

Index

- The ABCs of Stock Speculation*, 93
- Accounts receivable trends, 155-56, 158-59
- AICPA, 4, 149, 226, 251
- Altria, 45-46, 76, 83-84, 89, 158, 161-63, 165, 166, 170, 171-72, 190, 192-97
- Arthur Andersen, 146
- AT&T, 8
- Bear Sterns, 24
- Bill and hold accounting, 156
- Boeing, 8-9, 14
- Bristol Myers Squibb, 19, 20, 23, 170, 172-74, 192, 197-99
- Capitalization:
 analysis, 34, 36-37
 growing, 48, 155
 trends, 81-84, 106
- Capitalized expenses, 160
- Cash flow, 154-55
- CEO and CFO, 4, 146-47, 226-27, 229, 231-32, 250-51
- Charles Schwab & Company, 138
- Charter One Financial, 243-46
- Chittenden, 243-46
- Cisco, 78-81, 170-75, 192, 199-201
- Citicorp, 8-9
- Coca-Cola, 247-48
- Confirmation:
 independent, 61
 qualities, 98-105
 reliability, 105-8
 strength, 57
 translating, 109-12
 trends, 92-98, 112-17
- Cookie jar accounting, 156-57
- Core earnings accounting (CEA), 27, 29, 37-38
- Core net worth, 15

256

Core PE ratio, 84-89
 Core revenue, 64-70
 Corporate governance, 224-28,
 231-35
 Current market value, 44-56

Dividend history, 241-46
 DJIA, 49, 61, 93, 114-15, 131
 Dow theory, 92-98, 132-33, 156
 Dow, Charles, 92-93
 DRIP plans, 242
 Du Pont De Nemours, 8-9, 78

Eastman Kodak, 113-16, 132
 EBITDA, 21-24, 27
 Enron, 16, 44-45, 48
 EPS:

- changes, 39
- comparisons, 122
- consistency, 244
- EBITDA adjustment, 23
- exclusions, 136
- history, 170
- inaccuracy, 39
- influence, 97-98
- levels, 43
- outdated, 56, 85
- predictions, 27-28
- trends, 238

Expense shifting, 159
 Exxon Mobil, 8-9

FASB, 4, 24, 251
 First Federal Capital, 243-46
 Ford Motor, 8-9, 14
 Fundamental:
 analysis, 50
 approach, 27-30
 confirmation, 95
 interpretation, 88

STOCK PROFITS: GETTING TO THE CORE

processes, 97
 relevant, 109-10
 risk, 130-36
 tests, 151, 152
 trends, 63-64
 volatility, 44, 119-22, 136-39

GAAP:

- adjustments, 86
- calculations, 24, 44
- culture, 111, 149
- guidelines, 11, 15
- liberal nature, 148, 231-32
- organization, 4
- reform, 6, 10-11
- reliability, 166
- reporting, 26-27, 151
- rules, 25-26
- standards, 251
- unmodified, 30

General Electric, 8-9, 11, 78, 110,
 136, 148, 224
 Graham and Dodd, 24

Hamilton, William Peter, 93
 Home Depot, 243-46

IBM, 8, 46-47, 71-72, 74-75, 78,
 82-84, 137, 157-58, 165-66,
 170, 175-78, 190
 Investment value, 44-56

JDS Uniphase, 8
 Johnson & Johnson, 124-26,
 129
 Jones, Edward C., 93

Kraft Foods, 46

- Lockheed Martin, 8-9
- M&T Bank, 243-46
- Medtronic, 243-46
- Melancon, Barry, 149-50
- Microsoft, 11, 73-75, 78, 82-83, 110-11, 136, 149, 170, 178-79, 205, 206-8
- Miller Brewing, 163, 165, 195
- JP Morgan Chase, 18-19, 20, 23, 126-27, 128-29, 133-36, 138
- Motorola, 76-77, 99-103, 106, 108, 109-10, 111, 170, 179-80, 189, 208-11
- NASDAQ, 21, 49, 61, 131
- Nelson, Samuel, 93
- NYSE, 21, 150
- Paychex, 243-46
- Pepsico, 247-48
- PE ratio:
 - analysis, 34, 37-40
 - comparisons, 122
 - core, 84-89
 - distortions, 45
 - growth, 48
 - levels, 44-45
 - perceptions, 41-44
 - simple, 49
 - tests, 56-59
 - trailing, 42
 - volatility, 64
- Percentage of completion, 155-56
- Philip Morris, 45-46
- Pier 1 Imports, 243-46
- Polaroid, 46
- Price volatility:
 - adjustments, 249
 - comparisons, 120-21
 - consistent, 245-46
 - growth potential, 50
 - limitations, 61
 - short-term, 43
 - stock selection, 139-41
 - trailing PE, 42
 - typical, 86
- Primary trend, 94-95, 98-105
- Proctor & Gamble, 8-9, 17-18, 20, 23, 170, 181-84, 211-12
- Pro forma*, 4, 24
- Republic Bancorp, 243-46
- Risk:
 - definitions, 120-23
 - exceptions, 128-30
 - fundamental, 130-36
 - management, 240-42
 - market, 121, 123-27
 - tolerance, 235-40
 - volatility, 122
- S&P Corporation:
 - calculations, 8, 148
 - core earnings, 5, 10-16
 - guidelines, 212
 - pension adjustments, 14
 - ratings, 11
- S&P 500, 49, 61, 131
- Sales and earnings:
 - analysis, 34-36
 - normal, 158
 - prebooked, 153-54
 - trends, 64-70
- Sarbanes-Oxley Act of 2002, 146, 148, 150, 226-27, 228, 230-31
- SBC Communications, 8-9
- Scientific method, 247-50
- Sears, 52-58, 60, 65-69, 86-88, 120, 170, 184-87, 205, 212-19, 233-37, 239-40
- SEC, 4, 24, 225, 229, 251

258

Security Analysis, 24
Stock Market Barometer, 93
Stock Reports, 13
Sunbeam, 156
Synovus Financial, 243-46
Sysco, 243-46

TCF Financial, 243-46

Technical:

analysis, 94
approach, 27-30
confirmation, 95
rules, 128
trends, 123
volatility tests, 49-56

STOCK PROFITS: GETTING TO THE CORE

Trend analysis, 163-67
T. Rowe Price Group,
243-46

Value Line, 27
Verizon, 8

Wall Street Journal, 93
Wal-Mart, 89, 103-5, 108, 110,
111, 136-37, 170, 187-89, 205,
217, 219-22, 235-37, 239
Washington Mutual, 243-46
Waste Management, 16
WorldCom, 44-45, 48