RV Capital

Meggen, 11 July 2017

Business Owner TGV vs. the DAX

Year	Annual % Change in Business Owner (1)	Annual % Change in the DAX (2)	Relative Results (1-2)
2008 (3 months)	-13.4%	-17.5%	4.1%
2009	31.1%	23.8%	7.3%
2010	27.0%	16.1%	10.9%
2011	6.5%	-14.7%	21.2%
2012	18.4%	29.1%	-10.7%
2013	31.9%	25.5%	6.4%
2014	24.9%	2.7%	22.2%
2015	46.7%	9.6%	37.1%
2016	-1.1%	6.9%	-8.0%
2017 (to 30 June 2017)	11.6%	7.4%	4.2%
Compounded Annual Gain 2008 – H1 2017	19.8%	8.9%	10.8%
Overall Gain Sep 2008 – H1 2017	384.8%	111.4%	273.5%

Dear Co-Investor,

The NAV of Business Owner was EUR 484.83 as of 30 June 2017. The NAV increased 11.6% since the start of the year and 384.8% since inception on 30 September 2008. The Dax was up 7.4% and up 111.4% respectively.

How Did Our Companies Develop In 2016?

In my half yearly letter, I like to reflect on the operational performance of our companies in the previous year. This is based on the belief that in the long run the value of our fund is driven by the operational development of our companies as opposed to the gyrations of the stock market.

Given the decline in the value of the fund in 2016 compared to a near 50% gain in 2015, you are probably thinking our companies had a much tougher year. In fact, for the most part they picked up where they left off in the prior year.

Out of the companies which were in the portfolio for the full year, the stand-out performers were Alphabet, Grenke, and Credit Acceptance. Together, they accounted for roughly half the portfolio at year-end. Grenke grew its earnings per share by 27%. Alphabet grew GAAP earnings per share (which includes stock based compensation) at 23%. Credit Acceptance grew its Non-GAAP earnings per share (which in my view better reflect reality than GAAP) at 19%. GAAP growth was 14%. These are wonderful developments that deserve loud and enthusiastic applause.

Berkshire compounded it book value per share (a better indicator in the change of value than EPS) at 11%. Berkshire cannot compound as fast as our other holdings, but it brings considerable stability to the portfolio and a very decent rate of growth.

TFF bounced back strongly in the fiscal year ending April 2017 after a tough 2016. Earnings per share grew by 11%. The new facility for Bourbon barrels in Ohio was an important contributor. It achieved sales of US$20m in its first year of operation, a figure which will most likely double in the current fiscal year. Jérôme continues to do a fantastic job allocating the company’s capital.

Novo had adjusted operating earnings growth of 4%, which after the reduction in the share count equates to earnings per share growth of just under 6%. It was a disappointing year for Novo as I discussed in my 2016 letter, but that it still made significant earnings progress is testament to the strength of the business model.

Bergbahnen Engelberg-Titlis-Trübsee had a tough year through to October 2016 as the Paris terror attacks led to a decline in tourists from Asia. Net income per share declined by 46%. I expect though a strong rebound in the current year as Asian tourists return.

Trupanion grew revenues at 28%. I consider revenues to be a better proxy for the operational development as the company continues to invest its earnings in new pet acquisition. The company also made substantial progress towards profitability. It achieved an adjusted operating margin (before new pet acquisition cost) of 8% and reached free cash flow breakeven in the second quarter.

What was the increase in earnings power in 2016?

I estimate that the companies in Business Owner increased their earnings power in aggregate by a range of **10% - 15%** in 2016.

A range is more appropriate than a precise figure as several factors are subject to judgment, such as how to deal with changes in weighting of the individual companies over the year.

At the low-end BETT and Novo had disappointing developments, but collectively only account for about 15% of the portfolio. The results from the others ranged from 11% (Berkshire) to 27% (Grenke) on a recurring basis. Dividends were not a major factor.

In addition to gains in underlying earnings power, we also benefitted from the strength of the Dollar in 2016. I estimate it added around 2% to the Euro based returns.

Including the strengthening of the Dollar, I estimate the earnings power of the fund increased by around **15%** in 2016. This is not as strong as the 30% gain in earnings power in 2015, but a satisfactory performance nevertheless.

Purpose

One of the challenges in writing an investor letter is what to put in and what to leave out.

Thus, if I preface a quote by Warren Buffett with a lengthy description of who he is, you may find your attention drifting. You know who Warren Buffett is (I assume – if not throw this letter in the fire and start reading his). If, on the other hand, I start talking about Simon Challies without explaining who he is, you may quickly feel disorientated and again find your attention drifting (I will introduce Simon later in this letter).

It occurred to me with horror recently that in my past letters, I have generally written about the keen sense of purpose at our companies without explaining why purpose is important. I always assumed it is obvious why purpose is important, and I suspect it is, but just in case I thought it would be worthwhile to explain why.

Why is purpose important?

Obviously, all other things being equal, I and presumably everyone else, would prefer a company to have a higher sense of purpose than not. After all, what is not to like about a company that makes money hand-over-fist and makes the world a better place?

For sure nothing, but the importance I place on purpose goes way beyond a nice to have extra, the icing on the cake so-to-speak. It also goes beyond the narrowly ethical. Although I greatly approve of all endeavours to improve people's lives, I would not, for example, invest in a company that was doing important things, but lacked any prospect or interest in making money. For a while, this was why I ruled out investing in Amazon, though in hindsight my time horizon was not as long as it should have been.

Purpose is important as I believe that companies with a keen sense of purpose will improve people's lives and prove to be superior, vastly superior, investments. These two attributes do not stand in opposition to each other. They do not either stand independently of each other. They are intimately connected.

Consider the role of purpose from the perspective of a company's different stakeholders:

Employees are more motivated

Employees who feel purpose in their work are more motivated and hence more productive and creative. This is perhaps somewhat counterintuitive. There is a widely held belief that people are motivated, above all, by money. This is reinforced by frequent financial scandals, which often have financial incentives gone awry at their root cause. The recent scandal at Wells Fargo is just one example in a lengthy line.

People lacking in food or shelter are indeed primarily motivated by money, but once the basic needs are covered, other factors come into play. In an excellent talk at https://youtu.be/u6XAPnuFjJc, Dan Pink describes how financial incentives can be demotivating. According to Dan what motivates people is autonomy (the sense of freedom to do what you want), mastery (the sense of getting better at something through practice), and, above all, purpose (the sense that there is a point in what you are doing). If you are still sceptical, imagine your parents' reaction if you tossed them a tip after they finished preparing dinner for the family.

A quick aside: if you are wondering which career path to go down or advising a younger person on the same question, I believe Dan´s mental model is a far more actionable one than the more traditional advice of "follow your passion". If you have been playing the violin since the age of 5 and it is all you ever wanted to do, that is great. Back in the real world, if you have not got a clue what you want to do, look for a company that gives you autonomy, the opportunity to learn, and is doing something meaningful. Irrespective of what the company makes or what service it provides, the passion will come.

Customers are more likely to be fans

At a purpose driven company, the customer is also far more likely to receive a product or a service carefully tailored to her needs rather than what happens to be in the company's short-term financial interest. As a result, she is far more likely to be a fan of the company and refer it to her friends.

Society benefits

Society too profits from companies that follow a strong purpose. The lives of its citizens are improved whilst employment and tax revenues are generated. As a result, it is far more likely to provide an accommodating regulatory backdrop and avoid penal taxes.

Shareholders win

It goes without saying that we as investors greatly benefit from companies with motivated employees, enthusiastic customers, and a supportive society. These are the

inputs that go towards creating financial success. The financial success itself is just the output.

One New Investment

I added one new company to our fund in the first half of 2017: Ryman Healthcare.

Ryman designs, builds and operates integrated retirement villages in New Zealand and Australia. In total, it owns 30 villages in New Zealand and one in Australia. Here is an introductory video to the company: https://www.youtube.com/watch?v=msNBZCOoHus.

I was first introduced to Ryman by my friend and fellow investor, Dan Abrahams. At first, I was sceptical as I have frequently found the retirement sector attracts unsavoury characters with questionable business practices. Over the last year, I have come to realise what a special company Ryman is. I hope to be able to communicate some of my enthusiasm in this letter. My congratulations to Dan for surfacing one of the most interesting companies I have ever come across in one of the furthest flung corners of the planet from a European perspective.

About Ryman

Ryman was started in 1984 by Kevin Hickman and John Ryder. Prior to starting Ryman, Kevin was a police officer and investigated a fire at an old people's home. He was shocked by the conditions he found there and felt he could do better. Out of this conviction grew a company that today cares for over 10'000 residents and employs over 4'500 staff. Kevin is still involved in the company today both as an active board member and one of the company's largest shareholders.

Ryman villages offer a range of retirement living and care options, such as independent townhouses and apartments ("ILUs"), and serviced apartments ("SAs"), as well as a care centre, which provides rest homes, hospitals, and dementia level care. They are set in well-appointed gardens with a wide range of communal facilities including swimming pool, gym and cinema.

It is the only operator that offers the full continuum of care at all sites. This provides residents with the peace of mind that they will be taken care of, no matter what and "Mum won't be separated from Dad" if one partner´s health deteriorates.

Ryman has four sources of earnings. It earns management fees (a kind of rent paid by the residents of the ILUs and SAs), care fees (paid mainly by residents in the care centre, but to a lesser extent by residents of the ILUs and SAs), a development margin (on the initial sales of occupancy rights for the ILUs and SAs), and a resale margin (on the subsequent resale of the occupancy rights).

Occupancy rights confer the right to the resident to stay in a ILU or SA for the remainder of their lives. To acquire this right, residents pay Ryman an occupancy advance ("OA"). Its value is roughly equivalent to the market value of a comparable house or apartment in the same location. When the resident vacates the unit, the OA is returned less the management fee of 4% p.a., capped at 20%.

The occupancy rights model has been a powerful flywheel for Ryman. It allows Ryman to recycle capital from completed villages into the construction of new ones. At the same time, Ryman earns care and management fees at completed villages, and benefits from the long-run appreciation in house prices.

Yes, it means Ryman retains the price risk (should the property market decline) and liquidity risk (should it be unable to resell vacated units to repay the OA). However, in my view, these risks are unlikely to pose an existential threat to the company.

First, the long tenure of residents (seven years for ILUs and three to four years for SAs) insulates the company from short-term fluctuations in property values, especially after the deduction of management fees. It also means that the liquidity requirement in any one year is low relative to the size of the company. Second, the gap between the median house price and an ILU has increased over time. For example, the median house price in Auckland is NZ$1.2m vs. 0.8m for an ILU. This provides a buffer against a decline in house prices. Third, the decision by a resident to enter a village is a needs-based as opposed to a lifestyle decision. This should insulate Ryman from the vicissitudes of the property market. Fourth, it is conservatively financed and has stable and growing earnings from care and management fees.

Over time, Ryman's model has worked well including in the Great Financial Crisis. Since raising NZ$ 25m at its IPO in 1999 at a valuation of NZ$ 135m, it has built over 7'000 retirement living units and care beds, grown its equity to NZ$ 1'652 and paid out over NZ$500m in dividends.

Why invest in Ryman?

When I invest in a company, I am looking for a business I understand, a strong and growing competitive advantage, a management of complete integrity, and an attractive price. How does Ryman stack up against these four criteria?

Will Ryman be around and flourishing in ten or more years' time?

As a provider of aged care, Ryman fulfils a basic and unchanging human need: the need for care and compassion once we are no longer able to take care of ourselves. The unchanging nature of underlying demand has considerable appeal at a time when virtually every business seems to be on the cusp of being disrupted.

The need for aged care should grow over time given the aging population. NZ Statistics expects the number of over 75-year-olds in New Zealand to triple to 731'000 over the coming 30 years. A similar trend is expected in Melbourne, Ryman's other major market.

Needless to say, there are various apps and peer-to-peer services which aim to improve care in the home, however they do not replace the need for specialised care once an individual's health deteriorates beyond a certain point. Furthermore, they cannot replace the quality of life and companionship in a Ryman village. Residents enjoy fantastic facilities, regular activities and, most importantly, are embedded in a community. They have a lot of fun: https://youtu.be/ebD_drWYVaI.

Is Ryman building a long term sustainable competitive advantage?

Given that Ryman develops and operates villages, it may not jump off the page that Ryman has a moat. After all, can't anyone with deep enough pockets build an integrated retirement village?

In my view, the company has a wide moat, and it lies first and foremost in its culture.

A culture of care

Ryman's culture places care at the centre of everything it does. It can be seen in all aspects of Ryman's business. Its villages are designed around the needs of the resident with a full continuum of care options. It regularly recognises care givers for small acts of

kindness. And its financial terms are fixed upon entry to the village, to provide residents with peace of mind that they will not be financially embarrassed.

The culture of care extends also to staff. Ryman recently launched new uniforms for its caregivers, designed by Annah Stretton, a well-known fashion designer. The uniforms are beautiful and functional. They were launched at a fashion show, modelled (of course) by the people who would subsequently wear them: https://youtu.be/mlQWD97nWQE.

It may seem obvious that a care home provider places – doh! – care at the centre of its business model. Most providers probably start out with the best intentions, but first-class care frequently conflicts with an operator's short-term commercial interests. When this happens, the shareholder value mantra normally wins through. For example, many competitors minimise the size of the care centre or eliminate it altogether as it is a less profitable use of land than ILUs. Ryman by contrast builds substantial care centres. It is less profitable in the short run but constitutes a superior value proposition to residents. This feeds through into price appreciation of its residential units over time.

Reputation

Ryman villages enjoy a fantastic reputation. This is of course in large part due to the culture of care described above. Reputation is a powerful factor given that its villages are situated in the heart of communities and serve retirees from within those communities.

It is a virtual certainty that a potential resident at a village will know one of its existing residents and seek out their opinion. This, combined with the likelihood that potential residents will most likely want to enter the village where their friends are, perhaps even constitute a minor network effect.

Greater Scale

Ryman is the largest builder of retirement villages in New Zealand and Australia. This allows it to make many small efficiency gains, which accumulate into a significant cost advantage vs other players. For example, it can continuously improve and reuse designs for new villages, and procure furniture and fittings at favourable terms.

Ryman also has the scale to invest in proprietary technologies. For example, it developed myRyman, an app for the provision of rest home care. Development of the app was spurred by the dilemma that whilst there are good solutions for both rostering and care provision, there were none that combine the two. This is a major problem as the care experience is superior for both the resident and the caregiver if the two form a bond over time. MyRyman solves this by combining both functions. A further benefit of the app is that it allows the caregiver to spend more time with the resident as paperwork is reduced.

A short video about myRyman is here: https://youtu.be/4ON5qSBQANU. I can imagine myRyman becoming a substantial business if Ryman decides to sell it to other operators.

Prime Locations

As a result of being an early mover in building integrated villages, as well as smart buying, Ryman has sewn up the best locations in its mature markets. As I drove around Auckland with Ryman's competitors, they conceded that Ryman generally had the best locations – meaning they are situated at the heart of the most affluent neighbourhoods. This should mean that in a weak property market, it is the competitors who are left holding the marginal capacity.

Is the moat widening?

Most importantly, Ryman´s moat is widening. Its culture came from the founders, but it is reinforced every day by the financial success the company enjoys. The idea - that the better the care it provides to the residents, the more successful it will be – is part of the company´s DNA. When I walked around the company´s offices, I could feel the energy that came from doing work with a strong purpose and playing on a winning team. It is a potent combination.

Ryman´s reputation grows over time as well. For example, at a consenting meeting for its second site in Melbourne, the company was swamped by prospective residents trying to put a deposit down even though the sales process was yet to begin. Clearly, word had spread about its first village.

Ryman´s investment in technology is not limited to myRyman. I had high expectations about the company before undertaking the odyssey to New Zealand, but I did not expect it to be investing in AI and social networking. It is. It is experimenting with AI to spot a deterioration in a resident´s health through the data surfaced by myRyman, and it has implemented an internal social network to allow employees to get help with problems and share best practices. It is difficult to imagine Mom & Pop retirement home operators making similar investments. If Ryman can harness data to improve patient outcomes, this could also become a minor network effect over time.

A purpose-driven Management

It is difficult to overstate how highly I think of the company´s management. I had the privilege to meet the company´s long-time CEO, Simon Challies, at the company´s offices shortly before he was forced to step down due to a debilitating illness. He is without question the most purpose-driven CEO I have ever come across. His words when he announced his retirement were deeply moving and I recommend listening in to the company´s 2017 results presentation at around the 21 minute mark. http://edge.media-server.com/m/p/agv4zgtt.

I frequently get asked how I spot great managers. The truth is that sometimes it hits you like a sledgehammer. It does not take a genius to feel the fracturing of bone as a sledgehammer burrows into the skull.

Sadly, Simon will exit the day-to-day running of the business, but his successor Gordon "Gordy" MacLeod and most of the other senior management are long tenured and share similar values. The company also has an active supervisory board including the founder and a hands-on chairman in David Kerr, so this will provide further continuity.

I also had the chance to see some of the younger generation of senior executives. They are an impressive group. Without any background in IT, Nicole Forster, the head of HR, led the development of myRyman as a side project to her day job. Andrew Mitchell, the head of development, regularly beats his counterparts to the best sites, sometimes without an auction as sellers approach him directly.

Is the price attractive?

Ryman is in many respects a difficult company to value. As a developer and owner of retirement villages, roughly half its revenues come from capital gains from the initial sell down of the villages as well as subsequent resale profits. This makes any single year´s earnings an unreliable indicator of the underlying earnings power. Earnings are influenced by the timing of completion of new villages as well as the vicissitudes of the property market. Furthermore, there is a considerable amount of estimation in the reported earnings. Construction costs, for example, are allocated as occupancy rights to

ILUs and SAs are sold, long before the village has been completed and the final build cost is known.

These problems make earnings a less reliable indicator of the company´s earnings power than at our other companies. In my view, underlying earnings are nevertheless useful (underlying earnings include realised gains on property but exclude changes in fair value).

The company has a long track record of delivering a development margin of between 20 and 25% on new developments. Given that the decision by a resident to move into a village is a needs-based as opposed to a lifestyle decision, sell-down should be far less sensitive to the economic cycle than at a typical property developer.

Future resale gains are largely known today barring a dramatic decline in property values. The company has around NZ$ 750 m of embedded gains in its portfolio due to price appreciation in the New Zealand and Australian property markets in recent years. They will filter into realised gains as the company resells units (the average tenure for an ILU is seven years).

The other two components of the company´s revenues – care and management fees are bond-like in their predictability.

My best estimate for underlying earnings for the current fiscal year is NDZ 208 m. If the company is unable to open Brandon Park, its second village in Melbourne this fiscal year, some of the earnings will be pushed into the 2018/19 fiscal year.

At NZ$ 208 m, we paid around 20x earnings. This strikes me as a fair price for a great business. For this price, we get a company with the ability to invest enormous amounts of capital at high incremental rates of return and a long growth runway. For example, Ryman has only one village in Melbourne, a city which has a similar population to the whole of New Zealand, where it has 30 villages.

In view of the uncertainty around earnings, I believe the book value provides a useful alternative measure of value. The company had a book value of NZ$ 1’652K as of March 2017, implying a price to book ratio of 2.5x. If you believe the company should be valued off its current portfolio with perhaps some credit for its development pipeline, this probably strikes you as high. If, like me, you believe the company can reinvest capital for a long time at attractive returns, it is low.

At historical cost, i.e. without revaluing property to its current market value, I estimate that the company has achieved a return on equity of around 30%. This is of course a function of its profitable business model as well as the “float” that it generates through the sale of occupancy rights. Companies that can invest incremental capital at 30% are worth far more than 2.5x book.

In a nutshell

What I love about Ryman´s business model is the win/win between residents, employees, society, and shareholders.

Residents gain the peace of mind that they will be taken care of, whilst at the same time freeing up capital. Employees are satisfied and motivated. Society sees its old folk properly taken care of at a fraction of the cost of, for example, hospitalisation. In addition, living space is freed up for younger families as older people move out of their family homes into higher density retirement accommodation. Ultimately, shareholders benefit too when all other stakeholders are taken care of.

I feel very good about the work Ryman is doing and the people we are associating ourselves with. I am looking forward to a long association with the company.

On Evaluating Management

In May, I held a presentation called "Identifying managers with talent and integrity" at Bob Miles' Value Investor Conference in Omaha. I thought I would summarise some of the key points here.

If you prefer admiring my handsome features to the monotony of the written word, you might want to go instead to the video… https://youtu.be/DoKb51qhJV4.

Still with me? I thought so.

Long-time investors in Business Owner will not be surprised to hear I argued that it is both important and possible to form an opinion on the character of a management.

But what are the characteristics that one should look for?

Historically, I have posed the question for each of our investments:

"Does the management possess talent and integrity?"

One of the benefits of preparing a talk is it forces me to think about what I do and formulate it in such a way that it makes sense to someone who does not know me. Whilst doing this, I realised that one thing in how I think about management had changed in a subtle but important way.

Like most of the things I have learnt about investing, the idea of seeking talent and integrity came from the teachings of Warren Buffett. If I do not preface every paragraph I write with the words "as I learnt from Warren Buffett", it is not to take undue credit for ideas which will almost certainly prove timeless, but because I assume the reader knows that concepts such as "moat" are his intellectual legacy and not mine.

However, I came to realise that the ideas of "talent" and "integrity" speak to an organisational model for companies which I no longer explicitly seek.

Historically, all the decision-making power at a company was focussed on the guy (it nearly always was a man) at the top. Under such a system, it was essential that this individual was hugely talented and working every hour God sent. Every decision was going through him. As a result, the number of decisions he got through and the quality of those decisions was a decisive factor in the company's results. It was also important that he had integrity in the narrow sense that he was not out to steal the company's money. As the company was so dependent on him, there was little anyone could do about it if he decided to direct the company's funds towards his own enrichment.

Today, what I seek are companies where decision-making is pushed down to the lowest possible level, ideally to the person dealing with the customer. This provides an experience for the customer which is more tailored to her requirements and is more fulfilling for the employee. It is a superior organisational model that creates a win/win.

The flipside of more responsibility for the employees is, of course, less for the leaders. On the one hand, this makes the CEO less important – other people are doing the heavy-lifting. On the other hand, it makes him more so. Absent direct instruction, employees will act in a way which they feel is consistent with the company's values and priorities. In other words, they will be guided by the invisible hand of a company's culture.

In such a world, the role of the CEO becomes more important. The CEO is the source of a company's culture in the case of the founder and, in the case of his or her successor, its guardian. Seen through this lens, the key characteristic to seek in a CEO is integrity, but integrity in the expanded sense of setting the right example. Talent is of secondary import and may even be an active hindrance if the CEO's genius prevents employees from making their own decisions. To use a soccer analogy - Who would offer to take penalties if you had Messi in your team? In a modern corporation, everyone needs to step up to the spot.

When I think of the ideal CEO, Brett Roberts, CEO of Credit Acceptance, springs to mind. Credit Acceptance has effective and innovative processes covering all the important aspects of its business such as selling, underwriting, and collecting. It has a talented group of senior executives who oversee their respective parts of the business. It has employees who are motivated and empowered. Were Brett to leave the company, I doubt the company would miss a beat.

And yet, it is difficult to overstate how important Brett is to the company. Brett is the guardian of the company's culture through the example he sets. Shareholders get a small taste of this through his annual letter, which is honest, thoughtful, and pertinent.

The real magic though happens within the company. Brett spends a large part of his time communicating with employees, for example through regular town hall style meetings. Employees have a forum where they can air any grievances or suggest improvements and, crucially, these are either acted upon or else a thoughtful response is put on the company's intranet. The direct benefit is that problems are nipped in the bud and small incremental improvements are made. Make no mistake: these small incremental improvements accumulate into something substantial over time. The indirect benefit though is fostering an environment in which employees feel empowered to engender change.

You may be aware that Credit Acceptance generally does well on surveys of employee satisfaction such as Great Place to Work®. What you may not know is that on the criteria of "communication" it comes top.

A new question

I am always thinking about how I can simplify or improve how I invest. Ideally, I want to do both. In the light of the above, it is obvious that talent no longer plays as central a role in how I allocate capital as it once did. Integrity is far more important, albeit a more expanded understanding of integrity. It therefore seems appropriate to change the question to:

"Does the management set the right example?"

The word "right" is of course ambiguous and will no doubt mean different things to different people. This need not be such a bad thing. Different companies have different values. For example, at Amazon, the customer comes first. At Google, technology does. Neither is right or wrong, and both can lead to great outcomes, as is plain to see. The important thing is that the CEO is setting *an* example. Rather like the supreme court judge describing what constitutes pornography, I'll know the right example when I see it.

It is important to me to explain to you, the investor, how my mental model of investing evolves over time. In the positive, I want you to understand how I am allocating our capital. I also find the act of explaining helps me to clarify my thinking and, in some cases, form it. In the negative, it provides you with the opportunity to seek out a

different partner, if you feel what I am doing has evolved too far from what you originally signed up for.

2018 Investor Meeting in Engelberg

My investor meeting for English-speaking investors will again take place in Engelberg on 27 January 2018. On the 28 January 2018, there will be a meeting for investment managers, the purpose of which is to foster the next generation of independent fund managers. I am happy to say that Mr. Wolfgang Grenke, founder of Grenke, will join us for the investor meeting, so you will be able to hear directly from the founder of our largest and longest standing investment.

I will send out details of how to sign up in the coming weeks and look forward to seeing as many of you in Engelberg as possible.

Yours sincerely

Robert Vinall