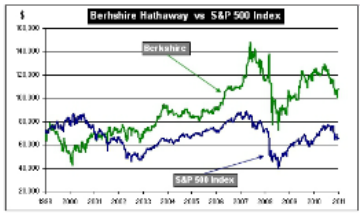
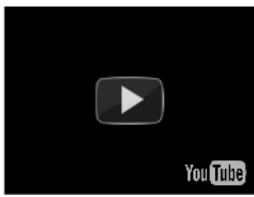


The Numbers.
 -Berkshire has a market value of about \$200 billion
 -They hold around \$20 billion in cash
 -To be considered for acquisition by Berkshire Hathaway, a company must earn at least \$75 million a year.



The Numbers
 - Berkshire has averaged a 20.3 percent annual return since 1965, compared with 9.3 percent for the Standard & Poors 500 Index.
 - Cumulatively, that's 434,057% for Berkshire, 5,430% for the S&P
 - In 1998, Berkshire Hathaway yielded its largest return of recent years at 48.3%

The Numbers.
 -Berkshire Hathaway has the most expensive stock price in the world, which is now trading around \$140,000 a share.
 -It is held by Seaboard Corp., which usually trades around \$200 a share.



Warren Buffett.
Politics
 -Warren is well known for "The Buffett rule"
 -The Buffett Rule is a tax plan to keep individuals who are making more than \$1 million a year from having a lower effective tax rate than middle income individuals and families
 -It was named after Warren because in 2011, he spoke out against the fact that he was paying a lower effective tax rate than his secretary



Warren Buffet
Philanthropy
 -In 2006, Warren Buffett signed "The Giving Pledge" a pledge to gradually give away 99% of his wealth to charitable causes
 -He recently gave \$1.52 billion to the Bill & Melinda Gates foundation
 -He also got 11 more billionaires to pledge to donate more than half of their wealth to charity



Warren Buffett.
Wealth
 -Warren Buffet is the second richest man in America and is the third richest man in the world
 -His net worth in 2012 is about \$44 billion
 -He is #20 on Forbes' Most Powerful People in the World list



BERKSHIRE HATHAWAY INC.

BERKSHIRE HATHAWAY Harvard Case
Solution & Analysis

TheCaseSolutions.com

The Background.

- Berkshire Hathaway is a multinational conglomerate holding company.
- It was founded in Cumberland, Rhode Island in 1839 by Oliver Chace under the name "Valley Falls Company"
- They are now headquartered in Omaha, Nebraska
- According to the 2012 Forbes Global 2000 list, Berkshire Hathaway is the eighth largest public company in the world.

The History.

- The Valley Falls Company was founded in 1839 by Oliver Chace as a textile manufacturing company
- In 1929, Valley Falls merged with Berkshire Cotton Manufacturing Company.
- The company became known as the Berkshire Fine Spinning Associates.
- In 1955, Berkshire Fine Spinning Associates merged with Hathaway Manufacturing company and became known as Berkshire Hathaway.
- They were still a textile manufacturing company.

The Companies.

-Berkshire Hathaway has about 73 subsidiary companies currently in its holding

-The most notable of these companies being:

- GEICO Auto Insurance
- Benjamin Moore & Co.
- Fruit of the Loom
- Dairy Queen
- The Pampered Chef

The Hist

-The Valley Fa

company

-In 1929, Valle

-The company

-In 1955, Berk

and became kn

-They were str

The People.

-Marc Hamburg

- Senior Vice President, CFO since 1992
- Also a director at Lubrizol Corporation and MidAmerican Energy Holdings Company

The People.

-Charlie Munger

- Vice Chairman at Berkshire Hathaway
- Also Chairman at Daily Journal Corporation
- Was Chairman and CEO at Wesco Financial Corporation until 2011
 - Both Daily Journal Corporation and Wesco Financial Corporation are owned by Berkshire Hathaway
- He is also a director of Costco Wholesale Corporation



The People.

- Warren Buffet

- Primary shareholder, CEO and chairman
- Currently the third richest man in the world, behind Bill Gates and Carlos Slim Helu
- Warren is worth around \$44 billion

