

# **Lessons Learned from “Global Value” Equity Investing**

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Ben Graham Centre's  
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**Thomas A. Russo**  
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**Gardner Russo & Quinn LLC**

- **Five Pillars**
  - **“Cannot Do Without”**
    - Pricing Power
  - **“Capacity to Reinvest”**
    - Be right once, large TAM
    - e.g., Apple – vast total addressable markets drive tax deferred increase in wealth
  - **“Capacity for Management to Suffer”**
    - E.W. Scripps Company/HGTV
  - **Avoid Agency Cost**
    - Rely upon family-controlled companies
    - Tax efficiency, avoidance of realized gains
  - **Willing to do Anything, Able to do Nothing...**
    - Subsidiaries freed from capital investment decisions
    - Send “All Cash to Omaha”

# Semper Vic Partners' Model Portfolio

## Performance Review Semper Vic Partners, L.P. December 31, 1992 to April 14, 2022

	ENDING MARKET VALUE	CONTRIBUTIONS WITHDRAWALS	TOTAL PORTFOLIO	EQUITY HOLDINGS	DJITR	SP500T	MSCIEAFE	MSCIEXUS	MSCIEM
<b>Monthly</b>									
April	781,849,623	(1,702,226)	(1.9)	(2.0)	(0.6)	(3.0)	(2.7)	(2.4)	(2.0)
March	798,916,851	(46,539)	0.7	0.8	2.5	3.7	0.8	0.2	(2.3)
February	792,875,442	186,690	(2.2)	(2.2)	(3.3)	(3.0)	(1.8)	(2.0)	(3.0)
January	810,161,706	(25,038,187)	(2.8)	(2.9)	(3.2)	(5.2)	(4.8)	(3.7)	(1.9)
<b>Quarterly</b>									
Second	781,849,623	(1,702,226)	(1.9)	(2.0)	(0.6)	(3.0)	(2.7)	(2.4)	(2.0)
First	798,916,851	(24,898,036)	(4.3)	(4.3)	(4.1)	(4.6)	(5.8)	(5.3)	(7.0)
<b>Yearly</b>									
04/14/2022	781,849,623	(26,600,262)	(6.2)	(6.2)	(4.7)	(7.5)	(8.4)	(7.6)	(8.8)
12/31/2021	858,414,358	(59,769,251)	18.1	19.2	20.9	28.7	11.8	8.3	(2.5)
12/31/2020	778,590,057	(68,547,495)	5.1	6.1	9.7	18.4	8.3	11.1	18.3
12/31/2019	809,421,482	(92,149,483)	24.7	25.8	25.3	31.5	22.7	22.1	18.4
12/31/2018	726,365,967	(48,278,488)	(12.2)	(11.6)	(3.5)	(4.4)	(13.4)	(13.8)	(14.6)
12/31/2017	869,225,972	(36,316,528)	27.1	28.3	28.1	21.8	25.6	27.8	37.3
12/31/2016	711,956,861	(364,035)	2.7	3.5	16.5	12.0	1.5	5.0	11.2
12/31/2015	688,169,584	(28,163,143)	5.1	5.9	0.2	1.4	(0.4)	(5.3)	(14.9)
12/31/2014	677,189,085	(59,278,700)	6.4	7.4	10.0	13.7	(4.5)	(3.4)	(2.2)
12/31/2013	687,743,731	(14,727,546)	22.1	23.3	29.7	32.4	23.3	15.8	(2.6)
12/31/2012	572,340,496	1,110,777	24.4	25.6	10.2	16.0	17.9	17.4	18.2
12/31/2011	456,300,208	16,088,195	6.9	8.0	8.4	2.1	(11.7)	(13.3)	(18.4)
12/31/2010	407,423,106	2,578,856	21.5	22.8	14.1	15.1	8.2	11.6	18.9
12/31/2009	329,754,141	(28,080,294)	26.1	27.3	22.7	26.5	32.5	42.1	78.5
12/31/2008	287,323,541	(32,659,859)	(31.3)	(31.0)	(31.9)	(37.0)	(43.1)	(45.2)	(53.4)
12/31/2007	454,642,793	1,398,047	7.9	8.9	8.9	5.5	11.6	17.1	39.9
12/31/2006	420,334,077	(6,785,049)	21.1	22.2	19.1	15.8	26.9	27.2	31.6
12/31/2005	353,988,239	(248,736)	3.4	4.4	1.7	4.9	14.0	17.1	35.0
12/31/2004	342,608,040	3,168,832	12.1	13.4	5.3	10.9	20.7	21.4	25.1
12/31/2003	302,479,334	(995,095)	33.8	35.4	28.3	28.7	39.4	41.4	55.5
12/31/2002	227,082,318	(2,040,889)	(0.7)	0.2	(15.1)	(22.1)	(15.7)	(14.7)	(5.6)
12/31/2001	230,792,035	(28,203,294)	0.3	1.4	(5.4)	(11.9)	(21.2)	(19.5)	N/A
12/31/2000	257,666,755	(109,166,801)	15.9	19.1	(4.7)	(9.1)	(14.0)	(15.1)	N/A
12/31/1999	331,664,015	11,443,539	(2.0)	(1.2)	27.2	21.0	27.3	30.9	N/A
12/31/1998	326,544,792	(8,882,906)	24.1	26.1	18.1	28.6	20.3	14.5	N/A
12/31/1997	272,112,842	30,834,100	24.9	28.9	24.9	33.4	2.1	2.0	N/A

**Performance Review**  
**Semper Vic Partners, L.P.**  
**December 31, 1992 to April 14, 2022**

	ENDING MARKET VALUE	CONTRIBUTIONS WITHDRAWALS	TOTAL PORTFOLIO	EQUITY HOLDINGS	DJITR	SP500T	MSCIEAFE	MSCIEXUS	MSCIEM
12/31/1996	187,327,981	9,653,686	19.4	22.1	28.8	23.0	6.4	6.7	N/A
12/31/1995	146,884,620	17,052,429	23.9	28.0	36.9	37.6	11.6	9.9	N/A
12/31/1994	102,055,506	15,881,446	12.8	15.6	5.0	1.3	8.1	6.6	N/A
12/31/1993	75,053,207	18,159,144	22.7	27.2	16.7	10.1	32.9	34.9	N/A
TIME-WEIGHTED CUMULATIVE RETURN			2,219.4	3,317.2	1,955.5	1,690.2	519.7	562.5	N/A
COMPOUND ANNUALIZED RETURN			11.3	12.8	10.9	10.4	6.4	6.7	N/A

\* TOTAL PORTFOLIO RETURNS NET OF FEES CHARGED

\* EQUITY HOLDINGS RETURNS NOT NET OF FEES CHARGED

FISCAL YEAR ENDS 12/31

INCLUDED FOR PERFORMANCE REFERENCE ARE THE FOLLOWING INDICES:

DJITR - Dow Jones Industrial Average  
 SP500T - S&P 500  
 MSCIEAFE - MSCI Europe, Australasia, Far East  
 MSCIEXUS - MSCI All Country World ex US  
 MSCIEM - MSCI Emerging Markets

CLIENT TOTAL RETURNS INCLUDE DIVIDEND INCOME, AS DO RETURNS FOR ABOVE REFERENCED INDICES.

Semper Vic Partners' "global value" equity investment style is value-oriented and long-term-minded. Semper Vic Partners has provided over the years considerable exposure to foreign companies that evidence a strong "capacity to reinvest." Indices against which Partnership performance is compared will not precisely mirror composition or investing style of the Partnership. Compound annual returns for Semper Vic Partners, L.P., as other returns of the major indices, are expressed with dividends reinvested. Reported Partnership net-of-fees performance will be impacted by the presence of non-billed, family accounts. Past performance is not a guarantee of future results and does not diminish possibility of loss.

Semper Vic Partners, L.P. portfolio performance as represented on this table is generated by Gardner Russo & Quinn LLC's in-house accounting system, Advent APX. You will note slight differences from the reported performance on reports produced by the Partnership's administrator, Stone Coast Fund Services. These minor differences are a result of partnership accounting rules applied by the Fund administrator.

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**Portfolio Valuation**  
**Semper Vic Partners, L.P.**  
**April 14, 2022**

UNITS	SECURITY	PRICE	MARKET VALUE	UNIT COST	TOTAL COST	GAIN/LOSS	% OF ASSETS	ANNUAL INCOME	% YIELD
<b>CASH AND EQUIVALENTS- usd</b>									
	Cash And Cash Equivalents		14,437,141		14,437,141		1.8	0	0.0
	Dividends Accrued		1,707,562		1,707,562		0.2	0	0.0
	PAS Admin Cash Account		1,000		1,000		0.0	0	0.0
			<u>16,145,704</u>		<u>16,145,704</u>	<u>0</u>	<u>2.1</u>	<u>0</u>	<u>0.0</u>
<b>COMMON STOCKS- usd</b>									
281	Berkshire Hathaway Inc Cl A	516,435.00	145,118,235	58,796.59	16,521,842	128,596,393	18.6	0	0.0
666,000	Nestle SA Sponsored ADR	131.09	87,302,610	15.13	10,074,591	77,228,019	11.2	1,704,598	2.0
31,550	Alphabet Inc Cl C	2,545.06	80,296,643	1,238.46	39,073,546	41,223,097	10.3	0	0.0
198,750	Mastercard Inc Cl A	357.82	71,116,725	22.99	4,568,645	66,548,080	9.1	389,550	0.5
468,500	Compagnie Financiere Richemont SA	126.75	59,382,425	17.96	8,412,005	50,970,420	7.6	658,243	1.1
546,250	Philip Morris International Inc	101.77	55,591,863	24.86	13,580,224	42,011,639	7.1	2,731,250	4.9
660,000	Heineken Holding NV	77.97	51,458,865	27.07	17,866,440	33,592,425	6.6	619,080	1.2
241,750	Pernod Ricard	211.70	51,179,525	58.28	14,088,576	37,090,948	6.5	594,222	1.2
84,500	Martin Marietta Materials	364.82	30,827,290	13.47	1,138,058	29,689,232	3.9	206,180	0.7
642,000	Unilever PLC ADR	44.66	28,671,720	27.17	17,444,854	11,226,866	3.7	1,273,600	4.4
200,750	J.P. Morgan Chase	126.12	25,318,590	87.96	17,656,982	7,661,608	3.2	803,000	3.2
389,715	Comcast Corp New Cl A	47.58	18,542,640	10.73	4,181,638	14,361,002	2.4	420,892	2.3
287,500	Brown-Forman Corp Cl A	64.26	18,474,750	3.74	1,074,026	17,400,724	2.4	216,775	1.2
240,000	Ashtead Group PLC	59.72	14,333,352	57.64	13,833,887	499,465	1.8	133,920	0.9
136,500	Alibaba Group Hldg Ltd Sponsored ADR	95.49	13,034,385	236.78	32,319,945	(19,285,560)	1.7	0	0.0
7,400	Cable One Inc	1,428.00	10,567,200	1,978.18	14,638,549	(4,071,349)	1.4	81,400	0.8
10,845	Netflix Inc	341.13	3,699,555	363.08	3,937,635	(238,080)	0.5	0	0.0
			<u>764,916,371</u>		<u>230,411,443</u>	<u>534,504,929</u>	<u>97.8</u>	<u>9,832,708</u>	<u>1.3</u>
<b>WARRANTS- usd</b>									
990,000	Compagnie Financiere Richemont Warrants Expiring 11/15/23	0.80	787,548	0.00	0	787,548	0.1	0	0.0
			<u>787,548</u>		<u>0</u>	<u>787,548</u>	<u>0.1</u>	<u>0</u>	<u>0.0</u>
<b>TOTAL ASSETS</b>			<u><b>781,849,623</b></u>		<u><b>246,557,146</b></u>	<u><b>535,292,477</b></u>	<u><b>100.0</b></u>	<u><b>9,832,708</b></u>	<u><b>1.3</b></u>

## Performance Contribution by Security

Gross of Fees | US Dollar

12/31/2021 - 4/14/2022

Semper Vic Partners, L.P.

Classification	Portfolio		
	Avg Wgt	Return	Contrib
Berkshire Hathaway Inc Cl A	17.70	14.60	2.36
Nestle SA Sponsored ADR	11.14	-5.19	-0.59
Alphabet Inc Cl C	11.08	-12.04	-1.32
Mastercard Inc Cl A	9.33	-0.13	-0.02
Compagnie Financiere Richemont SA	8.03	-15.68	-1.35
Philip Morris International Inc	6.83	8.54	0.49
Pernod Ricard	6.75	-11.99	-0.87
Heineken Holding NV	6.74	-15.48	-1.10
Martin Marietta Materials	4.31	-17.03	-0.78
Unilever PLC ADR	4.10	-16.18	-0.71
J.P. Morgan Chase	3.91	-19.28	-0.80
Comcast Corp New Cl A	2.42	-4.46	-0.11
Brown-Forman Corp Cl A	2.31	-4.93	-0.11
Alibaba Group Hldg Ltd Sponsored ADR	1.94	-19.64	-0.40
Ashtead Group PLC	1.83	-25.89	-0.53
Cable One Inc	1.41	-18.87	-0.29
Compagnie Financiere Richemont Warrants Expiring 11/15/23	0.12	-27.52	-0.04
Netflix Inc	0.04	-6.05	-0.03
<b>Security Total</b>	<b>100.00</b>		<b>-6.19</b>

### Disclosure

*\* Sample Portfolio's "global value" equity investment style is value-oriented and long-term-minded. Sample Portfolio has provided over the years considerable exposure to foreign companies that evidence a strong "capacity to reinvest." Indices against which Partnership performance is compared will not precisely mirror composition, risk or investing style of the Partnership. The Partnership is more highly concentrated than the indices given that it has a portfolio of approximately twenty issuers. Compound annual returns for Sample Portfolio, as other returns of the major indices, are expressed with dividends reinvested. Sample Portfolio's historic results shown above are for Sample Portfolio, a general partnership, through July 16, 1990, and for its successor limited partnership, Sample Portfolio, thereafter. Annual returns are limited partner returns and are expressed net of all expenses. Reported Partnership net-of-fees performance will be impacted by the presence of non-billed, family accounts. Any results that include Sample Portfolio estimated monthly performance (including year-to-date and compound annual performance) are unaudited. Past performance is not a guarantee of future results and does not diminish possibility of loss.*

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