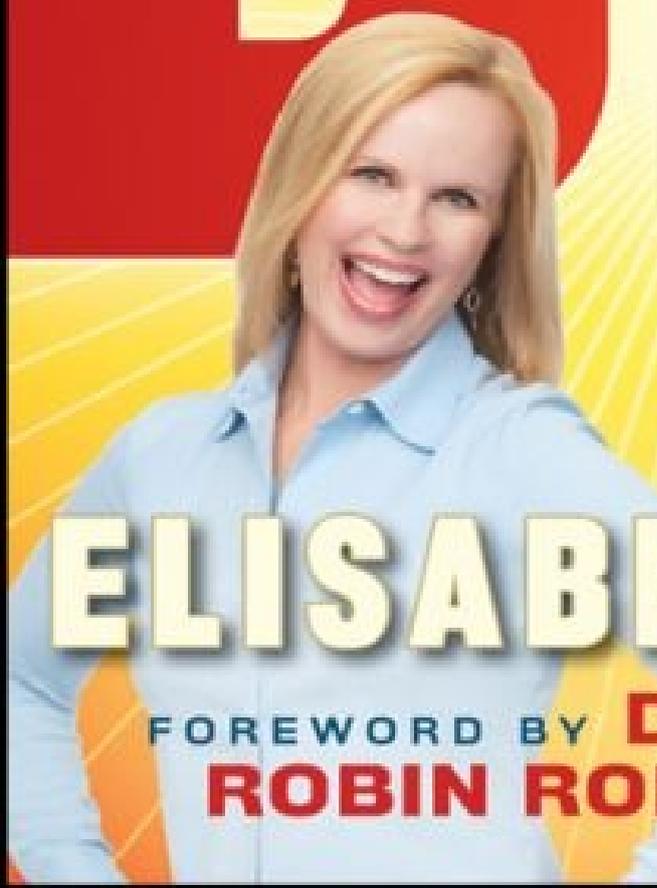


CUT YOUR TOP **5** COSTS
AND SAVE THOUSANDS!

SAVE

BIG



Good Morning America
Consumer Correspondent

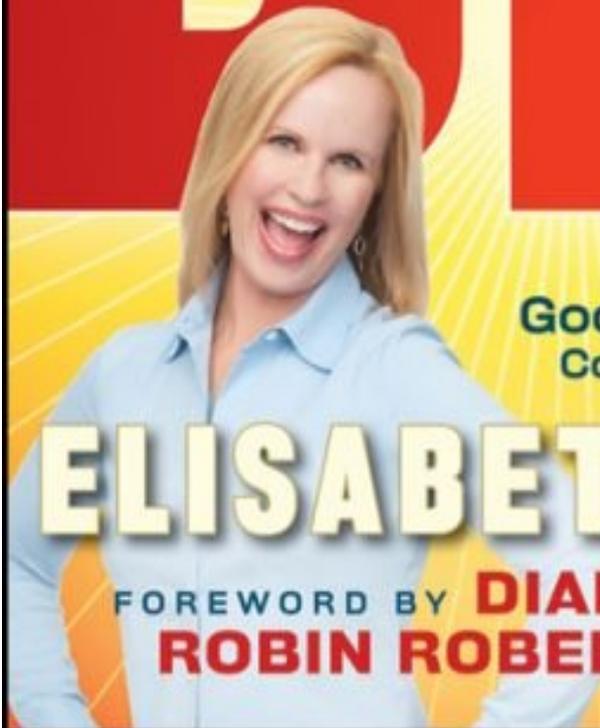
ELISABETH LEAMY

FOREWORD BY **DIANE SAWYER** AND
ROBIN ROBERTS OF ABC NEWS

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Additional Praise for SAVE BIG

“Elisabeth Leamy hits the bull’s-eye for this new era of thinking before you spend. It is easy to say spend less than you make. It is much harder to know how to do that regardless of income. If you follow Elisabeth’s easy steps for how to save on life’s big expenses, you will change your life.”

—*Clark Howard, host of the Clark Howard Show;
New York Times best-selling author of Get Clark
Smart and Clark’s Big Book of Bargains*

“Elisabeth Leamy puts her finger on why so many Americans struggle with money—they’re not thinking big enough! It’s the big expenses, not the lattes, that will swamp your financial plans. In her lively, engaging style, Leamy shows you exactly where and how to cut costs so that your money finally works for you, rather than against you. Using the suggestions in this book will save you thousands of dollars. It’s a great return on your investment.”

—*Liz Pulliam Weston, MSN Money columnist;
best-selling author of Your Credit Score: Your
Money and What’s at Stake*

“I’m a lifelong pump-my-chest penny-pincher. I’m a believer in sweating the small stuff to save your way to prosperity. But Elisabeth Leamy’s premise in *SAVE BIG* won me over. She reminds us all in an engaging way that it’s not just the pennies that count. It’s just as important to find big ways to save.”

—*Michelle Singletary, The Washington Post; nationally
syndicated “Color of Money” columnist*

“*SAVE BIG* takes a fresh and innovative approach to savings. Elisabeth Leamy focuses on big savings that have a lasting effect on our pocketbooks and our lives. Elisabeth takes on everything from healthcare to home purchasing, with clarity and precision. This book is a must read for people of all ages, no matter your financial knowledge.”

—*Melody Hobson, President, Ariel Investments*

“Elisabeth Leamy takes saving to a whole other level. Combining her savvy and seasoned knowledge of the consumer with common sense and a healthy dose of humor, she finds not only big dollar savings but a smarter path to better health. *SAVE BIG* is good medicine for all of us.”

—*Marie Savard, MD, ABC News medical
contributor; author of Ask Dr. Marie:
Straight Talk and Reassuring Answers to
Your Most Private Questions*

“Behavioral economists have found that people tend to take mental shortcuts when they make financial decisions—so they end up spending as much time choosing a mortgage as they do a big-screen TV. Elisabeth Leamy’s wise book reminds us that we can save big by investing more time on major purchases—and shows readers step-by-step how to get the best value for their money. This book offers a much-needed road map through the world of ‘gotcha capitalism,’ junk fees, and dynamic pricing.”

—*Laura Rowley, Yahoo! Finance columnist;
author of Money & Happiness: A Guide to Living
the Good Life*

SAVE BIG

**CUT YOUR TOP 5 COSTS
AND SAVE THOUSANDS**

ELISABETH LEAMY



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*For Kelsea.
Mommy can come out of the office now . . .*

Foreword

All of us at *Good Morning America* know that Elisabeth Leamy is the real thing. She is a tireless expert on personal finance and consumer reporting. She identifies what works and what does not. And she wakes up each morning a passionate champion of all consumers.

And now she's written a book to help all of us tackle and tame the daunting financial problems in daily life: how to cut the cost of favorite groceries in half; why she would never buy a new car; and the best advice on health insurance she ever got (it came from her dad).

Like Eli, the advice is practical. It takes the fear and anxiety out of saving money. We know she practices it in her own life. She even makes it fun to be smart and in control.

All of us at *GMA* can turn to Eli any day of the week to guide us through our financial and consumer questions.

We are so glad that now our smart and compassionate friend, through her book *SAVE BIG*, will be your guide, too.

ROBIN ROBERTS AND DIANE SAWYER
ABC NEWS
NEW YORK, NEW YORK

Acknowledgments

Several people saved *me* as I was trying to help *you* SAVE BIG.

First and foremost: Big, warm, mushy thanks to my husband Kris and daughter Kelsea, for their love, support, and patience during the writing process. My parents, Patrick and Jeanne, and mother-in-law, Joan, also played an important part in enabling me to write this book in a short three months.

I am still overwhelmed that my wonderful colleagues Robin Roberts and Diane Sawyer wrote a foreword for *SAVE BIG*. They are simply the best.

None of this would have happened without agents Henry Reisch, who pushed me to write another book, and Mel Berger, who sealed the deal with the fine folks at Wiley.

Neighbors Roxanne, Kris, and Kyle Haltmeyer fed me, educated me, and even contributed a SAVE BIG story to the book. Neighbor Sam Serebin actually responded to 2:00 A.M. e-mails asking for graphic design advice.

Thanks to Kathy Sullivan, “the most frugal mom in America,” for saying the words that cemented my BIG philosophy.

Jim Murphy of *Good Morning America* gave me his blessing. David Peterkin was so efficient and encouraging. Ida Astute, Donna Svennevik, Brett Oronzio, and Michelle Cutler made me look glam.

Candy Butcher, Michelle Katz, Todd Mark, Stephanie Nelson, Chrissy Pate, Marie Savard, and Carolyn Warren lent me their expert knowledge.

I was lucky to have Lauren Appelbaum as my thorough, thoughtful researcher just long enough to fill in all the blanks.

And finally, thanks to all the friends and family whose names I borrowed. You know who you are. Or you will, when you read the book!

ELISABETH LEAMY

Introduction

My savings sage—the one who crystallized everything I had ever thought about saving money—was a bleached-blonde mom ever thought about saving money—was a bleached-blonde mom wearing orange mood lipstick and towering, clear plastic high heels. She had this skittish way of laughing after she made an important point. You would think some imposing, paunchy, appropriately graying guy would have been my guru. But no . . .

Good Morning America had dispatched me to the Chicago area for a story about “The Most Frugal Moms in America.” I admit I went with a resigned, well-at-least I’ve-got-this-down-to-a-science kind of dread, expecting an interview about creative ways to reuse cottage cheese containers and old pantyhose.

But then I met this savvy single mom who had paid off her mortgage in five years. Twice. On two different homes. She had even gotten laid off and managed to stay home with her kids for two years—without a job—because she kept her expenses so low.

“How do you do it?” I asked, with awe.

“I try to focus on the big stuff,” she replied.

Then she let out that cute, kooky laugh. But I didn’t really hear it this time because I was having my own little epiphany. Of course! I had never put my philosophy into words before, but there it was. I’ve always preferred to save a *lot* of money on a *few* things rather than a *little* bit of money on a *bunch* of things. I like to SAVE BIG. Not small.

I’ve never read a book that sees it my way. They all list a litany of what I call Small Stuff Savings on the premise that “every bit counts.” Switch to low flow showerheads, save \$5. Inflate your tires properly, save \$9. Use your own bank’s ATM, save \$3. Pack your lunch, save \$7. And the all-time favorite target: Skip your morning latte, save \$4.

Brace yourself, now, because my advice is to go for it! *Have the latte!*

No, the Coffee Council is not paying me off. No, I’m not caffeine-addled. I don’t even drink coffee! The point is, why give up life’s little pleasures and conveniences when you can save money by attacking a few BIG expenses instead? In fact, you can save *more* money my way. You can SAVE BIG. The key is to identify the areas where you *spend* the most money, because that’s where you can *save* the most money.

The five things we spend the most money on are:

1. Houses
2. Cars
3. Credit
4. Groceries
5. Healthcare

I'm going to show you how to save tens of thousands of dollars in these five parts of your financial life. For example, refinance into a shorter mortgage and you can save \$103,536. Find out about a secret warranty where the manufacturer fixes your car for free and save \$1,200. Raise your credit score just 100 points and save \$93,600. Stockpile groceries when they're on sale instead of when you need them and save \$5,772. And pick and choose your prescriptions to save \$6,350.

As you can see, I don't believe in pinching pennies. I like to pinch \$1,000 bills! In fact, every tip in this book has the potential to save you at least \$1,000. Anything less than that didn't make the cut. This book contains \$1,176,916 worth of savings in all. You would have to deny yourself 294,229 lattes to save that much money!

BIG SAVINGS:	Small Stuff Savings:
	
\$1,176,916	294,229 lattes

These savings are possible for anybody who lives somewhere, drives places, charges stuff, eats food, or gets sick sometimes—and wants to do it all for thousands less. In the wake of the tumultuous economic times that began in 2008, there's renewed interest in saving money. My message is that it doesn't have to be a drag.

SAVE BIG (not small) and I think you will find that you save something even more precious than money: time. The puny savings ideas other authors tout take a lot of time. They need constant maintenance. They require willpower. In the face of a zillion different daily deprivations, most people fail. I find it much easier to channel my energy into a few BIG cost-savers that I only have to tackle every once in a while.

That's why most of the savings strategies in this book are things you only have to do every few years. The precise rankings of our top five costs don't really matter. The point is that they are BIG. In each Part of the book, I add up the BIG SAVINGS I'm about to show, then make a Small Stuff Savings comparison, just like I did with the lattes. You won't achieve these savings all at once, but each time you try one of my ideas you will SAVE BIG.

But wait! There's more! I've scattered BIG SECRETS throughout the chapters—insider information that will help you keep *your* money in *your* wallet. Then I summarize each chapter with my list of BIG TIPS, your action plan to get started saving.

My website, www.ElisabethLeamy.com, is a companion to the book, organized chapter by chapter. Every time you see a website or calculator mentioned in *SAVE BIG*, you can go to my site and I will link you to the precise page that you need, so you don't have to hunt for it. I've also included recommended reading and other

resources on my site.

You can read this book cover to cover and become one super saver. Or read the house, car, credit, grocery, and healthcare sections when you need them as you go about your life. Each Part of *SAVE BIG* is broken down into bite-size chapters that you can get through in the time it takes . . . to enjoy your latte. Remember, you've got 294,229 lattes to look forward to, because I show you how to save \$1,176,916 in the pages of *SAVE BIG*!