



Equipment Appraisers Association of North America

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Going from the

World's Largest Company to the Smallest Overnight
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What happens when you wake up one morning and you realize that you are no longer employed by the world's largest leasing company and you are not wealthy enough to roll over and go back to sleep? Well you get up and start your own appraisal company. That is not quite how it happened, but every morning I wake up and realize it is true. At last year's annual meeting, I mentioned to several of you that GE was going to have a major downsizing in the first quarter of 2009. At the time I thought that there might be a slight chance that I would be impacted, but having been at GE Capital for thirteen years, I concentrated on things that I had control over and did not give much thought to the what if's that could happen. Anyone who has been employed by a large company knows that you serve at their pleasure. You might be the smartest, made them more money than the next person or kept them out of trouble they did not even know existed, but when it comes right down to it, you have no control over decisions that have been made from higher up. What you can do is not take it personally.

If you receive news like this when you are hitting sixty years of age, it can be very humbling. The first thing you need to do is figure out a way to tell people what has happened to you and what you are going to do for a new career. Like most of the people who have always worked, your job and company often times are how you are recognized in society. I had always joked that I worked for a small finance company, (ha ha). Now I would need to tell them I was redundant, (laid off). Not the most fun of conversations to have with your peers.

My plan was to tell folks straight out that I was one of ten thousand impacted another great word, by GE Capital's recent global downsizing. The next thing I would tell them is what I was going to be doing. I had decided that I would start my own appraisal and consulting business. Doesn't everyone do that when they are impacted? The challenge was to come up with a name that said what I was going to be doing. I also needed to decide if I was going to be incorporated, how and what state, etc.

A company is born. Since I thought I knew I wanted to appraise manufacturing equipment and also consult on exit strategies for non and underperforming assets, I decided to call my company Industrial Asset Appraisals & Consulting, Inc. I then needed to register the company name, reserve a domain name and set up a website and e-mail address.

Sometimes when you are with a large company, you forget about all the stuff you use that is not yours. Specifically in my case the computer, blackberry, telephone number and company car. I ordered a new computer system for the office, a new blackberry and new cell phone number. I did not purchase a new car as we had a van that we used for the sailboat to transport "boat stuff" to and from the boat. It was a bit humbling to be driving a car with over sixty thousand miles on the odometer when my company cars were always traded-in at forty thousand. But, I survived driving what my grand children call a clunker.

My next mission was to work on an appraisal format which I drafted and sent to Noreen Dornenburg to critique. Noreen made corrections and suggestions that were wonderful. It is wonderful to have friends that will take the time and review something and Noreen is one of those good friends.

So we now have a company. We have all the equipment, the website, e-mail address, blackberry, stationary and business cards. According to my report card, I have handled a billion dollars in assets per year at GE Capital for the past ten years. I have worked on some of the most complex bankruptcies from Enron to automotive giants. Why then is my telephone not ringing off the hook with calls looking for my wisdom and knowledge?

That is another one of those humbling experiences. I needed to knock on doors and ask for business. I was really out of practice when it came to marketing me. In school I had taken marketing but since I had spent my past life with mostly large companies, they always had someone that did that. They also had accountants, corporate credit cards, payroll departments, IT departments, health insurance, lawyers and other folks that were all usually on the same team. My team now consisted of me. You want to talk about a rude awaking, try sending out your first proposal to a client and they cannot open it, because you are using Microsoft Vista 64 (I have since upgraded to the new Windows 7). You do not have an IT department other than your two hands. You need a quick crash course in how to operate your computer system, spreadsheet formulas, accounting software, not to mention payroll, taxes both federal and state.

Being a small business as most of you all know is not the easiest way of making a living. But there are the perks. I have become very familiar with a ton of new software. I have files on how to do this and that and more books for dummies than they have at the local library. I am getting much better with the monthly and quarterly tax reports and filings that everyone in the government cannot sleep at night unless they have in their possession by a certain date.

It is hard moving from ones comfort zone to real uncomfortable, but it is also a good thing. I get to work with people that I want to work with. I get to reach out to my peers and ask for help when I need it. I used to be on the giving out side of help, now I accept that help because my friends can and are willing to do so. Especially my friends in the EAANA. I remember when David Lang came to me with his request that I help in writing an exam and helping the association out with recertification, testing and anything else that I could do. It is an awesome group of professionals that I am honored and privileged to be associated.

The future is exciting and a little unnerving, but I look forward to going to work every day. I get a thrill every time the phone rings or an e-mail comes in, because someone might need my help. The world's largest company started with a man named Thomas Edison who saw a need and took a step to fulfill that need. I do not want to be the world's largest company. I just want to do the very best appraisals and help consult where needed. The company will grow to meet those needs.

Do not be surprised if you receive a call from someone called John Josko with a strange company name, it will be me. Still a big guy with a small company. I look forward to seeing you all in Pittsburgh next January for our annual meeting!