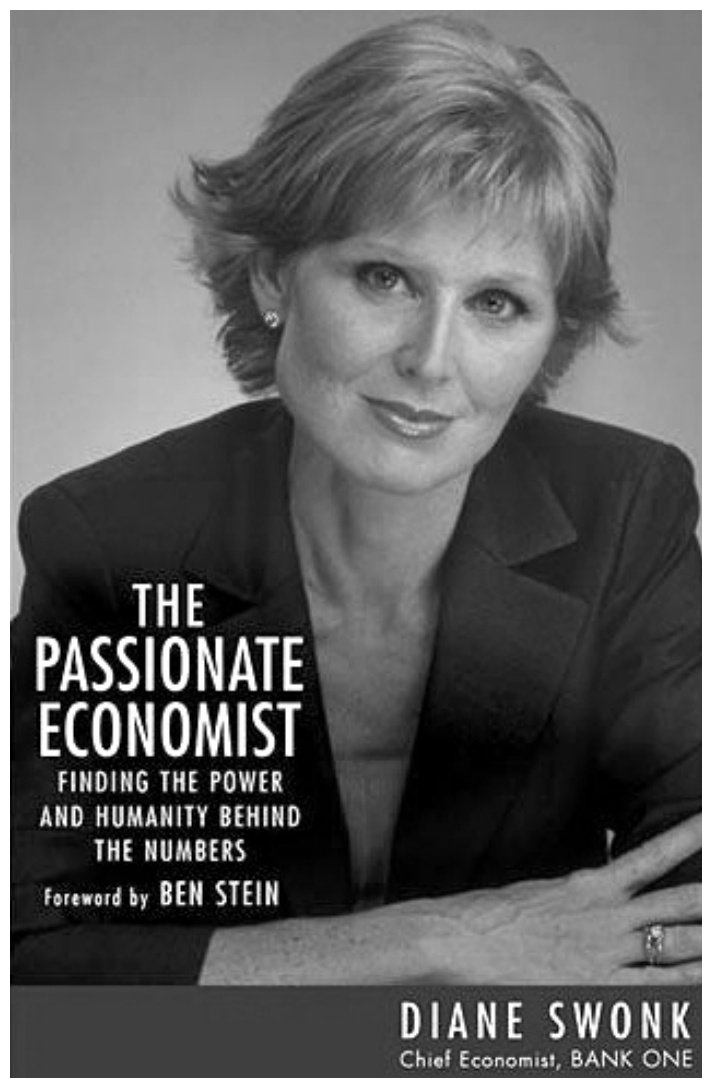
According to Ms. Swonk, there is good news: the current economy is on a dramatic upswing. However, she also believes that should this not continue, nor directly affect "people's" lives, specifically by a significant effect on the job market but only the financial markets, there will be a major change on the political landscape in both the Presidency and leadership in 2004.

Her economic outlook is based upon both public and private factors. Fiscal monetary policy is the most dynamic we've ever had in history. She believes that the DOW will exceed 11,000 over the next couple of years because, all things considered, the economy has survived significant obstacles over the past few years: rising unemployment, the dot com fiasco, the war in Iraq, unrecoverable financial losses and the like.

It is her view that not only is the recession officially over, but that it was the mildest recession in history. She believes that the consumer, the driving force of the economy, is alive and well. Decreasing mortgage rates and increased access to credit provided remarkable stimulus to averting economic disaster. Business spending in the 2nd quarter of 2003 was the largest single increase in spending since

the early 1950s. Business had to go on and grow, which required spending for such things as equipment and asset replacement even though domestic demand for goods and services did not keep pace with that business growth. The predominant factor in rising unemployment rates was the lack of that demand.

Swonk believes that the Bush tax cuts were a major factor in the economic resurgence, even though that resurgence began during the '90s, prior to those tax cuts. This "extra" money in the hands of the consumer allowed them to spend and save, thereby



creating the need for an increase in employment. An increase in small businesses also contributed a great deal to that growth.

Swonk interestingly likens the growth of the economy to simple retail shopping patterns. *The better the economy, the more consumers shop, therefore, the more employees are needed to serve them* is her microcosm view of the economy as a whole. She says simply that you can feel and touch change happening every day.

She touched on the elements affecting an economy that is already turning around, but requiring the most aggressive monetary stimulus in history. The United States has lost 150,000 manufacturing jobs due to NAFTA. She perceives an eventual competition with our own military for lower level jobs. She also predicts that the public sector will have to contribute trillions of dollars, therefore, to the economy in a relatively short period of time. The deficit that could be created, however, would not be large enough to drag the economy down, as it is already seeing a rise in economic position across all brackets of the population. Somewhat contrary to this, she also sees a minor risk of a double dip recession. The use of "steroids," as she refers to them, is perceived as eliminating this minor risk: keeping interest rates low even during a rising economy, consistent employment gains and reactive federal policy. In fact, we are moving from a surviving economy to a thriving economy with it being an "easy bet" that business will get better over the next year.

If we actually see 20% gains in the economy over the next four quarters, which she suggests might be the case, and if in fact we do not overshoot those

THE PASSIONATE ECONOMIST:

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DIANE SWONK

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expectations, employment gains will rise even more as will interest rates grow. The key to a strong economy is constant attention and work. Every day, the life of every American is personally affected by this work and the policies implemented. Simply put by Swonk's grandmother, "You gotta keep pushing or life wouldn't be worth it."

Swonk offers a unique and somewhat unlikely perspective on money and finance. She is a woman in a male dominated industry who sees more in economics than the moving and counting of money. She sees a global force able to remake the world all while bringing personal policy into her unique outlook.

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Bloom, Gross & Associates

NOTES

At the end of 2003, we bid a fond farewell to Blaine Vedros, Jr., our database specialist of four years. Blaine has moved to Los Angeles to pursue his passion of acting. We hope he achieves fame and fortune.

On December 18, 2003, marketing practice associate, Kendra Drozd, gave birth to a beautiful baby girl. Kendra is on maternity leave until March 2004. Anyone having business with Kendra should contact Karen Bloom in the interim.

