

*The Social Reality of Analyst Reports: Lessons from S/Z*

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It was raining. It always rained in that part of town. Down in Bathos, nobody cared. They just went about their business --whatever that business was. In Bathos, they don't fill out government tax forms.

I didn't have any business. Or rather, I was "between business" as we in the "business" like to say. I was getting wet waiting at the local *Tempura Tortilla* on the off chance that some business would come my way. It did. Her name was Eileen.

She was tall and as blonde as hay. I was surprised that she didn't try to hide her appearance --Anglo reputation being what it was. But she didn't have to hide; she had money. I could smell it on her: linen, cotton, and especially wool. Real wool. No synth fabrics for her.

She claimed the job was easy and would pay well. Easy is good. Pay well is even better. If only I had known.

Eileen worked for IG Vermibanc --the well-known mercantile-info-ops organization. They had made a fortune from floating bioreproduction IPOs back before the Impotence claimed most of the large genetics firms. IG Vermibanc had the foresight to realize that tank birth was the wave of the future. Their logic made a lot of sense: why would women

want to actually have a baby when they can get one from the tank? After the Impotence, the bioreproduction firms were the only game in town.

IG Vermibanc's star was Farbengeist AG. Judging by the sight of her, Eileen herself had probably come from their tanks. She was top quality all the way, probably the only Farb in Bathos. Not that Bathos didn't have some fine people, you just didn't normally find them down at this level. Down here, you normally only found Naturals: unnumbered, offgrid, and untaxable. Useless.

After signing a Non-Disclosure Agreement, she gave me the deal:

"It will be like going home," Eileen said. "Remember that you're bound by both our NDA and insider agreement protocols. What I'm about to say is privileged information and cannot be used to attain an equity gain"

She dropped the news: "Farbengeist AG is acquiring GE-Genencorps."

Whoa. A blue chip acquired by the bluest chip.

"Our corporate division is handling the takeover logistics and our analyst group is initiating coverage for Q3. The report should be a hit. If our ratings guys have it right, we should see a 30% pop in Farbengeist's market cap."

I knew what this meant. It was already a great story. What did she need me for?

“Get some information and ghost write the ‘People’ section. You’re a Genie aren’t you? Just think of what the acquisition of Genencorps could mean to your Mause level. It could promote you Genies to land owners. But only if we get the market pop! Besides, who doesn’t want to know just a bit more about their market maker? This will give you the chance.”

I had to admit that her argument was very convincing. And well paid never hurt. The job seemed pretty straightforward. I had to get the skinny on the GE-Genencorps CEO and write it up. People up in Ethos loved celebrity profiles, especially in their analyst reports.

There was only one problem. Nobody had ever seen the CEO of GE-Genencorps. The whole company had gone offgrid when the San Josecisco Export Processing Zone had declared itself independent. The Farbengeist acquisition was an attempt to renationalize GE-Genencorps and bring a fine quality product –such as yours truly-- back under the purview of the equity markets. Unfortunately, the company was still located in the Josecisco EPZ. This would be a challenge.

Eileen looked at me from the other side of the *Tempura Tortilla* table. I noticed her eyes and the colour of her hair. I noticed the fine line of her jaw and the blue tinge of her lips that was common with those who could afford natural fibers. Most of all, I noticed her smell. Beneath the rich smell of wet wool I could smell her: violets and vanilla. I could feel

the sensuousness that only Farbs have. The look in her eyes told me she needed me. More importantly, her portfolio needed me.

I took the job.

The first day on the job was a disaster. I plugged in and trolled. There was nothing. Except for some biased numbers from mass-market industry analysts, there didn't appear to be any information other than marketing fluff. The rumor groups were no help at all. Between the boastings of the uberMause and the babble of the Naturals, the groups just produced noise. There was no information on the GE-Genencorps CEO, much less any information to justify an acquisition valuation. That's the problem with offgrid companies. Their products just appear at the edge of the EPZ without revealing where they come from.

As the day wore on, I became more and more aware that my productivity metric was collapsing. At this rate my net unit job price would hit an all time low.

The day wasn't a total loss. It was kind of reassuring to fully understand the marketing might of your own market maker. The ratings wonks consistently placed the GE-Genencorps advertisements at the top of their list. The warm feelings of parenthood that those ads produced had become legendary among media critics. Their "Don't be a Meanie, Adopt a Genie" piece was the most analyzed commercial of all time despite the lack of metrics tracking marketing effort to revenue.

Corporations didn't file revenue numbers or any other sort of metric in the EPZ.

In the early hours of the morning, I had a break through. I found a TELEX number. TELEX! In an era when only nostalgic old timers remembered phone numbers, a TELEX

number was an anomaly. Just imagine an old machine lumbering away in some back room using analog signals to print out slips of paper with messages on it. Silliness! Inspired, I used an archived directory and matched the TELEX number to an address in an old part of San Josecisco.

In a moment of nostalgia, I sent Genencorps a TELEX message. I couldn't imagine the machine actually existing so I had nothing to lose:

HELLO. I AM A GENIE: SN:432.523.512.598. I AM INTERESTED IN LEARNING MORE ABOUT MY ROOTS AND POSSIBLY SEEING MY BIRTH PLACE. CAN YOU BE OF ANY ASSISTANCE?

I had a headache that only a frijole roll could fix. I went to *Tempura Tortilla* for breakfast. After finding the TELEX number the night before I had slipped out to celebrate. The party was still going on in my head. It was getting louder.

I entered Eileen's IP address into the table console. I was going to have to make a trip to San Josecisco and I wanted some company... and a purchase order. She wasn't home.

My breakfast came while I was reading news from the console. There was a new lottery winner and an enemy rocket has landed in the outskirts. Just another day.

"Need some new reading material?" my waiter asked. I didn't recognize him. He was a decrepit old man but he walked with a sort of grace and had an air of dignity about him. I couldn't help but notice his eyes and the fine line of his jaw. It was familiar and reassuring. He quickly passed me an antique manila envelope and then faded back toward the kitchen trailing a faint order of vanilla. His greasy smock was made of cotton.

I looked at the envelope lying on the edge of the table. It stared back. After lighting a fresh cigarette I opened a fortune cookie that the strange man had brought with breakfast:

"Beginnings are found at the end."

The envelope on the table kept staring. I felt a tap on my shoulder. It was Eileen. Her make up was streaked and her eyes brimmed with tears.

“My managing director threatened to pull me off the project,” she cried hysterically.

“You’re the only one who understands just how important this deal is. Getting pulled from this project will be a career breaker! I’ll have to change corporate allegiances before I’m fully vested. I’ll lose my bonus. Oh, my portfolio!”

She was hysterical. Even Farbs get the blues. I took her home.

“There’s nothing here!” screamed Eileen. “You promised we would find Genencorps right here! We need that interview. Unless that analyst report is a blockbuster, we’re finished.”

I didn’t have the heart to tell her that I had nothing to lose. I had hedged our contract with a derivative based instrument and a private bond issue. Her future, however, didn’t look so bright. She needed the interview.

We were standing in an open field covered with the rubble of broken down postfab buildings. GE-Genencorps hadn’t been here for a long while.

Our trip out to Josecisco had been a chore. We had to negotiate transport across the country and that meant securing Texarkana fly zone privileges. Entry permits to the EPZ were also difficult to find. As a Genie it would have been impossible for me to secure entry but traveling with a Farb had certain advantages. Our final task was actually getting to the Genencorps site. Just because the EPZ was offgrid didn’t mean that they had no security or highway patrol. In fact, their security was quite vigilant and quickly caught up with us. We had to make a collateral mortgage against our clothes in order to avoid further molestation.

To the Grid, the security forces of the EPZ were rebels and unsophisticated guerillas. I agreed. After we had been caught, the three guards actually formed a bargaining cartel against us that removed any chance for arbitrage in the mortgage rates they offered us. What sort of animals abuse natural market dynamics? I can’t help but suspect that Eileen

received a considerably better rate than I did. Natural fabrics are a more stable commodity than synth.

Eileen was right. There was nothing there. To make matters worse, our entry permit had an expiration time with an option to renew and interest was almost due on our highway security mortgage. The highway patrol would soon be back looking for payment. We were running out of time and our capital burn rate was increasing by the minute. We needed a solution and quickly. One call from Eileen's managing director and we were finished. Somebody else would fulfill IG Vermibanc's quest to corner the speculation market for the bioreproduction industry.

I remembered the manila envelope. Inside, I found an audit report. Not marketing fluff or industry analyst speculation but real hard data. It was a report for GE-Genencorps; it was official; and a registered chartered accounting firm had sealed it. After so much uncertainty, I found the "Arthur Anderson Approved" label oddly reassuring. I could only speculate who had given me the report and why.

The report was old but it gave us something we needed: an address. Eileen was frantic and tried to tear the report out of my hand. Normally she would have never risked ruining the condition of something that may have some value as information, antique, or knick knack.

"Give it to me!" she demanded. "I need information, now!"

I held the report over her head and out of her reach.

“Remember, Eileen. The ‘People’ story is still mine. Barring *force majeure*, the contract is still mine!”

Her eyes narrowed but she agreed to go along with my plan. She couldn’t argue with contract law. Those Farb eyes, however, no longer seemed as beautiful.

Although old, the report gave us some information that we needed: a current address. We weren't going uptown. The new location was as destitute as the previous one. There was just a collection of rusty shacks punished by the sun. A rusty sign on the gate said:

“Genencorps Inc. A division of GE. We bring good things to life.”

“It's the right place,” I told Eileen.

“It can't be. This place is a dump! This cannot be the Genencorps operation.”

I wanted to agree with her. I didn't like the idea that my crèche had been a busted crate.

A rhythmic noise was coming from the closest of the rusty sheds. Since there didn't appear to be any receptionist to tell us otherwise, we went to investigate.

It was a functioning bioreproduction facility all right, but it wasn't what I expected. It certainly didn't resemble anything that could have been produced by the Genencorps marketing department. The condition of the building was atrocious. Grime covered the floor and the open xlotl tanks raised the humidity so high that water trickled down the walls.

A group of workers were inseminating a tank on the far side of the room. They certainly weren't the clean room technicians depicted in the commercials. There were no sanitary face masks or paper smocks. There was just a group of laborers. I recognized them as

mojados; illegals; Naturals. In the EPZ, however, there were no illegals or Naturals. There was just labour.

We made a closer inspection of the tanks. The conditions of the bioreproduction facility were matched by the conditions of the product. In several tanks, we saw products that had serious quality control issues. A worker purged one of the tanks and washed a red, green, and pink smear down the floor drain.

Eileen vomited.

“You’ve come to look for a beginning.”

Startled, we both turned. There stood the man from *Tempura Tortilla*. There stood the CEO of GE-Genencorps.

“Welcome home my son.”

I was astounded. I couldn’t believe that this man was the CEO. I couldn’t believe that this facility was GE-Genencorps. I couldn’t believe that this was my birthplace. I was at a loss for words.

“You’ve come looking for answers. Please, ask me questions.”

Eileen looked at me. I tried to remember my pre-prepared interview questions. To cover the awkward silence, I lit a cigarette.

The calm face of our host reassured me. I was suddenly aghast to realize that I was smoking a cigarette –in a bioreproduction facility!

“Am I breaking health codes?” I stammered. This actually wasn’t supposed to be the first question of the interview but it would have to do.

He took the question in stride: “In the Josecisco, there are no codes. There is no reporting. All that matters is what we send to the other side. Like you, my son.”

Eileen looked panic stricken. She would never be able to sell this story. The analyst report would be a lambasting. Her managing director would cut her loose before she was fully vested. Just by looking at the conditions that they had seen, there was no way that Farbengeist could maintain even a buy rating after acquiring Genencorps.

I didn’t know what to say. This was no techno-spectacle. There was no celebrity CEO. In short, there was no piece here; nothing to write. My only chance was to write this up as an exposure bit. Expose the destitute working conditions of Naturals in the EPZ. I would appeal to a sense of human sympathy. Bathos would love it since they were mostly Naturals. If we could find a celebrity to support the cause, the bit could go over well in

Ethos as well. Of course, Genies would take a Mause hit but as the reporter I would be a famous. Was the trade worthwhile?

The cigarette burned down to my fingertips. Eileen broke the silence:

“We just keep on going. We make something up.”

“What do you mean, ‘keep on going?’ This is a disaster. We have to report what’s going on down here. Otherwise, we are purposely manipulating the market forces. We’ll be no better than Normals or rebels!”

I quickly looked over to the Genencorps CEO hoping that I hadn’t offended him. He was still, after all, our host. He gazed back at me serenely. Eileen continued her rant:

“I can’t let you do it. I won’t let you ruin my career... ruin my portfolio!”

I was angry: “We have to tell truth! There’s always profit in the truth. For me at least. You’ve already made your deal.”

“No. You can’t do it. You have to stay here and... well just stay here. And never return. You’ll destroy me...” Eileen began to cry.

Again, the CEO spoke: “Welcome home my son. It’s an honor to have you here.”

I turned to the CEO and raged: “How is this an honor? To come here and realize that my life is built on a hoax? To learn that the Mause value of Genencorps is built on a fiction? To realize that I came from a slimy tank in a sweatshop? This is not my home. I am not your son. I’m going back to the Grid.”

I began to storm out of the building. Eileen reached out in an effort to stop me. The CEO spoke:

“You are home.”

I stopped. In the CEO I recognized what had been familiar. In the CEO I recognized myself.

“Do you know why I gave you that audit?” He asked me. “That is the year end statement from the fiscal year in which you were born. Check the production figures in Appendix C.”

Frantically, I wrenched open the envelope oblivious to its residual value. I turned to Appendix C and scanned through the numbers.

“I knew you were coming when you sent me that TELEX message. I’m glad that I kept that back door open for you after all those years.”

I turned the pages. I hadn't found the number I was looking for.

"Eileen is right. You can't leave here but I'm so glad that you've come home to me. You are the prodigal son!"

I came to the end of Appendix C. The number wasn't there. SN:432.523.512.598 wasn't in the production report. The truth crashed in on me. I wasn't a Genie. I would never become a Farb. I was trapped in the EPZ. I was a Natural.

"I am so happy to have you home. It was so hard to give you up as an infant but after your mother died, I felt that the Grid would be the best thing for you. The Grid is our primary market after all. I'm getting old. You will be surprised by what money can buy in Josecisco. You will be very comfortable, especially after the acquisition is completed... with Eileen's help of course. You'll have to stay here but virtual management is an easy task. Welcome home. We shall be like father and son!"

I began to cry. I had gained a father and a corporate empire. And I had lost everything.