

To Clients, Colleagues, and Friends,

After more than four decades at Tweedy, Browne, and the inescapable fact that there is no way to halt the relentless march of time, I have decided to step back from my involvement in certain aspects of the business. Going forward, I will be relinquishing my position on the management committee as well as my official titles on the boards of our funds. By no means, however, do I consider this letter a farewell address and the end of my involvement with an organization where I have spent the last forty-two years with a group of extraordinary and talented individuals. I would add, that today, I believe the team at Tweedy, Browne is stronger and more talented than at any point of my history with the firm. As has been the case up until now, I will continue my active participation on the Investment Committee, assuming the title of Senior Advisor to the Investment Committee. The reality is, the committee will continue to function as it has over the past several decades, where my voice has been one among a group of thoughtful, talented and principled individuals whose commitment to their fiduciary obligation to clients has never been in doubt. Perhaps the direction in which I am travelling could best be summed up by the words of General Douglas MacArthur upon his retirement, when he said, “Old soldiers never die, they just fade away.”

My decision has been both difficult and easy; difficult for the simple reason that the passage of time brings with it the realization that the time for stepping back has arrived. More importantly, however, I want to emphasize why the decision has been an easy one, and that rests on the simple fact that the principles on which this firm has been built are deeply ingrained in its culture. First, the firm rests on a culture of integrity, and culture shapes and defines an organization every day the doors open for business. Howard Browne, on his retirement over forty years ago, said to me, “Be honest — your friends and clients will forgive you for the inevitable dumb mistake, but they will not, and should not, forgive you for a dishonest mistake. Also, be humble, and good luck.” Howard understood a long time ago how culture shapes and sustains an organization, and I have a deep sense of pride in how this continues to be a hallmark of the firm.

Secondly, we have managed the firm with a simple goal of being “best in class” in terms of the investment approach we apply to the management of your and our money. We have never aspired to be all things to all people, but rather have continuously strived to strengthen and sharpen our skills in applying what we refer to as Ben Graham’s big idea — that a share of stock is a fractional ownership interest in a business. Figure out the value of that business to a reasonable degree of certainty, pay a reasonable price for it, and your capital will grow. Nevertheless, there are periods of time when this is a very lonely process, and the past several years have been one of those periods. William Faulkner on receiving the Nobel Prize for literature in 1949 said in his address, “I decline to accept the end of man.” Taking literary license, I decline to accept the end of value investing. While there is no Newtonian apple in the business of investing, the logic of Graham’s simple idea remains compelling in its simplicity and applicability.

I will be reachable (as I always have been, which at times is not easy) through my invaluable assistant Lisa Griffith at Tweedy.

- Will Browne

