



Daniel W. Roberts,
President

Roberts & Ryan Investments Inc.

Based in San Francisco, we provide "value added" information to our global asset managing clients.

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About Roberts & Ryan

Our President, Mr. Daniel W. Roberts, has been reelected as the Western Region representative to the FINRA Small Firms Advisory Board (SFAB). This board examines all proposed rules prior to presentation to the National Board for action. Mr. Roberts represents approximately 800 smaller firms located in the 13 Western States.

In order to facilitate our receipt of directed order flow, we show our list of agents as follows:

Global markets:
Merrill Lynch
Societe Generale

Cheuvreaux -
(Pan European only)

HSBC -
(Asia only)

Deutsche Bank -
(Australia only)

US Domestic:
Pershing

Japan

Panasonic plans 'green' shift

Tokyo- Panasonic, which faces a tough road this year after Japan's earthquake, tsunami and nuclear crisis, believes it can turn disaster into opportunity as the country rethinks its energy policy. President Funio Ohtsubo said that his company's recent efforts to move toward environment friendly products and renewable energy technologies would eventually pay off.

Like other Japanese companies, Panasonic faces intense competition from newcomers and aggressive Asian rivals in its mainstay consumer electronics business. The Osaka company, which makes Viera TV's and Lumix digital cameras, decided it needed to seek new growth elsewhere. If Panasonic sticks to audio-visual and white goods, then "our future growth will be limited," Ohtsubo told reporters in Tokyo. Panasonic's goal is to transform itself into "the No.1 green innovation company in the electronics industry" by 2018. It aims to grab the biggest share of the worldwide market for lithium-ion batteries, and use its acquisition of Sanyo Electric to jump into

the top three in the global solar business. Japan's disaster could set the stage for that to happen. The country faces potential power shortages this summer, without electricity from the crisp Fukushima Daiichi nuclear plant, which was knocked out by the tsunami. The Hamaoka nuclear plant in central Japan is also being shut down because of safety fears, further crimping energy resources. The government has asked companies to cut electricity use by 15 percent. At home, people are encouraged to set room temperatures at 82 degrees Fahrenheit, use fans instead of air conditioners and unplug gadgets. Earlier this, Prime Minister Naoto Kan announced that Japan would overhaul its long-term energy policy, which had included a plan to raise the country's reliance on nuclear energy from on 30 percent to 50 percent.

The government, Kan said, will place greater focus on renewable energy such as solar, wind, and biomass, as well as conservation. For Panasonic, the new thinking on energy represents a "big chance" for the company, Ohtsubo said.

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Europe

Hackers raid another Sony website



“Another massive data breach at Sony has left hackers exulting, customers steaming and security experts questioning why basic fixes haven’t been made to the company’s stricken cyber security program. Hackers say they managed to steal a massive trove of personal information from Sony’s Pictures’ website using a basic technique that they claim shows how poorly the company guards its users’ secrets. Security experts agreed, that the company’s security was bypassed by a well-known attack method by which rogue commands are used to extract sensitive data from poorly constructed websites. “Any website worth its salt these days should be built to withstand such attacks,” said Graham Cluley, of Web security firm Sophos. Coming on the heels of a massive security breach that compromised more than 100 million user million user accounts associated with Sony’s PlayStation and online entertain-

ment networks, Cluley said the latest attacks suggested that hackers were lining up to give the company a kicking. “They are becoming the whipping boy of the computer underground,” he said. Culver City-based Sony Pictures has so far declined to comment beyond saying that it is looking onto the reported attack-which saw many users’ names, home addresses, phone numbers, emails, and passwords posted on the Web. It wasn’t clear how many people were affected. The hackers, who call themselves Lulz Security- a reference to the Internetspeak for “laugh out loud”-boasted of compromising more than 1 million users’ personal information— although it said that a lack of resources meant it could only leak a selection on the Web. Their claim could not be independently verified, but several people whose details were posted online confirmed their identities to The Associated Press.

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No meeting of minds on rules for Internet

Paris-France wants better regulation of the Internet. Google Executive Chairman Eric Schmidt says policymakers should tread lightly and avoid “stupid” riles. Bridging such differences about how the Internet could or should be more regulated took center stage at an “e-G8” meeting as the Group of Eight leaders hold their summit later this week in Normandy.

The two-day Paris gathering has brought together Internet and media world gurus such as Schmidt, News Corp. Chairman and CEO Rupert Murdoch and Facebook founder and CEO Mark Zuckerberg. The discussion includes issues such as protecting children from “evil stuff” online, preventing illegal

downloading of copyrighted materials and shielding Facebook users from unsolicited invitations. The e-G8 comes amid concerns in the industry that some countries including several in Europe such as France-have taken measures or enacted laws that could curb Internet freedoms. French President Nicolas Sarkozy, kicking off the conference, said governments need to lay down and enforce rules in the digital world-even as they need to foster creativity and economic growth with the Internet.

Conflicting visions about the Internet- notably about how regulated it should be- have pitted companies such as Amazon.com and Google against governments about how to pro-

tect privacy and copyrights online. “We need to hear your aspirations, your needs,” Sarkozy told hundreds of business executives, creative minds and journalists at Tuileries Garden in Paris. “You need to hear our limits, our red lines.” Google’s Schmidt said technological changes have led to a “shift in power” toward individuals- whether to illegally release secret documents or transfer copyrighted material, or rally against their repressive regimes. “My own opinion is that most governments are having trouble with that shift in power,” he said. “So rather than sort of complaining about it, which is what everybody does, why don’t we see if we can harness it?”

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This is a timely newsletter for our institutional clients. The information herein has been assembled with the utmost attention to detail, however as with all research, the accuracy cannot be guaranteed.

China

Suit: Cisco aided in persecution



“The suit alleges Cisco helped design Chinese system so authorities could track domestic Internet users who attempted to access Falun Gong websites.”

A group of Falun Gong followers has filed a potentially groundbreaking lawsuit accusing Cisco systems of helping Chinese authorities persecute members of religious movement by building a computer system that tracked internet activity and fed information to internal security databases. Cisco denied the allegations, adding in a statement that it only sold standard networking equipment and did not provide any customized technology for the Chinese system.

The suit, filed in San Jose’s federal court, echoes complaints raised previously over the past decade by human rights advocates, who are concerned that Silicon valley companies have allowed China to use their technology as tools for the brutal repression of dissidents and members of banned groups such as Falun Gong, which Chinese authorities consider subversive. Plaintiffs include several Falun Gong members who say they were arrested and physically abused by Chinese authorities; the lawsuit also cites a man who was beaten to death in prison and a woman who “disappeared” while in custody. Three years ago, when asked about similar allegations at a U.S. Senate hearing, Cisco executives disavowed any support for human rights abuses. But attorneys for the Falun Gong plaintiffs say they have new evidence, including marketing materials and statements

from Cisco employees, indicating that Cisco knew its technology would be used in the government campaign against Falun Gong. “We have actual testimony from insiders, and we’ve amassed three years of data that goes beyond what was presented to Congress,” said Los Angeles lawyer who brought the class action suit with attorneys from the Washington D.C. based Human Rights Law Foundation.

Although other U.S. compa-



nies have been sued over alleged human rights abuses abroad, most of those cases involved the oil industry or other sectors. Crawford Boyd said she wasn’t aware of any similar claims involving technology companies. The class-action suit invokes a federal law against torture and another statute that allows foreign citizens to sue in the United States for violations of international law. It names the company and the CEO John Chambers as defendants, along with other top executives who were allegedly aware of how Chinese authorities planned to use Cisco’s technology.

San Jose-based Cisco has been a leading supplier of routers

and other networking gear for China’s telecommunications networks and Internet services.

But in its statement, Cisco said it does not operate networks in China, “nor does Cisco customize our products in any way that would facilitate censorship or repression. “Cisco builds equipment to global standards which facilitate free exchange of information, and we sell the same equipment in China that we sell in other nations worldwide in strict compliance with U.S. government regulations,” the company said. The lawsuit, however, alleges that Cisco aggressively promoted its technology to Chinese authorities who wanted to build a system known as the “Golden Shield,” which would be used to monitor Falun Gong followers who rely heavily on the Internet communicate with one another and share their religious beliefs. Cisco’s presentations at Chinese trade shows included “brochures acknowledging that a major purpose of the Golden Shield is to persecute Falun Gong practitioners,” the suit claims.

The suit alleges Cisco helped design and customize the Chinese system so authorities could track domestic Internet users who attempted to access Falun Gong websites. According to the suit, Cisco also designed the system so authorities could integrate that information with data from surveillance and security systems.

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Europe

Wanted: Team to guide Facebook abroad



“Facebook is hiring a network of ambassadors from India to Ireland to represent the Palo Alto-based social network with foreign governments and cultures.”

With 70 percent of its more than 600 million members outside the United States, Facebook is creating its own foreign service, hiring a network of ambassadors from India to Ireland to represent the Palo Alto-based social network with foreign governments and cultures. Facebook’s new global policy team will monitor the local political landscape and act as multilingual, TV-friendly communicators in countries and for cultures that, in many cases, have very different values and laws about privacy and personal communications than the U.S. Facebook is confronting its emergence as a global organization whose membership is much larger than the population of most countries, and whose technology can antagonize both Middle Eastern dictators and European democracies fretful about privacy. The international directors of policy, as Facebook calls them, will grapple with those challenges. “This is the right investment for us to make because we want to have better relationships with regulators and policymakers across Europe and around the world,” said Debbie Frost, a Facebook spokeswoman. “It’s important that we have a presence, so people can have a direct line into Facebook. You limit the scope for misunderstandings.” As part of this effort, Facebook is hiring policy directors for the Middle East, Britain, Italy, Spain, Scandinavia, Germany, Central and Eastern Europe and other countries and regions.

Among their duties, the policy directors will be Facebook’s primary contact with foreign government officials and politicians. That will be especially critical in places like Europe, where regulators are scrutinizing the privacy and data-handling practices of Google and other U.S. Internet companies. “It’s hard to predict what 600 million people expect” for privacy across an array of countries and cultures, Facebook privacy counsel Ed Palmieri said at the Privacy Identity Innovation conference in Santa Clara. The new international jobs are part of a larger push by Facebook to beef up government relations both in the U.S. and abroad. As state attorneys general become increasingly active in regulating

Internet companies over privacy and antitrust issues, for instance, Facebook also is creating a job in Washington to deal with state government policy. Abroad, Facebook’s new Pan-European director of safety in London, as well as a policy director to be based in the home of the European Commission in Brussels, will help the company navigate Europe’s regulatory shoals. Google created a similar international team in 2006, Facebook is stocked with ex-Googlers, from Chief Operating Officer Sheryl Sandberg on down, who witnessed the benefits of having staffers in other countries to flag executives about cultural problems before they blow up, and to direct damage control after they do. Facebook is setting the recruiting bar high. Its posting for a Middle East policy director asks for someone with a degree in a related field, at least 10 years of experience in both government and industry and “superb” written and spoken English but also fluency in Turkish, Arabic or another Middle Eastern language.

Facebook wants a person comfortable with politicians at the most senior levels of government, who has experience as a media spokesperson, preferably on both radio and TV; and of course, has a “a passionate belief” in Facebook. Facebook does not disclose the prospective pay of the policy director jobs but promises an eventful assignment.



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