

## Savvy Investing on the Net

By Fernando Elichirigoity, Ph.D.

The last few years have seen a revolutionary transformation in the amount of business, financial, and investment information available to the public at large. The advent of the Internet has brought this about, making access to sophisticated information as easy as clicking on a Web link.

One of the most amazing facts about business information on the Internet is how abundant and good it can be. But how can we learn to use this bounty? A good site to start is a free tutorial on researching companies online. This site, found at <http://home.sprintmail.com/~debflanagan/index.html>, provides step by step instructions and excellent links to all types of financial, sales, and company information at free, or substantially free, sites. A similar, high quality, tutorial on how to find information about companies can be found at <http://iws.ohiolink.edu/companies/index.htm>.



Of course, a necessary first step to investment is to learn how to do it. One of my favorite sites is Motley Fool at <http://www.fool.com/>. A bit irreverent, unimpressed by Wall Street brokers and their ilk, this site can be best described as an exemplar of

populist investing. It aims to teach regular human beings, without the requisite MBA, how to think about money and investing. The site has excellent tutorials for people interested in becoming more proficient with the process of investing.

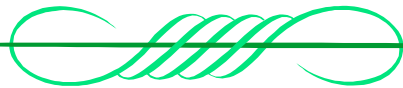
The way most of us invest our money, such as retirement money, is through mutual funds of some type. The great advantage of this vehicle for investment is that one hires expert advice and shares its costs with a large pool of investors. Sometimes, however, investors may feel that they could do better than their mutual funds managers. Perhaps they want to become more involved with their investments, or have better control over the timing of distribution of losses and gains. A new way of doing so is the advent of "folios." These are baskets of stocks that you select and control which function as mutual funds. In other words, you can have your very own mutual fund! Two companies have started this new type of investment. They are FOLIOfn at <http://www.foliofn.com> and Netfolio at <http://www.netfolio.com>. *BusinessWeek* recently reported that E\*Trade, an online trading and bank company, is also planning to offer this type of investment vehicle. Some people think that folios will become the wave of the future, while others feel that it is a trendy concept that will die down with the next serious market downturn. Steven Wallman, a former SEC commissioner and the founder of FOLIOfn has said, "It's not going to catch up overnight. It's (folios) about transforming the way people think about investing altogether."

There are now many websites where one can keep track of market activity. In fact, many sites allow users to setup their portfolios, for free, and keep track of them, sometimes on a real time basis. One such site is MarketMap from *Smart Magazine* at <http://www.smartmoney.com/>

[marketmap](#). The uniqueness of this site lies in its graphical representation of the market, with colored rectangles representing companies within different market sectors and the size of the rectangles representing the market value of each company. In addition the site connects each rectangle to an abundance of interactive research tools and news for each company at the click of a mouse.

The sites mentioned in this article are just a sample of some of the high quality investing tools available on the Internet. Additional business, financial, and investment sites can be found on the CBR's Homepage under WWW Business Sources at <http://www.liu.edu/cwis/cwp/library/cbr/cbrhome.htm>

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## What's New in the CBR:

Dona McDermott recently published an article entitled "Combining Access with Ownership: Meeting the Need for Business Articles in Academic Libraries" in the *Journal of Interlibrary Loan, Document Delivery & Information Supply* (Volume 11, Issue 1, 2000). Dona McDermott is an Assistant Professor and a Business Librarian at the Center for Business Research. Prior to joining the CBR, Professor McDermott was a corporate librarian at various organizations including the Direct Marketing Association, Public Service Electric & Gas Company, and Chase Manhattan Bank.

Elizabeth Mezick, Assistant Professor and Business Librarian at the Center for Business Research, recently became a Certified Public Accountant. Before coming to the CBR, Professor Mezick held auditing positions at Arthur Andersen and several large corporations.

## RECENT PROJECTS:

### From a Business Start-up:

We are investigating the current market for medium-sized sports bags. We would like to know the current status of the industry, how many bags are sold in the U.S. and abroad, any breakdowns by type of bag and manufacturer, and average cost per bag.

The CBR conducted a thorough scan of the sports bag industry including gear bags, duffle bags, team bags, backpacks, tote bags and athletic bags. Relevant information was accessed through trade associations, trade journals, and online databases.

*Cost of this project: \$300.00*

### From a Marketing Consulting Firm:

Our client is seeking to expand his product line in the burgeoning oral hygiene market. He would like an overview for the past three to five years on the cleaning, freshening, whitening segments of the industry, from both consumer and professional perspectives.

The CBR found significant trade and news reports on the growing market and interest in hygiene products. New product introductions and market share for toothbrushes, toothpaste, and mouthwashes were provided.

*Cost of this project: \$840.00*

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