

J. J. F. HAS SEEN

Waxman Industries Inc.

Corporate Offices

24460 Aurora Road • Bedford Heights, Ohio 44126

June 22, 1992

The Honorable Nicholas F. Brady
 Secretary of the Treasury
 Fifteenth Street at Pennsylvania
 Washington, D.C. 20220

Dear Mr. Brady:

I just returned from a seminar held in Santa Barbara, California by Fortune Magazine, entitled Meeting the Challenges of Rapid Growth.

It is interesting to relate that there was a good cross section of different types of companies attending this seminar. The speaker at the dinner for the first night's conference was Richard C. Breeden, Chairman of the Securities and Exchange Commission.

This is a position that is extremely important for companies that are presently public and ones who are looking to go public and are attempting to raise money in the capital markets. I question how a young man such as Richard Breeden can be the Chairman of such an important agency as the SEC.

Here is a young man who spoke for almost two hours, explaining the history of the SEC and trying to relate how the government is helping business.

In this critical period when the banking system is so weak, the government needs stronger people to head up important agencies. Mr. Breeden is a poor example of leadership, in my opinion. He does not have the experience or independent thinking needed to help formulate policies that will really make it easier for companies to raise money in capital markets as well as other ideas that would help business in general. It is a sad testimony to the current administration that political appointments are primarily made in important areas of the government when experience, knowledge, expertise, and innovation are so badly needed.

Our current financial system needs more stability and less price fluctuation. We need to improve the ability for companies to raise money, not only in the capital markets but through the banking system. We need to eliminate the misuse of the RICO laws. We need to help companies that have gone through heavy borrowing periods to expand their companies so that there will be available capital for them to continue to invest in their business.

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The problem of unemployment goes back to our capital markets. The government has not come up with a shock absorber to the system. The savings and loan problem, the removal of capital from the market, and the lack of government direction have all contributed to the wild price fluctuation in the stock market and the weaknesses in the current financial system.

The senior leaders of the government need to review and change their thinking on political appointments such as Chairman Breeden so that important agencies are staffed with people that can help strengthen the country economically through policies that will help businesses grow and expand, both in bad times as well as good times.

Sincerely,

WAXMAN INDUSTRIES, INC.



Melvin Waxman
Chairman and
Co-Chief Executive Officer

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