

>: Los Angeles Declares War on Colonel Sanders (and your portfolio)

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LOS ANGELES CITY-COUNCIL MEMBER JAN PERRY THINKS YOU ARE STUPID.

Dense. Dumb. Obtuse. Dim-witted.

She also thinks I'm stupid. Indeed, I think it's fair to say that Ms. Perry thinks everyone in America is stupid.

The good news is that unless you live in the City of Angels, there's not much she can do directly to "smarten you up".

The bad news is that she just led the city council to pass a law with ripple effects that could have a serious financial impact on investors all across America - and around the globe.

How can a law passed by a podunk politician from La-La Land harm your portfolio?

Let me explain:

There's a 32-square-mile chunk of LA where the obesity rate is 30% among children, higher than the normal Los Angeles average of 20% or so. Now a high obesity rate among anybody - let alone children - is nothing to sneeze at.

But it's the City Council's solution to this problem that I found particularly disturbing -

In a 13-0 vote yesterday, the City Council voted to ban new fast food restaurants from opening!

That's right - for a period of one year (the original plan was for 6 years), no new fast food restaurants will be allowed to open in a 32-square-mile-chunk of LA (heretofore referred to "FAT L.A." - Jan Perry's district).

In other words, the best excuse the Los Angeles City Council could come up with for high obesity rates is to point its finger at the fast food industry.

--Instead of looking at parenting or education or home life, they thought it wiser to stop another McDonalds (SYM: MCD) from opening.

--Instead of lowering taxes for people so that they can afford to eat better foods, they thought it wiser to prevent any more Carl's Junior (SYM: CKE) or Burger King (SYM: BKC) restaurants from appearing.

--Instead of creating incentives for businesses to come to Los Angeles to create good paying jobs (instead of kicking them out) the best the Los Angeles City Council came up with was to tell Pizza Hut and Kentucky Fried Chicken owner Yum! Brands (SYM: YUM) to get the heck out of dodge.

Now, every adult in America who doesn't commute to work in a little yellow bus knows what they're getting when they walk into a fast food restaurant. Sure, McDonalds might have what they like to call a "healthy menu".

But everyone I know who walks into a McDonalds or a Burger King isn't really going there to eat a salad - they're eating there because once or twice each year they like to order a double bacon cheeseburger, large fries and a Coke (SYM: KO).

As for the children - well, what ever happened to parental responsibility? Isn't the job of the parent - not the government - to educate their own children as to what should and shouldn't be eaten on a daily basis?

Is the City Council of Los Angeles actually saying that residents of "FAT L.A." are not qualified to make that decision for their children? Clearly they are.

Is the City Council of Los Angeles actually saying that the government of "FAT L.A." is better qualified to make decisions for their citizens? Clearly they are.

But this kind of nanny-state activism raises some awfully disturbing questions - such as, Where does it stop?

Will the City of Angels send somebody over to your house to make sure that you finish your vegetables each night? What about brushing your teeth? Cleaning your ears? Cutting your fingernails? How fast should "poopie diapers" be cleaned? What about dirty dishes? And when should you throw away old shoes? I have no idea on that one.

And what about ice cream? Are Los Angeles City Council members going to dress up in paramilitary clothes and raid supermarkets that carry Ben and Jerry's Ice Cream?

Last but not least, has anyone even considered the psychological impact on children who are residents of FAT L.A.? Would Cheech and Chong

have said they were born there instead of East L.A. if that was the case?

Where does this absurdity all stop? When do people start taking personal responsibility for their decisions? When do people start realizing that government is not part of the solution - it's part of the problem?

And worst of all - what if the laws being passed in "FAT L.A." get applied to other parts of the country? (I'd hate to see a FAT DELRAY where I live here in Florida - boy would I be in trouble).

If these silly laws did get applied to other parts of the country, what would that mean for the companies themselves? What about their stockholders?

(We all know if we let these health nuts from the west coast run wild on this one, fast food restaurants will be the next "Big Tobacco".)

While this may be bad news for the fast food industry in general, there is a silver lining. Any existing fast food restaurant in FAT L.A. won't have to worry about any new competitors. Indeed, if you own a restaurant in FAT L.A., the value of your business probably just went up by at least 50% in real terms (sounds like a motive doesn't it).

But that's not the only silver lining the fast food industry has when facing the fierce Rob Reiner-led granola crowd of Los Angeles activists...

The good news for the fast food industry is that they have an actual fast food war veteran to lead their attack against the City Council of Los Angeles....

And not just any fast food war veteran, an actual colonel - Colonel Sanders! If anybody could beat up on these beatniks I'm sure it's him!

That's the good news. The bad news is last time I saw him he looked like he was getting up there in years.

---To let Jan Perry know you are an adult who can make decisions for yourself and your children do so here: Jan.Perry@lacity.org.



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