



Spring
Weekly

Reader

Volume 107, Issue 168, April 9, 2015

The Plano Rotary Club
www.PlanoRotary.com

UPCOMING MEETINGS

April 9

"Collin County Candidate Forum" -
Joint Program with Plano Chamber of Commerce

April 16

"Annual Four Way - Test Contest"

April 23

"PISD Teacher of the Year"

April 30

"Dr. Neal Smastrek - President, University of North Texas"

APRIL BIRTHDAYS

Rutledge Haggard	Apr 05
Lawrence Flannery	Apr 09
Andy Sayers	Apr 11
Kirk Bell	Apr 12
Alice Hobbs	Apr 13
Bob Pikna	Apr 16
Alex Johnson	Apr 22
Kenneth Roberts	Apr 22
Ricardo Kasmiskie	Apr 27
Jerr Kezhaya	Apr 28



OLEAGINOUS PROPOSITION

LAST WEEK **Sainted Editor** was ranting about infomercials disguised as Rotary presentations. And lo, he was rewarded with yet another today! I guess he has to be careful what he rants against for fear it will come to pass.

President Wonderful, hoping, perhaps, to mitigate the pain, both started the meeting late and ended it early. Thank you, Earnest! He enjoined PDG **SECRET SANTA Sullivan** to give the Invocation and **Hubert Aaron** to coach **Scary Bob** in the Pledge. **Larry Bisno** and **David McWhorter** were each thanked for Greeting, and **Prince Palmer** was called to The Welcoming.



Kelly declared no Visiting Rotarian was present, but that was only because **Sarah Crilley** (*Pioneers*) had snuck in under the radar to coach (and videotape for later critique) her latest baby duck. She must think that if her clients can survive *Plano Rotary's* onslaught, they can survive anything. We are her cruel testing ground.

Ean welcomed **Paul Harris Fellow** and former member **Carroll Burgoon**. **Larry Flannery's** stand-in introduced Council Candidate **Mike Mansfield** (who quashed the urge to stump). **Reedy Spigner** fed perennial guest, daughter **April**, and **Jerry Aris** bade us welcome **Al Hartwell**.



Earnest pointed us at the Science Fair boards on the Badge Table documenting **David Bowman's** trip with 5810 to do good in Nicaragua. We are to contact David for additional information.

Larry Bisno drew the black jelly bean and introduced **David Taylor**, co-founder of *Crude Funders*.

dtaylor@crudefunders.com

"David Taylor is a Highly Spirited Entrepreneur with over 15 years of Start-Up Business experience. He has developed from concept and brought to market several high-tech/green-tech products, commercial applications, software designs, restaurant concepts, and product designs. He believes in *"Disruptive Technologies"* that help improve systems and evolve industries by bringing transparency and evoking emotion.

Today he will be talking about *The Future of Oil in Texas*. This popular topic is all about the oil boom and future impact Texans will have. How will the falling price of oil impact drilling? David will share with us his insight as an expert in the oil and gas investing field and market place and also share about the hot topic of crowd funding and what he has helped bring to Texans in oil investing."

David told us that he knows we have endured some *"not so exciting topics,"* but this not-so-exciting-topic comes with *"tons and tons of information."* (...and an unabashed sales pitch.)

Eschewing all reference to *"the oil boom and future impact Texans will have,"* he launched straight-away into the essence of his business model: **crowd funding**.

It is where entrepreneurs troll the public for start-up funds without the pesky requirement of payoffs should their enterprises succeed. The enlightened marks understand that they are **donating** to bring new and possibly interesting services into the world...that the only enrichment they'll see is a new doodad to purchase, and they are OK with that. *KickStarter* and its ilk have given *Uber* a chance and NY detectives the opportunity to vent and apologize. But all that is about to change; *"non-accredited investors"* can now risk up to \$5,000 without interference from a government agency.



continued on page 2



And who in their right minds wants meddlesome, bureaucratic bean-counters like the SEC or even FINRA carping on about the wisdom of investing without a thorough understanding of the risks and rewards? Ah, but wait...

In its infinite wisdom, the State of Texas has declared that anyone who can't find a reputable investor can turn to the Great Unwashed for up to \$1,000,000 in start-up funds provided that the marks are "*qualified*." That means that they can afford to lose their investments without losing their shirts in the process. *Non-accredited* investors must have annual incomes **less than \$200,000** in order to be fleeced individually up to \$5,000 each. Those making more than \$200K are "accredited investors" and fair game for whatever the shill can talk them out of.



This, apparently, goes for any industry, but Mr. Taylor has (co-)founded an oil-and-gas consolidator company, *crudefunders.com*, and "*there's no better business to be in*" in the State of Texas. It is a crowd-funding website offering "*massive upside*" profits via its "*investment portal*."

With a staff of 12, "*all masters in their fields*," Crude Funders includes geophysicists, attorneys, salesmen, and PR-men (like him) who vet potential investments in new drilling sites, and, in an abundance of transparency, post the well logs for all investors to mull over, given their rich backgrounds in reading such records, before laying down their \$5,000.

He chastised the Federal Government (always a safe tactic in Texas) for failing to get on the crowd funding bandwagon and enabling more of its worthy citizens to garner the riches of this **\$3,000,000,000** field. As it stands, only Texans can invest in this way and *only* in Texan enterprises. Although other states have passed similar laws, no citizens can be enticed beyond their own state borders (or they'll be subject to nit-picking federal oversight).

"*We take the absolutely best products and buy them in cash*." And, since the investments are in drilling, there are tax deductions permitting one to "*write-off 100% of drilling*" costs. So when the wells come up dry, the *Internal Revenue Service* shares in your loss. But there's always that "*massive upside*" to consider.

In the long term, it "*costs \$22 per barrel*" to pump oil that sells for **\$50** now but "*soon will sell for \$100 per barrel*." Of course, you'd not be investing in the long-term barrels, there're the short-term ones to consider. It costs "*\$75 per barrel to find and frack*" the oil loose from its shale. So you're losing \$25 per barrel to begin with, but that will surely change!

"*We don't tell you what to invest in*." "We" merely provide you with multiple opportunities with massive documentation so you have no reason to complain that you didn't know what you were getting into. And you couldn't find anyone to whom to complain even if you were of such a mind to. Apparently this transparency is unique because "*we frighten those in our industry*" by providing all this (incomprehensible) data.



Mr. Taylor says over 2,000 investors have visited his site. And its first project comes to fruition on Easter Monday. In addition to drilling, there are green projects like "*water reclamation*." Fracking is a potential filthy process, there being tons of waste water filled with toxic substances produced. However, among his projects are those that clean the frack water to such a degree that "*it becomes potable!*" But, of course, no one drinks it; the reclaimed water is shoved back down a well to continue the fracking. This means that less fresh water is diverted to this effort.

Doing all of this, from crowd funding to frack water reclamation, is changing the oil industry. This is what Mr. Taylor means by "*disruptive technologies*."

The first question came from a trouble-maker: ~~Sainted~~ Editor wanted to know if David “would characterize his talk as an infomercial?” Not at all, came the reply, it was “a talk about crowd funding...,” about the difference between the donation/reward and peer-to-peer systems.



Randy Wright said, “I didn’t get it.” If the crowd funding of *Uber* wasn’t equity-related, “how did investors make money?” David replied, “if it *HAD* been equity, you’d have profited by *Uber*’s success.”

Texas is not alone with its **INTRASTATE CROWD FUNDING PLATFORM**. Such processes may someday be reciprocal between states, “*Louisiana and others.*”

Randy wanted further clarification: “So you are only crude...oil and gas?” A: Yes.

Lenny Schwartz asked, “How big is oil in Texas? How big are the Permian Basin reserves?” Not being a geophysicist put Mr. Taylor at a disadvantage, so he vamped, we cannot know their extent because “there are so many undisclosed sites. Billions of barrels” lie dormant until oil prices recover. With fracking, one can “take 80% of the oil from a field in only two years,” but why not hold it for a better price later? So you “prove the first well,” and then cap it and wait for good times. (So he’s only after patient investors.)

Randy was still ready with inquiries. David said, “I like this guy!” Randy asked whether any oil company can use Crude Funders, and he was told “you can be an investor or an offerer.” The company has offices in Midland, Houston, and others, but, Randy noted, “No office in Plano?” Mr. Taylor replied, “We try to be where the oil is. This isn’t an infomercial for Plano.”



Others wanted to know if small and minority businesses could raise capital this way, and they were told that it is possible.

Lynette Pieper asked the impertinent question (yeah), in crowd funding, “How do you recognize fly-by-night” operators, present company excepted, she meant, of course. Mr. Taylor said issuers must undergo “rigorous” Texas accreditation (in a State known for its love of governmental regulation). “We were the first” to be so accredited due to fast work by their attorneys.

Lenny wanted to know if they deal with accredited investors, and although they are permitted by recent legislation, David said “we won’t do it.”

Bob Botts asked if there were any statistics on “what happens to the money?” in crowd funded ventures. David told him, “KickStarter has lots of data.” But, since crowd funding has just begun in Texas, there are no stats. As for David’s competition, he said *Mass Venture* is the only one up and running, but there will be many others soon.

Earnest gave him his reward for having invested time here. It was, of course, a highly-coveted perpetual calendar, which David toyed with on returning to his seat.

Kelly Palmer announced that the next Rotary Year starts July 1. Randy and others were working on a Rotary calendar which will have all of our events. A new budget process includes input from members on the costs of all projects. An email request is forthcoming.

“By ClubRunner email?” Randy wanted to know. Kelly responded, “If you tell us how to do it!” Earnest swore we were all “very pleased with ClubRunner.”

Ean asked for a report from any **Hōgg** on the results of the 3-pt Contest invitation, and **Dennis** said that D.J. had declined. “You don’t want to put all your wares out ahead of time.”

Alex Johnson needed 3-4 more volunteers for the 4-Way Speech Trials at *Williams High*. Randy told him *ClubRunner* had a tool to solicit volunteers.

After leading us in the Four-Way Test, Earnest belled us out at 12:57.



Plano Rotary Club Board of Directors 2013-2014

President

Earnest Burke

President Elect

Kelly Palmer

Secretary

David McWhorter

Treasurer

Pam Little

Past President

Kirk Bell

Sergeant at Arms

Nathan Barbera

Membership Chair

Randy Wright

Membership Vice Chair

Yoram Solomon

Service Chair

Bob Pikna

Service Vice Chair

David Bowman

Public Relationship Chair

Mary Jo Dean

Public Relationship Vice Chair

Camille Ussery

Club Admin Chair

David McWhorter

Club Admin Vice Chair

Larry Bisno

Foundation Chair

John Caldwell

Foundation Vice Chair

Open

New Generation Chair

Rick Horne

At Large

Reedy Spigner

Rick Horne

Alex Johnson

Kyle Walters

Open Pending

Open Pending

Open Pending

Open Pending

Business Secretary

Karen R. Sheldon

Bulletin Editor

Chris Parr

Bulletin Photographer

Robert Epstein

Bulletin Designer

Brenda Irigoyen

Alphagraphics

Printing by Alphagraphics

Preston & Spring Creek

The Plano Rotary Club

PO BOX 864316

Plano, TX 75086

Guests & Visiting Rotarians

Guest

Carroll Burgoon

Mike Mansfield

April Spigner

Al Hartwell

Guest of

Ean Sullivan

Larry Flannery

Reedy Spigner

Jerry Aris

Proposed Member : Mike Jobe

Proposed by : Rick Maucieri

Classification : VP Operations (YMCA)

2015 Plano Rotary Four-Way Test Speech Contest Schedule

Preliminary: April 8th, 2015 @ 6:00pm

Williams High School

1717 17th Street, Plano, TX 75074

Support Our Advertisers



www.huffines.net

PLANO

HUFFINES CHEVROLET	HUFFINES HYUNDAI	HUFFINES CHRYSLER Jeep DODGE RAM
1001 Coit Rd @ Plano Pkwy Plano (972) 867-4000	909 Coit Rd @ Plano Pkwy Plano (972) 867-5000	4500 W. Plano Pkwy @ Ohio Plano (972) 867-6000

All Service, Body and Parts Departments Open All Day Saturday



David Allison

1214 Avenue K
Plano, TX 75074

972-423-0434
www.allisons.com



Since 1981

THE AUTO SHOP

Professional Automotive Repairs including:
Air Conditioning • Inspections • Clutches • Transmissions • Differentials
Engine repairs • Factory Scheduled Maintenance • Tune-Ups • Electrical • Brakes

Jerry P. Kezhaya
President

www.TheAutoShop.com

2560 East Plano Parkway
Plano, Texas 75074

972-578-0588 - T
972-881-0998 - F

Rick Maucieri
President

Grant Leighton
Associates

PO Box 865066
Plano, Texas 75086
972.422.0169 Voice
972.881.9373 Fax
rickm@glandscape.com

GRANT LEIGHTON
Professional Landscapers



Casey W. Stewart
Market President

972.309.0001 ext. 5937
214.863.5937 direct
214.863.6160 fax
caseystewart@anbt.com

Plano Banking Center
1101 E. Plano Parkway, Suite E
Plano, TX 75074
Allen Banking Center
720 S. Greenville
Allen, TX 75002
www.anbt.com



increase your reach

KENNY WILSON
OWNER

Plano
Phone: 972.867.9216
Fax: 972.519.9181
us408@alphagraphics.com

Richardson
Phone: 972.234.3033
Fax: 972.231.6968
us103@alphagraphics.com

J. Marc Lewis & Associates
CORPORATE AND PERSONAL TAXATION

J. Marc Lewis JD, LL.M., EA
Enrolled to practice before the IRS

Lakeside Commons
5045 Lorimar Drive
Suite 280
Plano, TX 75093

marclinc@aimail.net
Tel. (972) 618-8224
Fax (972) 618-2021



Kirk Bell
Managing Partner, B&V, LLC
Financial Advisor, RJFS

5700 Granite Parkway, Suite 320
Plano, TX 75024
(972) 403-1025

Email: kirk.d.bell@raymondjames.com
Website: bellvalente.com

Securities offered through
Raymond James Financial Services, Inc.
Member FINRA/SIPC.



"a fence to you,
a reputation to us."

ACE FENCE-DFW

Pam Little

(972) 578-5775
Fax (972) 578-1005

pam@acefences.com
1400 Capital Ave.
Plano, TX 75074



Angela's Crosswalk
Comfort Food & Great Spirits

972.633.9500 | cell: 214.649.8171
1010 East 15th Street | Plano, TX 75074
julieholmer@me.com

Julie Holmer



Cody Thomas
General Manager
Fry Cook & Cashier

Phone: 972.422.7084
Fax: 972.423.2606
Call: 806.773.7078
codythomas@raisingcanes.com
www.raisingcanes.com

1000 W. 15th Street
Plano, TX 75075



RICARDO KASMISKIE
Realtor®

Office: (972) 732-6000
Fax: (972) 732-6003
eFax: (972) 468-7547
Mobile: (972) 743-5324
ricardokasmiskie@kw.com
www.theonestotrust.com

KELLER WILLIAMS
REALTY

18383 Preston Road, Suite 150
Dallas, TX 75252

Each Office Independently Owned and Operated



Jen Kaup
Bar Manager

Cell: 724.272.8746
Office: 972.377.5521
jkaup@thelube.com

5584 SH 121 | Plano, TX

THELUBE.COM