

October 13, 2017

### Genius of Warren Buffett (GOB) Investment Fund Letter Update Fall 2017

Seven years ago, Louis Pol, Dean of the University of Nebraska at Omaha (UNO) School of Business Administration, envisioned a unique graduate level elective course to be offered to his Executive MBA students. The course would focus on Warren Buffett's investment philosophy and leadership principles, which would include an in-depth study of his conglomerate Berkshire Hathaway. From that vision, the **Genius of Warren Buffett (GOB): The Science of Investing and the Art of Managing Executive MBA** program was created from my assorted books (*Warren Buffett Wealth*, *Warren Buffett CEO*, *101 Reasons to Own Berkshire Hathaway*) and my worldwide lectures and has become a one of a kind course offered exclusively at UNO.

UNO, formerly known as the Municipal University of Omaha, is where a young twenty something year old Warren Buffett began teaching investing courses. Making the course even more special, the course is taught in Mammel Hall which was funded by the generous donations of one of Berkshire's first employees and early shareholders.

So far, GOB has had over 270 graduates in the program representing all six continents and over 35 countries. These students have been immersed in how Warren Buffett chooses investments by studying in-depth cases on his investment decisions from the beginning of his career to today. Students also closely study Buffett's investment mistakes, his corporate governance and philanthropic practices, how he uses insurance float to Berkshire's benefit, and the systems and culture at Berkshire. Many of these GOB graduates which we refer to as "Lifelong Learners" have traveled half way around the world to take the program multiple times.

Enrolled Executive MBA students at UNO take the course along with Lifelong Learners from around the globe, use the case study method by exploring, analyzing and valuing actual businesses and stocks purchased by Warren Buffett, reviewing the same financial information available at the time of Berkshire's original purchase.

Participants also enjoy as many as six Q&A sessions with Executives at Berkshire subsidiaries, including CEOs, a CFO and a Marketing Director, a longtime business journalist from Omaha who has covered Berkshire for over 25 years along with a family subsidiary manager who all discuss the Berkshire System and a variety of other topics. Also joining the class is a Buffett family philanthropist who explains what it was like growing up with a genius and the vast responsibility of giving money away to meaningful causes.

As a final exam, Executive MBAs and Lifelong Learners present a stock or business they think fits into the Berkshire family of businesses. To reward the best investment pitches, beginning in the Fall of 2014, a \$1,000 prize or tuition credit scholarship is awarded to the winner. So far,



\$7,000 has been awarded. Learning investment research sources, methods, and metrics, selecting and presenting an investment, defending it and attacking other competing investment ideas are all often cited as the most rewarding part of the program.

Degree seeking students then form teams, select one stock by debating whether Buffett would buy it, and complete a 30 page comprehensive investment research report, which becomes a significant part of their overall grade.

In the fall of 2014, the Genius of Buffett (GOB) Investment Fund was created as a teaching tool and to invest in the stocks recommended by both Executive MBAs and Lifelong Learners in their final exam. Keeping with the buy and hold principles taught in the course, investments are held for 10 years by the University of Nebraska Foundation. Dividends and stock splits, if any, are reinvested. After 10 years, 10 percent of the fund will be liquidated and donated back to UNO for the unrestricted use of the UNO EMBA program.

I believe what makes this fund so unique is that equity investments are selected and managed by enrolled Executive MBA students, funded by donors, overseen by UNO CBA Finance Department Chair, held in a separate foundation brokerage account, will have unrestricted distributions, all ensure this fund is like no other.

In just 3 years, I am pleased to report that the GOB Investment Fund, mostly through donations and capital appreciation now has a balance of **\$76,192**. Donations have been given by UNO Dean Louis Pol and his wife Janet, 2011 GOB graduate and investment manager Michael Shearn, other graduates from around the world, Value Investor Conference speakers, and last but not least, myself. With its current balance, future bi-annual contributions and modest growth, the fund is on target to reach \$200,000 by 2024, the first year distributions begin.

The hope for the GOB Investment Fund is to one day welcome a donation of a single Class A Share from a long time Berkshire Hathaway shareholder and admirer of Warren Buffett. This will ensure that Warren Buffett's investment and management principles and methods and the Berkshire System will continued to be academically researched, published and taught for many generations to come.

Please consider a tax deductible donation today.

Robert Miles

Executive in Residence, College of Business Administration, University of Nebraska at Omaha;  
Genius of Warren Buffett Executive MBA Program; Donor, GOB Investment Fund

GOB Investment Fund: <http://cba2.unomaha.edu/ExecMgmt/BuffettGenius/fund.html>  
University of Nebraska Foundation: <https://nufoundation.org/uno>