

Dreaded surprise

Early retirement may come, ready or not

By GREGORY BRESIGER

Jean Broom, a 61-year-old human resources executive, had planned on working a few more years before retiring.

But those plans were hijacked last year when a visit to the doctor returned a diagnosis of leukemia: It was goodbye job, hello forced early retirement.

For many Americans, forced early retirement — from downsizing, family obligations or health reasons — would be a financial blow hard to recover from.

For Manhattanite Bloom, the bad health news came with a silver lining — she had been saving diligently for retirement for years so her finances would not weigh too heavily on her mind as she dealt with her new job — getting healthy.

"I put money in CDs, I put lots of money into my 401(k) plan. Yes, I'm glad I seriously saved since my 40s," Bloom said in a recent interview from her East Side apartment.

Never in a million years, though, did she think she'd have to rely on her savings so soon.

Bloom is not alone.

Sun Life Financial, in a recent survey, found that one in five Americans are forced into early retirement for various reasons. Millions of prospective retirees are not adequately preparing for planned or unplanned retirement, the study concluded — falling short of their retirement goals by \$400,000.

The Sun Life survey found that most of these early retirees didn't qualify for Social Security. And,

because of that, their retirement plans had been somewhat or greatly changed.

"Not only are Americans not saving enough for their planned retirement, but our survey found that more than one in five will retire on an average of eight years before they expected," said May Fay, of Sun Life Assurance Company of Canada (U.S.)

For Bloom, the financial issue was much easier to handle, by re-allocating her savings to best meet her new needs.

Almost 100 percent in fixed-income investments, her portfolio was re-jigged by her financial adviser to generate more growth and income.

"When I first met her, she was mostly in CDs and had very conservative investments in her 401(k)," said Darin Schnall, a financial planner with Schnall Advisory Services, in Manhattan. "She was vested in a pension plan and a deferred compensation plan."

Schnall switched her allocation to 20 percent stocks and 80 percent fixed-income to ensure that she would have enough to live on comfortably if she never returned to work. He also recommended that Broom immediately take a lump-sum payment on her deferred compensation plan instead of taking it in income at a later date.

A year after the diagnosis, Broom is feeling a lot better and hopes to return to work. Having the financial stability in hand that allows her the flexibility to make that choice is certainly icing in the cake.

Double trouble



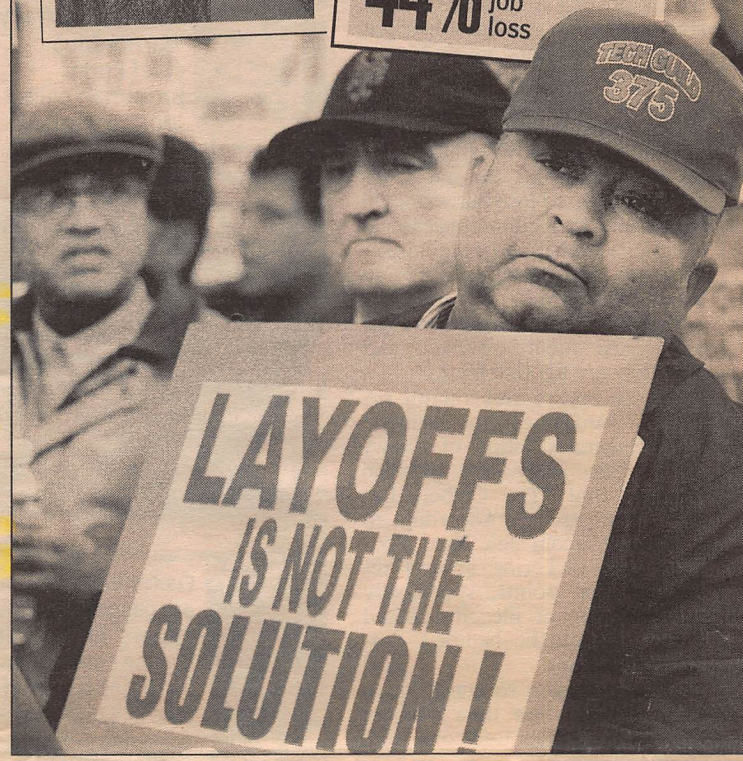
N.Y. Post: Julie Stapan

Health issues forced Jean Broom (left) into early retirement, but company layoffs are another common cause. Either way, it's a double-whammy — leaving no time to save and a longer retirement to fund.

40% of retirees retired earlier than planned

47% of those cited illness

44% cited job loss



PostBusiness

WORLDS @ WAR

Old, new media start battling over content

By PETER LAURIA
and HOLLY M. SANDERS

A war between old and new media has begun.

After peaceably co-existing for years, the analog and digital media worlds have swapped the first salvos over content in what could be a very messy — and costly — battle.

Earlier this month, Apple CEO Steve Jobs squeezed off a shot over the bow of the music industry by posting a 1,800-word missive seeking to abolish copyright protection on digital music files.

Why should he care about guarding intellectual property? While Apple rings up millions of dollars in profits by selling music on its iTunes site, the music industry stands to lose between \$90 billion and \$160 billion in revenue during its transition to digital distribution, according to a recent report from IBM.

It's jabs like Jobs' that have got old media feeling bullied, and now they are fighting back.

Viacom earlier this month ordered YouTube to remove 100,000 pirated clips of shows such as "The Daily Show with Jon Stewart" and "The Colbert Report" from its site. According to sources, Viacom felt that YouTube was dickering around regarding deal points, specifically how policing of illegally posted material would be handled, during negotiations.

Of the decision to stand up to YouTube, no less than Viacom Chairman Sumner Redstone said, "If you want to use us, pay us."

• The revolution will be digitized

New media is suddenly on the attack, after co-existing peaceably with the Old Guard for years. Old media is reacting with characteristic sluggishness that may be costing it billions.

Steve Jobs called last week for an end to copyright-protection encoding, saying it hasn't worked, **"and may never work, to halt music piracy."**



Warner Music chief Edgar Bronfman called Jobs' argument **"completely without logic or merit."**



You Tube
Broadcast Yourself

Lucrative opportunities are passing by slow movers. Disney's deal to license content for sale on iTunes is expected to take in \$25M this year.

