



THE MOTLEY FOOL®

To Educate, Amuse & Enrich

Fool's School

Plan Your Future — With Help



According to the 2007 Retirement Confidence Survey, only 43 percent of workers have tried to estimate, in detail, their financial needs for retirement. As former Securities and Exchange Commission chief Arthur Levitt has noted: "Two out of three households in America — an estimated 65 million households — will probably fail to realize one or more of their major life goals because they've failed to develop a comprehensive financial plan."

Fortunately, you don't have to be a part of these sad statistics. Consider finding an experienced financial adviser to help you get your fiscal house in order. They're not just for rich people, you know.

A financial adviser can guide you through retirement planning, investing strategies, tax issues, dealing with employee stock options and more. This is valuable throughout your life, but especially when dealing with or preparing for major life events, such as paying for college, retiring, buying a house, getting married, having a baby or (yikes) being laid off.

For example, when changing jobs, you

have to decide how to deal with your retirement accounts. All of us should evaluate whether we have adequate disability insurance. Long-term care insurance is also well worth investigating. Financial advisers can help you determine whether you're better off leasing or buying your next car, whether you should refinance your mortgage, how to avoid estate taxes, how to maximize your ability to care for elderly parents and so on.

You can learn a lot about these topics on your own, in books, magazines, newspapers and online. But if you still have questions regarding your specific situation, consider consulting a pro.

There are good and not-so-good financial advisers. Watch out for those who will put their financial self-interest before yours, perhaps trying to sell you products you don't need, or skimming a percent off your assets without helping to increase your wealth.

To learn more about financial advisers and how to choose one, click over to www.fool.com/fa/finadvice.htm. You can also visit www.napfa.org to locate an adviser near you. ■

My Dumbest Investment

Blind Faith



I worked for a company, had a lot of stock options and bought stock as part of the company plan. I was a millionaire on paper for a while and greatly believed in the company, not believing it could go bankrupt. I didn't sell my options when I should have, and I lost everything. I learned that sales don't necessarily make the company. At fool.com I learned to look at the fundamentals. If I'd done that earlier, I'd have seen my employer's pile of long-term debt and no cash reserves to survive a downturn. I'm very grateful for the lessons learned. I've changed my focus from trying to get rich to working on being happy. I found a new employer that supported good health. I ran marathons, and now, at 53, I enjoy triathlons. That's worth more than what I would have made on my stock options.

— Iain G. Kelly, San Mateo, Calif.

The Fool Responds: As you learned, it's dangerous to have too many of your eggs in one basket, even if the basket looks very sturdy. ■



Do you have an embarrassing lesson learned the hard way? Boil it down to 100 words (or less) and send it to *The Motley Fool* c/o *My Dumbest Investment*. Got one that worked? Submit to *My Smartest Investment*. If we print yours, you'll win a Fool's cap!

Last week's trivia answer

My founder launched me as a baby furniture store in Washington,

D.C., in 1948. He soon realized that customers were also looking for toys. Today I'm a leading toy and baby product retailer, with more than 1,500 stores worldwide. My baby-focused specialty chain is the largest in the world. I was a publicly traded company from 1978 to 2005, when I was bought out by private investors for \$6.6 billion. This fall I opened a temporary store in Manhattan to serve holiday shoppers there. I'm based in New Jersey, and my mascot is the world's tallest mammal. ■

(Answer: Toys R Us)



Write to Us! Send questions for *Ask the Fool*, *Dumbest* (or *Smartest*) *Investments* (up to 100 words), and your *Trivia* entries to Fool@fool.com or via regular mail c/o this newspaper, attn: *The Motley Fool*. Sorry, we can't provide individual financial advice.

What Is This Thing Called The Motley Fool?

Remember Shakespeare?
Remember "As You Like It"?

In Elizabethan days, Fools were the only people who could get away with telling the truth to the King or Queen.

The Motley Fool tells the truth about investing, and hopes you'll laugh all the way to the bank.

Ask the Fool

401(k) Indexing

Q I want to invest in an index fund, but I don't see one among the funds I can invest in through my 401(k) plan. Help!

— P.O., Akron, Ohio

A You're smart to look for an index fund, as index funds based on broad market indexes (such as the S&P 500 or the "whole market") have trounced most stock mutual funds over long periods. They also tend to feature lower fees and low turnover. If you (and perhaps some co-workers) were to visit your company's 401(k) administrator and ask for an index fund or two, you might get them. Learn more about maximizing your 401(k) at www.fool.com/money/401k.

Meanwhile, you can also invest in index funds on your own. Head over to www.vanguard.com, for example, home of many funds with low fees and strong performance. Check out the Vanguard Total Stock Market index fund, for example (ticker symbol: VTSMX).

Beyond index funds, if you're looking for some promising mutual funds with outstanding track records and smart managers, drop by www.championfunds.fool.com or www.morningstar.com.

Q When the stock market falls due to lots of selling, who's buying?
— G.K., Elizabeth City, N.C.

A Generally, for every seller, there's a buyer. The stock market is like an auction, where shares trade at prices that buyers are willing to pay and sellers are willing to take.

That's why, if it's revealed that Buzzy's Broccoli Beer (ticker: BRRRP) engaged in fraudulent accounting, buyers will immediately decide that its shares are worth a lot less, and sellers will be able to unload them only at lower prices. You might want to wash your hands of Buzzy's, but there's probably someone who thinks it's a bargain at current low levels.

Got a question for the Fool? Send it in — see Write to Us. ■

Name That Company

You probably haven't heard of me, but I'm the world's largest mining company, with roots that go back to the 1800s. Based in Australia and England, I'm a major player, if not the top dog, in commodities such as aluminum, energy coal and metallurgical coal, copper, manganese, iron ore, uranium, nickel, silver and titanium. I also operate in oil, gas, liquefied natural gas and diamonds. My size, as measured by market cap-



italization, was recently around \$200 billion, in the neighborhood of Wal-Mart or Johnson & Johnson. My stock has surged sevenfold over the past five years. Who am I?

Know the answer? Send it to us with *Foolish Trivia* on the top and you'll be entered into a drawing for a nifty prize! ■

The Motley Fool Take

Circuit City's Cheerless Confession



Finally, someone admits to doing something wrong. Circuit City (Nasdaq: CC) CEO Philip Schoonover came right out and said he's disappointed in the weak third quarter his company delivered, and that the issues behind it all "are primarily self-induced and are within our control to improve."

Circuit City is trying to remake itself, remodeling its stores and cleaning out a crusty old corporate structure. Its new plan is to slow things down a bit and to "focus on execution" as it selects its most promising new store formats.

The company is playing catch-up behind the leading electronics specialist store, Best

Buy (NYSE: BBY), and is also behind mass retailers. These days, Best Buy is some 26 times bigger than Circuit City by market cap, though only about three times the size in terms of sales or assets. Over the past year, Circuit City's stock has lost about 75 percent of its value. It recently traded in penny-stock land, at less than \$5 a share.

In other words, this stock could be a sweet, sweet Cinderella story if Schoonover's gang pulls off a decent turnaround. The trouble is that the improvement is far from guaranteed. So thanks for owning up to your faults, gentlemen.

Now, fix them! ■

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