**Value Investor Conference: Omaha, Nebraska – May 4th, 2012**

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 *(These notes are to the best of my recollection and trusty ink pen. Discrepancies are due to my error in understanding & transcribing.)*

**Jeff Auxier, Auxier Focus Fund – 'Value of Cumulative Research (Over Time)'**

*Jeff is the founder and portfolio manager for Auxier.*

* Influences:
	+ Call to Buffett in 1982
	+ Graham - 'The Intelligent Investor', SEC Filings, Annual reports
	+ Templeton - 'The Humble Approach'
	+ Fisher - 'Conservative Investors Sleep Well'
	+ Robert Pamplin - Pres. of Georgia Pacific (Jeff's first job was mowing for him)
* Frame work to endure
	+ Rational business approach
	+ Margin of Safety
	+ Double play (dividends + depressed price) vs. torpedo
* Investing - craft of the specific
	+ Focus on the important and knowable
	+ Determining odds of outcomes
	+ Price dictates capital allocation
	+ Get away from Wall Street
	+ Long term focus is invaluable
	+ Ego & emotion are the enemy (Isaac Newton & South Sea Bubble)
	+ Compounding most underappreciated concept
* Understand accounting - the language of business
	+ Importance of ledgers
	+ lesson from Pamplin - your brain is the calculator
	+ Ben Franklin - the idea of a 'moral ledger' as well
* Misperception of risk
	+ Buffett quote - risk is not knowing what you are doing....
	+ Carlos Slim quote - I never take risk
	+ In 2009, the distressed debt market had 50% loss protection (1930's worst case was 5%)
	+ Diversification does not work when there is easy money and assets are inflated
	+ Research the entire capital structure (could go to 0)
	+ Adequate compensation for risk taken
	+ Risk of easy money bubbles
	+ Avoid hottest companies in hottest industries
	+ Want *inspired* management in an *uninspired* industry
* Crisis is Opportunity
	+ Since 1947, recessions occur less than 5% of time
	+ 91'-98' Small Banks were #1 asset class
* Q&A
	+ Best ideas now?
		- Tesco at less than real estate value
	+ How many stocks do you hold?
		- Normally 20-30
	+ When should you sell?
		- At estimate of full value
	+ What do you like about Avon?
		- Going into emerging markets, where they will have more consumption